TDI Division of Workers' Compensation
PO Box 12050 | Austin, TX 78711 | 800-252-7031 | tdi.texas.gov/wc

Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name
Texas Anesthesia Partners, PLLC

Respondent Name
State Office of Risk Management

Carrier's Austin Representative
Box Number 45

MFDR Tracking Number
M4-25-2569-01

DWC Date Received
June 16, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
July 31, 2024	01392 QZ	$535.70	$535.70
July 31, 2024	64415 LT 59	$136.40	$136.40
	Total	$672.10	$672.10

Requestor's Position

"We were paid by BCBS and then we received a refund request from them notifying us this date of service should be billed to the patient's workers compensation carrier, State Office of Risk Management. We billed our claim to SORM as soon as we received this information. Our original claim was denied for timely filing. We sent a reconsideration request to the carrier, along with all support documents to show why we did not bill this claim by the timely filing deadline."

Amount in Dispute: $672.10

Respondent's Position

The Austin carrier representative for State Office of Risk Management is State of Texas. The representative was notified of this medical fee dispute on June 17, 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 §134.203 sets out the reimbursement guidelines for professional medical services.
3. 28 TAC §134.600 sets out the requirements of prior authorization.
4. 28 TAC §133.20 sets out requirements of medical bill submission.
5. 28 TAC §102.4 details the general rules for Non-Division Communication.
6. Texas Labor Code 408.0272 sets out the workers compensation timely billing and exceptions guidelines.

Denial Reasons

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

- 29 – The time limit for filing has expired.
- 197 – Payment denied/reduced for absence of precertification/preauthorization.
- W3 – Reporting purposes only
- 193 – Original payment decision is being maintained. Upon review it was determined that this claim was processed properly.

Issues

1. Did the requester support timely submission of the medical bill?
2. Was prior authorization required?
3. What rule is applicable to reimbursement?
4. Is the requester entitled to additional reimbursement?

Findings

1. The requestor is seeking medical fee dispute resolution in the amount of $672.10 for CPT codes 01392-QZ, 64415-LT -59 rendered on July 31, 2024.

The respondent denied reimbursement for the disputed services based upon 29-The time limit for filing has expired.

To determine if the disputed services are eligible for reimbursement the DWC refers to the following statute:

- TLC §408.027(a) states, "A health care provider shall submit a claim for payment to the insurance carrier not later than the 95th day after the date on which the health care services are provided to the injured employee. Failure by the health care provider to timely submit a claim for payment constitutes a forfeiture of the provider's right to reimbursement for that claim for payment."
- TLC §408.0272(b)(1) states "Notwithstanding Section 408.027, a health care provider who fails to timely submit a claim for payment to the insurance carrier under Section 408.027(a) does not forfeit the provider's right to reimbursement for that claim for payment solely for failure to submit a timely claim if: (1) the provider submits proof satisfactory to the commissioner that the provider, within the period prescribed by Section 408.027(a), erroneously filed for reimbursement with: (A) an insurer that issues a policy of group accident and health insurance under which the injured employee is a covered insured; (B) a health maintenance organization that issues an evidence of coverage under which the injured employee is a covered enrollee; or (C) a workers' compensation insurance carrier other than the insurance carrier liable for the payment of benefits under this title."

- 28 TAC §133.20(b) states, "Except as provided in Labor Code §408.0272(b), (c) or (d), a health care provider shall not submit a medical bill later than the 95th day after the date the services are provided. In accordance with subsection (c) of the statute, the health care provider shall submit the medical bill to the correct workers' compensation insurance carrier not later than the 95th day after the date the health care provider is notified of the health care provider's erroneous submission of the medical bill. A health care provider who submits a medical bill to the correct workers' compensation insurance carrier shall include a copy of the original medical bill submitted, a copy of the explanation of benefits (EOB) if available, and sufficient documentation to support why one or more of the exceptions for untimely submission of a medical bill under §408.0272 should be applied. The medical bill submitted by the health care provider to the correct workers' compensation

insurance carrier is subject to the billing, review, and dispute processes established by Chapter 133, including §133.307(c)(2)(A) - (H) of this title (relating to MDR of Fee Disputes), which establishes the generally acceptable standards for documentation."

The DWC reviewed the documentation submitted with the request for MFDR and finds:

- The date of service in dispute is July 31, 2024.
- CPT codes 01392-QZ, 64415-59-LT were denied reimbursement based upon time limit for filing claim had expired at the original adjudication by SORM.
- The requestor submitted a notification from Blue Cross Blue Shield dated January 31, 2025 notifying the provider of the correct workers compensation carrier. The submitted explanation of benefits from SORM indicates receipt of the medical bill on February 27, 2025. This date is within the 95-day timeline to submit a bill after notification of the correct workers compensation carrier.
- TLC §408.0272(b)(1) provides for the exception to timely filing based upon three scenarios noted above.
- The requestor supported that the bill was sent to an insurer that meets one of the exceptions for timely filing.
- The requestor supported that the claim was submitted to the respondent within the 95 day deadline set out in Texas Labor Code §408.0272(b)(1).
- The respondent's denial of payment based upon timely filing is not supported.

2. The insurance carrier processed a reconsideration on May 20, 2025 this time denying the claim for lack of prior authorization. DWC Rule 134.600 (p) identifies non-emergency health care requiring preauthorization. Anesthesia services are not identified as requiring prior authorization. The insurance carrier's denial at reconsideration is not supported. The insurance carrier did not respond to this request for MFDR in support of their denials.

3. The fee guidelines for disputed services are found at 28 TAC §134.203.

   - 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."
   - 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; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules."

   CPT code 01392-QZ is described as "Anesthesia for open or surgical arthroscopic procedures on humeral head and neck, sternoclavicular joint, acromioclavicular joint, and shoulder joint; not otherwise specified." The requestor appended modifier "QZ- CRNA service: without medical direction by a physician" to code 01630.

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…"
Per Medicare Claims Processing Manual, Chapter 12, Physicians/Nonphysician Practitioners, Payment for Anesthesiology Services, Section (50)(B), effective January 1, 2021, states, "The physician and the CRNA (or anesthesiologist's assistant) are involved in one anesthesia case and the services of each are found to be medically necessary. Documentation must be submitted by both the CRNA and the physician to support payment of the full fee for each of the two providers. The physician reports the AA modifier, and the CRNA reports the QZ modifier. "

Per Medicare Claims Processing Manual, Chapter 12, Physicians/Nonphysician Practitioners, Payment for Anesthesiology Services, Section (50)(G), effective January 1, 2021, states, "Actual anesthesia time in minutes is reported on the claim. For anesthesia services furnished, the A/B MAC computes time units by dividing reported anesthesia time by 15 minutes. Round the time unit to one decimal place." The requestor billed for 58 minutes; therefore, 58/15 = 3.9

To determine the MAR the following formula is used: (Time units + Base Units) X Conversion Factor = Allowance.

The 2024 DWC conversion factor for this service is 67.81. The anesthesia base unit for code 01392 is 4.

Code	Time Units	Base Units	MAR or §134.203 (h) Lesser of MAR billed amount	Carrier Paid	Total Due
01392	3.9	4	$1057.84 the requestor is seeking lesser of $535.70	$0.00	$535.70

CPT Code 64415 -LT -59 is described as "Injection(s), anesthetic agent(s) and/or steroid; brachial plexus."

Per the National Correct Coding Initiative Policy Manual for Medicare Services, Chapter 2, (B)(4) effective January 1, 2021, states, "Under certain circumstances, an anesthesia practitioner may separately report an epidural or peripheral nerve block injection (bolus, intermittent bolus, or

continuous infusion) for postoperative pain management when the surgeon requests assistance with postoperative pain management."

The submitted medical record "Encounter" indicates the block was for postoperative pain management.

28 TAC §134.203(c)(1) states "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."

To determine the MAR the following formula is used: (DWC Conversion Factor/Medicare Conversion Factor) X Medicare Payment = Maximum Allowable Reimbursement (MAR).

Review of Box 32 on the CMS-1500 finds that the services were rendered in zip code 76015 which is in Longview, Texas; therefore, the Medicare locality is 28.

- The carrier code for Texas is 4412 and the locality code for Arlington is 28.
- The Medicare participating amount for CPT code 64415 at this locality is $133.78
- The Place of Service is 22-outpatient hospital.
- The DWC conversion factor for 2024 is 67.81.
- The Medicare conversion factor for 2024 is 33.2875.

Using the above formula, the MAR is $272.52. The requester seeks $136.40. This amount is recommended.

4. The total MAR for the disputed services is $1,330.24. The requester indicates an amount in dispute of $672.10. 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 Texas Anesthesia Partners, PLLC has established that reimbursement is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the Texas Anesthesia Partners, PLLC is entitled to reimbursement for the disputed services. It is ordered that SORM must remit to Texas Anesthesia Partners, PLLC $672.10 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

_____	_____	August 26, 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 electronico CompConnection@tdi.texas.gov.