



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

Global Anesthesia Services

**Respondent Name**

Tri-State Insurance Company of Minnesota

**MFDR Tracking Number**

M4-25-1848-01

**Carrier's Austin Representative**

Box Number 19

**DWC Date Received**

April 11, 2025

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
October 18, 2024	01630 QZ	\$119.01	\$119.01
<b>Total</b>		\$119.01	\$119.01

### Requestor's Position

"We received partial payment for the services rendered. The carrier did not issue the full allowable for CRNA anesthesia services. A reconsideration request was sent to the carrier explaining their error, and they responded stating the claim was paid correctly."

**Amount in Dispute: \$119.01**

### Respondents' Position

"It remains the carrier's position that it has paid all of the monies owed pursuant to the medical fee guidelines. The provider is not entitled to any additional monies."

**Response submitted by:** Flahive, Ogden & Latson

## 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 §134.203](#) sets out the reimbursement guidelines for anesthesia services.

### Denial Reasons

The insurance carrier reduced or denied the disputed service(s) with the following claim adjustment codes.

- 222 – Charge exceeds Fee Schedule allowance
- 608 – Non physicians shall be reimbursed at 85% of the maximum allowable payment for physicians
- 664 – Non-Medically directed CRNA service reimbursed @ 100% of Anesthesia Value.
- 172 – Payment is adjusted when performed/billed by a provider of this specialty
- P12 – Workers' compensation jurisdictional fee schedule adjustment
- W3 – TDI Level 1 Appeal means a request for reconsideration under 133.250 of this title or an appeal of an adverse determination under Chapter 19, Subchapter U of this title.

### Issues

1. What rule is applicable to reimbursement?

### Findings

1. The requestor billed CPT code 01630 QZ defined as "Anesthesia rendered for open or arthroscopic surgical procedures involving the humeral head and neck, sternoclavicular joint, acromioclavicular joint and shoulder joint." The requestor billed the disputed anesthesiology service using the "QZ" modifier that is described as "CRNA service: without medical direction by a physician." The insurance carrier made a reduction in the payment based on 85% of the maximum allowable for a physician.

DWC Rule 28 TAC §134.203(a)(5) states, "Medicare payment policies" when used in this section, shall mean reimbursement methodologies, models, and values or weights including its coding, billing, and reporting payment policies as set forth in the Centers for Medicare and Medicaid Services (CMS) payment policies specific to Medicare."

DWC Rule 28 TAC 134.203(b)(1) states, "For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following: (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; ...

Review of the Medicare Claims Processing Manual, at <https://www.cms.gov/regulations-and-guidance/guidance/manuals/downloads/clm104c12.pdf>, Section 140.4.2 states the following, "*In unusual circumstances when it is medically necessary for both the CRNA and the anesthesiologist to be completely and fully involved during a procedure, full payment for the services of each provider is allowed. The physician would report using the AA modifier and the CRNA would report using the QZ modifier.*"

DWC Rule 28 TAC §134.203(c)(1) states, "...To determine to MAR for professional services, system participants shall apply the Medicare payment policies with minimal modification...For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is \$53.68..."

To determine the MAR the following formula is used: (Time units + Base Units) x Conversion Factor = Allowance. The Division reviewed the submitted medical bill and found the anesthesia started at 13:20 and ended at 15:00, for a total of 100 minutes.

Per Medicare Claims Processing Manual, Chapter 12, Physicians/Nonphysician Practitioners, Payment for Anesthesiology Services Section (50)(G) states, "Actual anesthesia time in minutes is reported on the claim. For anesthesia services furnished on or after January 1, 1994, the A/B MAC computes time units by dividing reported anesthesia time by 15 minutes. Round the time unit to one decimal place."

Therefore, the requestor has supported  $100 \div 15 = 7$

The base unit for CPT code 01630 is 5.

The DWC Conversion Factor for 2024 is \$67.81

The MAR for CPT code 01630 is: (Base Unit of 5 + Time Unit of 7 x DWC conversion factor \$67.81 = \$813.72.

Previously paid by the respondent is \$674.37. The difference between the MAR and amount paid is \$139.35. The requestor is seeking the lesser amount of \$119.01. This amount is recommended for reimbursement.

### Conclusion

The outcome of this medical fee dispute is based on the evidence presented by the requestor 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 requestor is entitled to additional reimbursement for the disputed services. It is ordered that Tri-State Insurance Company of Minnesota must remit to Global Anesthesia Services PLL \$119.01 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

### Authorized Signature

_____ Signature	_____ Medical Fee Dispute Resolution Officer	_____ May , 2025 Date
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### 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](http://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](mailto: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](mailto:CompConnection@tdi.texas.gov).