



Medical Fee Dispute Resolution Findings and Decision

General Information

Requester Name

Peak Integrated
Healthcare

Respondent Name

LM Insurance Corp

MFDR Tracking Number

M4-25-2622-01

Carrier's Austin Representative

Box Number 60

DWC Date Received

June 23, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
March 18, 2025	97110-GP	\$91.26	\$0.01
March 18, 2025	97112-GP	\$33.92	\$16.96
Total		\$125.18	\$16.97

Requester's Position

"After reconsideration we still have not received full payment, stating charge exceeds fee allowance. which is incorrect."

Amount in Dispute: \$125.18

Respondent's Position

"We have again reviewed payment for the services of March 18, 2025, by Peak Integrated Healthcare and determined that reimbursement was issued according to the guidelines provided by the Texas Medical Fee Schedule. No additional payment is due as this was reimbursed with the multiple payment reduction applied."

Response Submitted by: Liberty Mutual Insurance

Findings and Decision

Authority

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

Statutes and Rules

1. [28 Texas Administrative Code \(TAC\) §133.305](#) sets out the procedures for resolving medical disputes.
2. [28 TAC §133.307](#) sets out the procedures for resolving medical fee disputes.
3. [28 TAC §134.203](#) sets out the fee guideline for professional medical services.
4. [28 TAC §134.600](#) sets out the preauthorization guidelines for specific treatments and services.

Denial Reasons

The insurance carrier reduced the 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 rule.
- 193 – Original payment decision is being maintained. Upon review it was determined that this claim was processed properly.
- 876 – Fee schedule amount is equal to the charge.

Issues

1. Are the disputed physical therapy codes subject to CMS's MPPR rules?
2. Is the requester entitled additional to reimbursement?

Findings

1. The requester seeks additional reimbursement for CPT Codes 97110-GP and 97112-GP rendered on March 18, 2025. The insurance carrier issued partial payments for the services in dispute and the requester seeks additional reimbursement. The DWC will therefore determine if the disputed services are eligible for additional reimbursement.

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."

The disputed services are described as:

- CPT code 97110- "Therapeutic procedure, 1 or more areas, each 15 minutes; therapeutic exercises to develop strength and endurance, range of motion and flexibility."
- CPT code 97112 –"Therapeutic procedure, 1 or more areas, each 15 minutes; neuromuscular reeducation of movement, balance, coordination, kinesthetic sense, posture, and/or proprioception for sitting and/or standing activities."

The requestor appended the "GP" modifier to 97110 and 97112. The "GP" modifier is described as "Services delivered under an outpatient physical therapy plan of care."

Medicare Claims Processing Manual Chapter 5, 10.3.7-effective June 6, 2016, titled Multiple Procedure Payment Reductions 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 the 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.

The 2025 MPPR rate files are found at

<https://www.cms.gov/Medicare/Billing/TherapyServices/index.html>. Review of that list finds that CPT Codes 97110 and 97112 are subject to the MPPR policy.

The chart below outlines the ranking for PE payment for each of the codes billed by the health care provider.

CPT Code	Practice Expense
97110	0.43
97112	0.48

As shown above, CPT Code 97112 has the highest PE payment amount for the services billed, therefore, the reduced PE payment applies to all other services provided on the same day. The requester is therefore entitled to a reimbursement of 100% for the first unit of CPT code 97112 and 50% for the remaining units of CPT code 97112 and 97110.

2. 28 TAC §134.203 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..."

The MPPR Rate File that contains the payments for 2025 services is found at <https://www.cms.gov/Medicare/Billing/TherapyServices/index.html>.

- MPPR rates are published by carriers and locality.
- The services were provided in Dallas, TX.
- The carrier code for Texas is 4412 and the locality code for Dallas is 11.

CPT Code	Medicare Fee Schedule (1 st unit)	MPPR for subsequent units
97110		\$22.00
97112	\$32.27	\$24.45

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

- The 2025 DWC Conversion Factor is 70.18
- The 2025 Medicare Conversion Factor is 32.3465
- Per the medical bills, the services were rendered in zip code 75043, Dallas TX; therefore, the Medicare locality is "Dallas."

Date of Service	CPT Code	# Units	CMS Payment	MAR	Insurance Carrier Paid	Amount Sought	Recommended Amount
3/18/25	97110	6	\$22.00	\$47.73 x 6 = \$286.39	\$286.38	\$91.26	\$0.01
3/18/25	97112	2	1st Unit \$32.27 2nd Unit \$24.45	1 st Unit \$70.01 2 nd Unit \$53.05 = \$123.06	\$106.10	\$33.92	\$16.96
Total					\$392.48	\$125.18	\$16.97

Reimbursement of \$16.97 is recommended for the date of service March 18, 2025.

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 of \$16.97 is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requester is entitled to reimbursement for the disputed services. It is ordered that Respondent must remit to Requester \$16.97 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	August 12, 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. 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 three 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 tres o correo electrónico CompConnection@tdi.texas.gov.