



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

Doctors Hospital at Renaissance

**Respondent Name**

American Zurich Insurance Co

**MFDR Tracking Number**

M4-25-1927-01

**Carrier's Austin Representative**

Box Number 19

**DWC Date Received**

April 18, 2025

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
August 1, 2024	80053	\$0.00	\$0.00
August 1, 2024	82150	\$0.00	\$0.00
August 1, 2024	83690	\$0.00	\$0.00
August 1, 2024	G0480	\$0.00	\$0.00
August 1, 2024	83605	\$0.00	\$0.00
August 1, 2024	85027	\$0.00	\$0.00
August 1, 2024	85610	\$0.00	\$0.00
August 1, 2024	85730	\$0.00	\$0.00
August 1, 2024	86900	\$0.00	\$0.00
August 1, 2024	86901	\$0.00	\$0.00
August 1, 2024	86850	\$0.00	\$0.00
August 1, 2024	72170	\$193.88	\$0.00
August 1, 2024	73590	\$160.26	\$0.00
August 1, 2024	73552	\$320.52	\$0.00
August 1, 2024	73562	\$0.00	\$0.00
August 1, 2024	71045	\$8.01	\$8.01
August 1, 2024	70450	\$79.51	\$6.02
August 1, 2024	72125	\$0.00	\$0.00
August 1, 2024	71260	\$173.53	\$33.53
August 1, 2024	74177	\$402.92	\$0.00
August 1, 2024	99284	\$39.06	\$39.06

August 1, 2024	Q9967	\$0.00	\$0.00
August 1, 2024	ED TRAUMA CONSULT	\$0.00	\$0.00
<b>Total</b>		\$1,377.69	\$86.62

### **Requestor's Position**

“According to TWCC guidelines, Rule §134.403 states that the reimbursement calculation used for establishing the MAR shall be by applying the Medicare facility specific amount.”

**Amount in Dispute:** \$1,377.69

### **Respondent's Position**

“Our initial response to the above referenced medical fee dispute resolution is as follows: We have escalated the bills in question for manual review to determine if additional monies are owed.”

#### **Supplemental response submitted May 5, 2025**

“The bills in question were escalated and review completed. Our bill audit company has determined that no further payment is due. ...The total fee schedule is \$1,732.84”

**Response submitted by:** Gallagher Bassett

### **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 Texas Administrative Code \(TAC\) §133.307](#) sets out the procedures for resolving medical fee disputes.
2. [28 TAC §134.403](#) sets out the rules and fee guidelines for outpatient hospital services.

#### Denial Reasons

- 45 – Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement.
- P12 – Workers’ compensation jurisdictional fee schedule adjustment.
- P24 – Payment adjusted based on Preferred Provider Organization (PPO)
- 93 – No claim level adjustments.
- 197 – Precertification/authorization/pre-treatment absent.
- 97/TX618 – The benefit for this service is included in the payment/allowance for another

service/procedure that has already been adjudicated.

- TX616 – This code has a status Q APC indicator and is packaged into other APC codes that have been identified by CMS.
- W3/TX350 – In accordance with TDI-DWC Rule 134.804, this bill has been identified as a request for reconsideration or appeal.
- XXPDC – This bill was reviewed in accordance with your Coventry contract.

### Issues

1. Is the respondents reduction supported?
2. What is the rule applicable to reimbursement?
3. Is the requester entitled to additional reimbursement?

### Findings

1. The requestor is seeking additional payment of outpatient emergency room charges rendered in August of 2024. The respondent included remark codes related to a contracted rate. Review of the information known to the Division and the documents submitted to MFDR do not support that the injured employee is enrolled in a certified health network. The reduction in payment is not supported.
2. DWC Rule 28 TAC §134.403 (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](http://www.cms.gov), Claims processing Manual, Chapter 4, Section 10.1.1. Specifically, Payment Status Indicators and Ambulatory Payment Category (APC).

DWC Rule 28 TAC §134.403 (e)(2) states in pertinent part, regardless of billed amount, if no contracted fee schedule exists that complies with Labor Code §413.011, the maximum allowable reimbursement (MAR) amount under subsection (f) of this section including any applicable outlier payment amounts and reimbursement for implantables.

DWC Rule 28 TAC §134.403 (f) states in pertinent part the reimbursement calculation used for establishing the MAR shall be the Medicare facility specific amount, including outlier payment amounts, determined by applying the most recently adopted and effective Medicare Outpatient Prospective Payment System (OPPS) reimbursement formula and factors as published annually in the *Federal Register*.

The sum of the Medicare facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by: (A) 200 percent; unless (B) a facility or surgical implant provider requests separate reimbursement in accordance with subsection (g) of this section, in which case the facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by 130 percent. Review of the submitted medical bill found a request for implants is not applicable.

The Medicare facility specific amount is calculated when the APC payment rate is multiplied by 60% to determine the labor portion. This amount is multiplied by the facility wage index for the date of service. The non-labor amount is determined when the APC payment rate is multiplied by 40%. The sum of the labor portion multiplied by the facility wage index and the non-labor portion determines the Medicare specific amount. Review of the submitted medical bill and the applicable fee guidelines referenced above are shown below.

- Procedure codes 72170, 73590, 73552, 73562 have status indicator Q1 and is packaged into procedure code 99284 with a "V" status indicator. No separate payment is recommended.
- Procedure codes 70450, 72125, 71260 and 74177 have a status indicator of Q3 which allows a single composite payment. The composite APC is 8006 with an Addendum A rate of \$427.60, multiplied by 60% for an unadjusted labor amount of \$256.56, in turn multiplied by facility wage index of 0.8758 for an adjusted labor amount of \$224.69.

The non-labor portion is 40% of the APC rate, or \$171.04.

The sum of the labor and non-labor portions is \$395.73.

The Medicare facility specific amount is \$395.73 multiplied by 200% for a MAR of \$791.46

- Procedure code 71045 has status indicator status S. This code is assigned APC 5521. The OPPS Addendum A rate is \$86.58. This is multiplied by 60% for an unadjusted labor amount of \$51.95, in turn multiplied by facility wage index 0.8758 for an adjusted labor amount of \$45.50.

The non-labor portion is 40% of the APC rate, or \$34.63.

The sum of the labor and non-labor portions is \$80.13.

The Medicare facility specific amount is \$80.13 multiplied by 200% for a MAR of \$160.26.

- Procedure code 99284 has status indicator J2, when 8 or more hours observation billed but as no observations hours were billed, this code is assigned APC 5024, Status Indicator V. The OPPS Addendum A rate is \$422.00 multiplied by 60% for an unadjusted labor amount of \$253.20, in turn multiplied by facility wage index 0.8758 for an adjusted labor amount of \$221.75.

The non-labor portion is 40% of the APC rate, or \$168.80.

The sum of the labor and non-labor portions is \$390.55.

The Medicare facility specific amount is \$390.55 multiplied by 200% for a MAR of \$781.10.

3. The total recommended reimbursement for the disputed services is \$1,732.82. The insurance carrier paid \$1,646.20. The amount due is \$86.62. This amount is recommended.

## 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 American Zurich Insurance Co., must remit to Doctors Hospital at Renaissance \$86.62 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

### Authorized Signature

		May 16, 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](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 electronico [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov).