



Medical Fee Dispute Resolution Findings and Decision

General Information

Requester Name

MHHS Hermann Hospital

Respondent Name

Bankers Standard Ins Co

MFDR Tracking Number

M4-25-2963-01

Carrier's Austin Representative

Box Number 15

DWC Date Received

July 18, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
July 13 – 18, 2024	Outpatient Facility Charges Entire bill	\$19,900.48	\$0.00

Requester's Position

"Hospital provided Outpatient Services to the patient spanning from 07/13/2024 through 07/18/2024 related to the patient's industrial injury (redacted date of injury). Payor has incorrectly reimbursed this bill at an unknown rate and not in accordance with the Texas Administrative Code. Effective March 1, 2008, the Texas Division of Workers' Compensation (DWC) incorporated (CMS' Outpatient Prospective Payment System (OPPS) reimbursement methodology into the Fee Schedule. As Hospital is not aware of any applicable PPO contract that would allow Payor to pay less than the appropriate rate, Hospital is expecting payment per the Texas Administrative Code at the correct CMS OPPS rate."

Amount in Dispute: \$19,900.48

Respondent's Position

"The Requestor has submitted information regarding the lack of payment of our outlier. However, outlier for outpatient services is determined based on a line-by-line scenario, date of service and APC status. The HCP has included calculations across three dates of service: however, the surgical procedure and bulk of the charges occurred on 7/16/24. The PT/OT services are not paid per APC but are paid per professional fee schedule. To further complicate the process, CPT code 27724 was not bundled, but denied due to its OPSI code status of "C". The provider's 80K charge for the one line/code of 27724 should not be included when calculating a possible outlier payment since the service was not billed correctly. As such, there is no Outlier payment due. ...Given no violation of the Workers' Compensation Act or division rules, CorVel respectfully requests the division issue a decision indicating the Requestor is entitled to \$0.00 additional reimbursement for date(s) of service 07/13/2024-07/17/2024 in the amount of \$140,519.50 based on the division rules regarding billing, coding and repricing referenced herein." "

Response submitted by: Corvel

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

- [28 Texas Administrative Code \(TAC\) §133.305](#) sets out the procedures for resolving medical disputes.
- [28 TAC §133.307](#) sets out the procedures for resolving medical fee disputes.
- [28 TAC §134.403](#) sets out the rules and fee guidelines for outpatient hospital services.

Denial Reasons

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

- O3P – Included in another billed procedure.
- 5 – Proc Code or Bill Type Inconsistent with POS
- GP – Service delivered under OP PT care plan
- P12 – Workers' Compensation State Fee Schedule Adj
- RN – Not paid under OPPS: service included in APC rate
- P14 – Payment is included in another svc/procedure occurring on same day.
- 234 – This procedure not paid separately.
- GO – Service delivered under OP OT care plan.

- RC – Not paid under OPPS: inpatient procedure.
- RZ0 – Status Indicator: Q4 Packaged Lab service.
- W3 – Appeal/Reconsideration

Issues

1. Is the requester's position supported?
2. Is the requester entitled to additional reimbursement?

Findings

1. The requester is seeking additional reimbursement for hospital charges billed under bill type "131," which corresponds to outpatient services rendered between July 13 and July 18, 2024. In their position statement, they assert that outpatient care was provided throughout this period.

However, review of the submitted medical records indicates the following:

- History & Physical (07/16/2024): Documents a post-operative admission for physical/occupational therapy (PT/OT) and pain management.
- Progress Notes (07/16/2024 and 07/17/2024): Confirm inpatient status and continued post-op care.
- Discharge Summary (07/18/2024): Confirms the patient was admitted on July 16, 2024, and discharged on July 18, 2024.
- Billing Summary: Includes 13 observation units billed for July 13, 2024, and 1 unit for July 16, 2024. No documentation supports observation-level care on either date.

The documentation supports a surgical procedure on July 16, followed by inpatient PT/OT on July 17, with discharge on July 18. There is no evidence supporting outpatient services during the dates billed.

Per DWC Rule 28 TAC §134.403(d), Texas workers' compensation system participants must follow Medicare payment policies in effect on the date of service. Medicare guidance requires accurate coding that reflects the actual level of care provided.

Given that the services were not properly supported as outpatient ("131" type of bill), the request for additional reimbursement for the "outpatient" services, is not supported.

2. DWC finds after review of the submitted information that MHHS Hermann Hospital has not supported they are entitled to additional reimbursement as the submitted medical bill was not supported by the medical records available at the time of review.

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 of \$19,900.48 is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requester is entitled to \$0.00 reimbursement for the disputed services.

Authorized Signature

		August 15, 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.