TDI Division of Workers' Compensation
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Medical Fee Dispute Resolution Findings and Decision

General Information

Requester Name
David West, DO

Respondent Name
AIU Insurance Corporation

MFDR Tracking Number
M4-25-3137-01

Carrier's Austin Representative
Box Number 19

DWC Date Received
July 30, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
May 27, 2025	99205-95	$481.98	$468.08

Requester's Position

"Designated doctor required testing does not require pre-authorization."

Amount in Dispute: $481.98

Respondent's Position

"The carrier's initial EOB dated June 12, 2025 denied the medical bill on the basis that the information submitted did not support this level of service billed and that the service lacks information or has submission billing errors. The carrier maintains its position."

Response Submitted by: Flahive, Ogden & Latson

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 established procedures for resolving medical disputes.
2. 28 TAC 133.307 specifies the process for resolving medical fee disputes.
3. 28 TAC 127.10 general procedures for Designated Doctor Examinations.
4. 28 TAC 133.30 telemedicine, telehealth, and teledentistry services.
5. 28 TAC 133.210 medical documentation
6. 28 TAC 134.600 preauthorization, concurrent utilization review, and voluntary certification of health care.
7. 28 TAC 134.203 provides the fee guidelines for professional medical services.
8. Texas Insurance Code (TIC) Chapter 1305 contains general provisions related to workers' compensation health care networks.
9. 28 TAC 141.1 provides the framework for dispute resolution and benefit review conferences.

Denial Reasons

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

- 150 – Payer deems the information submitted does not support this level of service.
- W3 – In accordance with TDI-DWC rule 134.804, this bill has been identified as a request for reconsideration or appeal.
- 16 – Claim/service lacks information or has submission billing error(s).
- 197 – Precertification/authorization/notification/pre-treatment absent.

Issues

1. What rules apply to the adjudication of the service in dispute?
2. Is the insurance carrier's denial reason supported by the evidence?
3. Is the requester entitled to reimbursement?

Findings

1. This dispute concerns an evaluation and management (E&M) service referred by a designated doctor and billed under CPT code 99205-95.

   The Division of Workers' Compensation (DWC) has determined that the following Texas Administrative Code (TAC) rules govern the service in question:

   - 28 TAC 127.10 outlines the general procedures for designated doctor examinations. Specifically, subsection (c) states that the designated doctor must perform any additional testing or referrals necessary to resolve the issue. If the designated doctor is not qualified to fully resolve the issue, referrals to other healthcare providers must be made. Further, under subsection (c)(4), any additional testing or referrals for injured employees covered by a certified workers' compensation network or political subdivision:
     - (A) are not required to be within the employee's network, and
     - (B) are not subject to network or out-of-network restrictions under Insurance Code §1305.101.
   - The disputed service includes Modifier -95, which indicates telemedicine/telehealth delivery. Consequently, 28 TAC 133.30, which governs telehealth and telemedicine services, also applies. This section requires providers to bill telehealth services according to applicable Medicare payment policies and allows reimbursement regardless of the injured employee's location during service delivery.
   - For reimbursement, 28 TAC 134.203(b)(1) applies, mandating that Texas workers' compensation system participants follow Medicare payment policies, including coding, billing, modifiers, and related guidelines effective on the service date.
   - Documentation requirements are established in 28 TAC 133.210(c)(1), which mandates that medical bills for the two highest-level E&M office visit codes, including CPT 99205, must include supporting documentation that satisfies the American Medical Association (AMA) guidelines for those codes.

2. The requester seeks reimbursement for CPT Code 99205-95 in the amount of $481.98 for services rendered on May 27, 2025.

   CPT code 99205 represents an outpatient evaluation and management visit for a new patient. This code is used when the visit involves a medically appropriate history and/or examination, along with a high level of medical decision-making (MDM). Alternatively, the code may be selected based on the total time spent on the encounter date, specifically 60 to 74 minutes.

According to AMA CPT guidelines, documentation supporting the use of CPT 99205 must include two of the following three key elements:

- High complexity or number of problems addressed,
- High complexity or amount of data reviewed and analyzed, or
- High risk of morbidity or mortality in patient management.

Alternatively, documentation of 60 to 74 minutes spent on the encounter date may justify the use of CPT 99205, even if the above elements are not fully met.

An interactive Evaluation and Management scoring tool is available through Novitas Solutions (E&M Score Sheet- Novitas Solutions E&M Score Sheet) to assist providers in accurately determining the appropriate code based on documentation.

Upon review, the submitted documentation supports billing under CPT code 99205-95 based on the high complexity medical decision-making criteria. Specifically:

- Multiple moderate to severe problems were addressed during the encounter.
- A high complexity of data was reviewed and analyzed, including multiple MRI reviews.

Although the risk level was assessed as moderate, this requirement is not mandatory if two other elements are met and time documentation (60-74 minutes) is absent, as is the case. Based on the high complexity MDM criteria being met, the requester is entitled to reimbursement for the services rendered under CPT code 99205.

The requester appended modifier -95 to support billing for a telemedicine visit. According to the Medicare Claims Processing Manual (Chapter 12, Section 30.6.1: Physicians/Nonphysician Practitioners),
"Modifier -95 identifies professional services rendered via telehealth with interactive audio and video," and
"Claims must include this modifier to qualify for telehealth reimbursement."

A review of the office consultation note confirms that the requester documented a telemedicine visit.

Additionally, the insurance carrier denied the office visit charge, citing lack of precertification, authorization, notification, or pre-treatment. However, 28 TAC 134.600 outlines the services requiring preauthorization, and office visits are not listed among them.

Since the insurance carrier's stated reasons for denying CPT Code 99205-95 are unsupported, the Division of Workers' Compensation (DWC) finds that the requester is entitled to reimbursement for the disputed office visit.

3. Per 28 TAC 134.203(c)(1), to determine the Maximum Allowable Reimbursement (MAR) for professional services, system participants must apply Medicare payment policies with minimal modifications. For service categories including Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery performed in an office setting, the established conversion factor is $53.68.

   The MAR is calculated using the formula:
   (DWC Conversion Factor ÷ Medicare Conversion Factor) × Medicare Payment = Maximum Allowable Reimbursement (MAR).

   - Date of service in dispute: May 27, 2025
   - The 2025 DWC Conversion Factor is 70.18
   - The 2025 Medicare Conversion Factor is 32.3465

   - The CMS-1500, box 32 indicates a service facility location with zip code 76053; the Medicare locality is Fort Worth – 04412-28.
   - The Medicare Participating amount at this locality is $215.74.
   - Using the above formula, the DWC finds the MAR is $468.08.
   - The requester seeks $481.98.
   - The respondent paid $0.00.
   - Reimbursement of $468.08 is recommended.

   The DWC finds that the requester is entitled to reimbursement for the disputed service. As a result, $468.08, is due.

Conclusion

The resolution of this medical fee dispute is determined by the evidence provided by both the requester and the respondent during the adjudication process. While not all evidence may have been thoroughly discussed, all relevant information was considered in reaching a decision.

DWC finds that the requester is entitled to reimbursement for CPT code 99205-95.

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 the respondent must remit to the requester $468.08 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

		August 21, 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 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 512-804-4812.