



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

Methodist Health Systems

**Respondent Name**

Zurich American Insurance Co of Illinois

**MFDR Tracking Number**

M4-25-3000-01

**Carrier's Austin Representative**

Box Number 19

**DWC Date Received**

July 22, 2025

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
January 21, 2025	Minor Surgery	\$767.40	\$0.00

### Requestor's Position

"Requesting review of unpaid date of service."

**Amount in dispute** \$767.40

### Respondent's Position

"The claimant had surgery. The service required preauthorization. The provider failed to request preauthorization. Rule 134.600 provides that an insurance carrier is liable for all reasonable and necessary medical cost relating to the healthcare if preauthorization of any health care listed in subsection p of this section that was approved prior to the providing the healthcare. Since the healthcare was not preauthorized, the provider is not entitled to reimbursement."

**Response Submitted by:** Flahive, Ogen & Latson

## 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 §133.307](#) sets out the procedures for resolving medical fee disputes.
2. [28 TAC §134.600](#) sets out the requirements of prior authorization.

### Denial Reasons

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

- 95 – Plan procedures not followed.
- P12 – Workers' compensation jurisdictional fee schedule adjustment.
- 197 – Precertification/authorization/notification absent.
- W3 – In accordance with TDI-DWC Rule 134.804, this bill has been identified as a request for reconsideration or appeal.

### Issues

1. Is Zurich American's denial based on lack of prior authorization supported?
2. Is Methodist Dallas Medical Center entitled to additional reimbursement?

### Findings

1. The requester has submitted a request to MFDR for date of service January 21, 2025 for services rendered in an outpatient hospital setting. The insurance carrier denied the charge for lack of prior authorization. DWC Rule 28 TAC 134.600 (p)(2) states in pertinent part, "Non-emergency health care requiring preauthorization includes: outpatient surgical or ambulatory surgical services..." Review of the submitted information found insufficient evidence that prior authorization was requested or received. The insurance carrier's denial is supported.
2. DWC finds Methodist Dallas Medical Center did not receive the required prior authorization for the disputed service. No payment 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 not established that reimbursement of \$767.40 is due.

## **Order**

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

## **Authorized Signature**

\_\_\_\_\_  
Signature

Medical Fee Dispute Resolution Officer

August 15, 2025  
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 electrónico [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov).