



Medical Fee Dispute Resolution Findings and Decision

General Information

Requester Name

Complete Surgery
Mesquite

Respondent Name

Hartford Underwriters Insurance Co

MFDR Tracking Number

M4-25-1821-01

Carrier's Austin Representative

Box Number 47

DWC Date Received

April 8, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
November 18, 2024	24358 (repair elbow)	\$1,428.81	\$1,428.42

Requester's Position

The requester submitted a copy of their reconsideration that states, "**Hartford** sent an Explanation of Benefits ("EOB") that indicates the Texas Medical Fee Guideline was utilized however the amount allowed and paid is less than the fee schedule. It appears Hartford calculated the allowed rate at 153% of the Medicare instead of 235% of Medicare as the claim was billed."

Amount in Dispute: \$1,428.81

Respondent's Position

"The Austin carrier representative for Hartford Underwriters Insurance Co is Burns Anderson Jury & Brenner. The representative was notified of this medical fee dispute on April 15, 2025.

Per 28 Texas Administrative Code §133.307(d)(1), if the DWC does not receive the response within 14 calendar days of the dispute notification, then the DWC may base its decision on the available information.

As of today, no response has been received from the insurance carrier or its representative. We

will base this decision on the information available.

Findings and Decision

Authority

This medical fee dispute is decided according to [Texas Labor Code §413.031](#) and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation (DWC).

Statutes and Rules

1. [28 TAC §133.307](#) sets out the procedures for resolving medical fee disputes.
2. [28 TAC §134.402](#) sets out the fee guidelines for ambulatory surgical centers.

Denial Reasons

The insurance carrier reduced/denied the payment for the disputed services with the following claim adjustment codes:

- 7 – The cost of the supply is included in the value of another procedure performed on the same date of service.
- 97 – The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated.
- 183 – Reimbursement based on surgical center rate schedule.
- 193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.
- 243 – The charge for this procedure was not paid since the value of this procedure is included/bundled within the value of another procedure performed.
- P12 – Workers' compensation jurisdictional fee schedule adjustment.
- 1001 – Based on the corrected billing and/or additional information/documentation now submitted by the recommending further payment to be made fore the above note procedure code.
- 1014 – The attached billing has been re-evaluated at the request of the provider. Based on this re-evaluation, we find our original review to be correct. Therefore, no additional allowance appears to be warranted.

Issues

1. What rule applies for determining reimbursement for the disputed services?
2. Is the requester entitled to additional reimbursement?

Findings

1. The requester is seeking additional reimbursement for surgery rendered in November, 2024 in an ambulatory surgical center. The insurance carrier reduced the payment of the disputed service based on the workers compensation fee schedule.

DWC Rule 28 TAC §134.402 (d) requires Texas workers' compensation system participants when coding, billing, reporting and reimbursement to apply Medicare payment policies in effect on the date of service.

The Medicare payment policy applicable to the services in dispute is found at www.cms.gov, Claims processing Manual, Chapter 4, Section 10.1.2 specifically Ambulatory Surgical Center Services on ASC list. Beginning with the implementation of the 2008 revised payment system, the labor related adjustments to the ASC payment rates are based on the Core-Based Statistical Area (CBSA) methodology. Payment rates for most services are geographically adjusted using the pre-reclassification wage index values that CMS uses to pay non-acute providers. The adjustment for geographic wage variation will be made based on a 50 percent labor related share.

DWC Rule 28 TAC §134.402 (f) states in pertinent part the reimbursement calculation used for establishing the MAR shall be the Medicare ASC reimbursement amount determined by applying the most recently adopted and effective Medicare Payment System Policies for Services Furnished in Ambulatory Surgical Centers and Outpatient Prospective Payment System reimbursement formula and factors as published annually in the Federal Register.

Procedure Code 24358 has a payment indicator of G2 – Non office-based surgical procedure added in 2008 or later; payment based on OPPS relative payment rate. DWC Rule 28 TAC 134.402 (f) (2) states in pertinent part reimbursement for non-device intensive procedures shall be the Medicare ASC facility reimbursement amount multiplied by 235 percent. The following formula was used to calculate the MAR:

- The Medicare ASC reimbursement for code 24358 is \$1,518.75 for applicable date of service.
- The Medicare ASC reimbursement is divided by 2 = \$759.375.
- This number multiplied by the CBSA for Mesquite, Texas of 0.9625 = \$730.898.
- Add these two together = \$1,490.27.
- To determine the MAR, multiply the geographically adjusted Medicare ASC reimbursement by the DWC payment adjustment factor of 235% = \$3,502.14

2. The DWC finds the MAR for CPT code 24358 is \$3,502.14. The respondent paid \$2,073.72. An additional payment of \$1,428.42 is recommended. .

Conclusion

The outcome of this medical fee dispute is based on the evidence presented by the requester and the respondent at the time of adjudication. Though all evidence may not have been discussed, it was considered.

DWC finds the requester has established that additional reimbursement is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requester is entitled to additional reimbursement for the disputed services. It is ordered that Hartford Underwriters Insurance Co must remit to Complete Surgery Mesquite \$1,428.42 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

_____	_____	July 3, 2025
Signature	Medical Fee Dispute Resolution Officer	Date

Your Right to Appeal

Either party to this medical fee dispute has a right to seek review of this decision under 28 TAC §133.307, which applies to disputes filed on or after **June 1, 2012**.

A party seeking review must submit DWC Form-045M, *Request to Schedule, Reschedule, or Cancel a Benefit Review Conference to Appeal a Medical Fee Dispute Decision (BRC-MFD)* and follow the instructions on the form. You can find the form at www.tdi.texas.gov/forms/form20numeric.html. DWC must receive the request within **20 days** of when you receive this decision. You may fax, mail, or personally deliver your request to DWC using the contact information on the form or the field office handling the claim. If you have questions about DWC Form-045M, please call CompConnection at 1-800-252-7031, option 3 or email CompConnection@tdi.texas.gov.

The party seeking review of the MFDR decision must deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with DWC. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** with any other required information listed in 28 TAC §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 1-800-252-7031, opción 3 o correo electrónico CompConnection@tdi.texas.gov.