



Medical Fee Dispute Resolution Findings and Decision

General Information

Requester Name

Marcus Hayes, D.C.

Respondent Name

SFM Mutual Insurance Co.

MFDR Tracking Number

M4-25-2236-01

Carrier's Austin Representative

Box Number 48

DWC Date Received

May 14, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
October 21, 2024	97110	\$310.00	\$0.00
October 21, 2024	97530	\$112.00	\$0.00
October 21, 2024	97124	\$55.00	\$0.00
October 24, 2024	97110	\$310.00	\$0.00
October 24, 2024	97530	\$112.00	\$0.00
October 24, 2024	97124	\$55.00	\$0.00
October 25, 2024	97110	\$310.00	\$0.00
October 25, 2024	97530	\$112.00	\$0.00
October 25, 2024	97124	\$55.00	\$0.00
October 30, 2024	97110	\$310.00	\$0.00
October 30, 2024	97530	\$112.00	\$0.00
October 30, 2024	97124	\$55.00	\$0.00
October 31, 2024	97110	\$310.00	\$0.00
October 31, 2024	97530	\$112.00	\$0.00

October 31, 2024	97124	\$55.00	\$0.00
November 4, 2024	97110	\$310.00	\$0.00
November 4, 2024	97530	\$112.00	\$0.00
November 4, 2024	97124	\$55.00	\$0.00
November 6, 2024	97110	\$310.00	\$0.00
November 6, 2024	97530	\$112.00	\$0.00
November 6, 2024	97124	\$55.00	\$0.00
November 8, 2024	97110	\$310.00	\$0.00
November 8, 2024	97530	\$112.00	\$0.00
November 8, 2024	97124	\$55.00	\$0.00
November 11, 2024	97110	\$310.00	\$0.00
November 11, 2024	97530	\$112.00	\$0.00
November 11, 2024	97124	\$55.00	\$0.00
November 12, 2024	97110	\$310.00	\$0.00
November 12, 2024	97530	\$112.00	\$0.00
November 12, 2024	97124	\$55.00	\$0.00
November 18, 2024	97110	\$310.00	\$0.00
November 18, 2024	97530	\$112.00	\$0.00
November 18, 2024	97124	\$55.00	\$0.00
November 20, 2024	97110	\$310.00	\$0.00
November 20, 2024	97530	\$112.00	\$0.00
November 20, 2024	97124	\$55.00	\$0.00
Total		\$5,724.00	\$0.00

Requester's Position

"I am writing about a most recent incident with the claimant's insurance company stating that our bills have 'never been received' therefore never been paid from 2024. The original bill was mailed certified to PO BOX 2831 Clinton, IA 52733 on 01/14/2025 and a certificate #... was received that the insurance company received the bills on 01/21/2025- signed and dated by their staff. On 03/05/2025 a voicemail and email was left to adjuster ... to check status of payment, she never reached back confirm so on 04/16/2025 another call was place and per the new adjuster ... the bills were never received and needed to be submitted so a Past due/Reconsideration was mailed via certified mail again with proof of receipt of past bills and a new certificate #... was received that the insurance company received the bills on 04/24/2025- signed and dated by their staff again, a new call was placed to their billing department on 05/07/2025 where we were told again

that these bills were never received once again. Attached are the original bills and a copy of both receipt certificates for your review.”

Amount in Dispute: \$5,724.00

Respondent's Position

“We have escalated the bills in question for manual review to determine if additional monies are owed. We will provide a supplemental response once the bill auditing company has finalized their review.”

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 Medical Fee Dispute Resolution requests.
2. [28 TAC §134.203](#) sets out the fee guidelines for professional medical services.

Adjustment Reasons

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

- 163 - THE CHARGE FOR THIS PROCEDURE EXCEEDS THE UNIT VALUE AND/OR THE MULTIPLE PROCEDURE RULES.
- 119 - BENEFIT MAXIMUM FOR THIS TIME PERIOD OR OCCURRENCE HAS BEEN REACHED.
- P12 - WORKERS' COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT.

Issues

1. Have the disputed services received reimbursement as of the date of this review?
2. Is the insurance carrier’s reimbursement reduction reason supported?
3. Is the requestor entitled to additional reimbursement for any of the services in dispute?

Findings

1. The requestor is seeking reimbursement in the amount of \$5,724.00 for therapy services rendered from October 21, 2024, through November 20, 2024.

A review of the submitted explanation of benefits (EOB) documents dated January 28, 2025, and February 2, 2025, finds that the services in dispute have received reimbursements in the total amount of \$4,613.04 as of the date of this review. DWC finds that the reimbursements were made in the form of six separate checks, each in the amount of \$768.84. DWC finds that the "pay to" name and address on the checks matches the Billing Provider name and address in field #33 of the CMS 1500 medical billing form.

Per review of the medical bills and EOBs, charges and reimbursements per CPT code were as follows:

- For CPT code 97110 x 5 units – charges = \$310.00 per each disputed date of service; reimbursements = \$229.05 per each disputed date of service.
- For CPT code 97530 x 2 units – charges = \$112.00 per each disputed date of service; reimbursements = \$112.00 per each disputed date of service.
- For CPT code 97124 x 1 unit – charges = \$55.00 per each disputed date of service; reimbursements = \$43.37 per each disputed date of service.

DWC finds that CPT codes 97110 and 97124 received reduced reimbursements on all disputed dates of service.

DWC finds that CPT code 97530 has received payment in full on all disputed dates of service, therefore, this CPT code will not be further reviewed in this medical fee dispute resolution process.

2. An examination of the EOBs submitted finds that CPT codes 97110 and 97124 received reduced reimbursements on all disputed dates of service. The insurance carrier reduced the reimbursements based on multiple procedure rules.

The fee guidelines applicable to the services in dispute are found at 28 TAC §134.203, which states in pertinent part, "(a)(5) '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."

Medicare Claims Processing Manual Chapter 5, 10.3.7-effective June 6, 2016, titled Multiple Procedure Payment Reductions (MPPR) for Outpatient Rehabilitation Services, states:

Full payment is made for the unit or procedure with the highest PE payment.

For subsequent units and procedures with dates of service prior to April 1, 2013, furnished to the same patient on the same day, full payment is made for work and malpractice and 80 percent payment is made for the PE for services submitted on professional claims (any claim submitted using the ASC X12 837 professional claim format or the CMS-1500 paper claim form) and 75 percent payment is made for the PE for services submitted on institutional claims (ASC X12 837 institutional claim format or Form CMS-1450).

For subsequent units and procedures with dates of service on or after April 1, 2013, furnished to the same patient on the same day, full payment is made for work and malpractice and 50 percent payment is made for the PE for services submitted on either professional or institutional claims.

To determine which services will receive the MPPR, contractors shall rank services according to the applicable PE relative value units (RVU) and price the service with the highest PE RVU at 100% and apply the appropriate MPPR to the remaining services.

When the highest PE RVU applies to more than one of the identified services, contractors shall additionally sort and rank these services according to highest total fee schedule amount, and price the service with the highest total fee schedule amount at 100% and apply the appropriate MPPR to the remaining services.

Review of the Medicare policies finds that the multiple procedure payment reduction (MPPR) applies to the Practice Expense (PE) of certain time-based physical therapy codes when more than one unit or procedure is provided to the same patient on the same day. Medicare publishes a list of the codes subject to MPPR annually.

CPT code 97110 is described as, "Therapeutic procedure, 1 or more areas, each 15 minutes; therapeutic exercises to develop strength and endurance, range of motion and flexibility."

CPT code 97124 is described as, "Therapeutic procedure, 1 or more areas, each 15 minutes; massage, including effleurage, petrissage and/or tapotement (stroking, compression, percussion)."

The requestor appended the above CPT codes with modifier "GP" which indicates the service was delivered by a physical therapist or under an outpatient physical therapy plan of care.

DWC finds that CPT Codes 97110 and 97124 are subject to the MPPR policy. Therefore, DWC finds that the insurance carrier's reason for reduced reimbursements of the therapy services in dispute is supported for all dates of service in question.

3. The requester is seeking reimbursement in the amounts of \$310.00 per date of service for CPT code 97110 and is seeking \$55.00 per date of service for CPT code 97124. As established previously, these CPT codes received a reduced payment on all disputed dates of service. Calculation of the maximum allowable reimbursement (MAR) for CPT codes 97110 and 97124 is shown below to determine whether the requester is entitled to additional reimbursement.

As discussed in finding number two above, CPT Codes 97110 and 97124 are subject to the MPPR policy. DWC completed NCCI edits and found that on the disputed dates of service no conflicts exist with the billing of CPT codes 97110, 97530 and 97124 together.

Of the three procedure codes billed on each disputed date of service, CPT code 97530 is found to have the highest PE/RVU of the therapeutic services. As established in finding number one, this procedure code has previously received payment in full and will not be further reviewed for additional reimbursement. CPT codes 97110 and 97124 will receive reimbursement at the MPPR discounted rate in accordance with Medicare Claims Processing Manual Chapter 5.

The MPPR Rate File that contains the payments for 2024 services is found at www.cms.gov/Medicare/Billing/TherapyServices/index.html.

28 TAC §134.203, which applies to the reimbursement of the services in dispute, states in pertinent part, "(c) To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications. (1) 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 \$52.83. For Surgery when performed in a facility setting, the established conversion factor to be applied is \$66.32. (2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors, and shall be effective January 1st of the new calendar year..."

To determine the MAR the following formula is used:

$(\text{DWC Conversion Factor} / \text{Medicare Conversion Factor}) \times \text{Medicare Payment} = \text{MAR}$.

- The 2024 DWC Conversion Factor is 67.81
- The 2024 Medicare Conversion Factor is 33.2875 on the dates of service in question.
- MPPR rates are published by carrier and locality.
- The disputed therapy services were rendered in zip code 77581, locality 09, Brazoria.

CPT code 97110 x 5 units rendered on twelve dates of service from October 21, 2024, through November 20, 2024:

- The Medicare Participating MPPR amount in locality 09 is \$22.49 per unit.
- Using the above formula, DWC finds the MAR is \$45.81 per unit x 5 units = \$229.07 per each date of service.
- The insurance carrier issued payments in the amount of \$229.05 per each date of service.
- Additional reimbursement is not recommended.

CPT code 97124 x 1 unit rendered on twelve dates of service from October 21, 2024, through November 20, 2024:

- The Medicare Participating MPPR amount in locality 09 is \$21.29.
- Using the above formula, DWC finds the MAR is \$43.37 per each date of service.
- The insurance carrier issued payments in the amount of \$43.37 per each date of service.
- Additional reimbursement is not recommended.

DWC finds that the requester is not entitled to additional reimbursement for the services in dispute.

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 not established that additional reimbursement is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to reimbursement in the amount of \$0.00 for the disputed dates of service.

Authorized Signature:

August 12, 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, 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.tas.gov.