



Medical Fee Dispute Resolution Findings and Decision

General Information

Requester Name

Baylor Surgicare at Blue Star

Respondent Name

Great American Alliance Insurance

MFDR Tracking Number

M4-25-3200-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

August 6, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
August 20, 2024	23410	\$2886.48	\$2,886.05
August 20, 2024	29806	\$5180.15	\$5,179.28
Total		\$8066.63	\$8,065.33

Requester's Position

"This case is underpaid and will need to be sent back for review and the additional payment that is due to our facility. The remittance advice sent to our office does not list any direct contract, discount or payment negotiations agreement, or give any indication as to how you validate the amount you paid."

Amount in Dispute: \$8,066.63

Respondent's Position

"We are attaching a copy of the provider's initial medical bill, the carrier's EOB be dated October 3, 2024, the carrier's EOBs dated January 16, 2025, the provider's request for reconsideration in the carrier's EOB dated June 10, 2025. Those EOBs indicate that the carrier has reimbursed the provider at the correct reimbursement rate. The provider is not entitled to any additional monies."

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 §134.402](#) sets out the fee guidelines for ambulatory surgical centers.

Denial Reasons

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

- 790 – This charge was reimbursed in accordance to the Texas Medical Fee Guideline.
- P12 – Workers' compensation jurisdictional fee schedule adjustment.
- 350 – Bill has been identified as a request for reconsideration or appeal.
- 375 – Please: See special *Note* below.
- 790 – This charge was reimbursed in accordance to the Texas Medical Fee Guideline.
- W3 – In accordance with TDI-DWC Rule 134.804, this bill has been identified as a request for reconsideration or appeal.
- Uphold: Upon further review, no additional allowance is warranted.

Issues

1. Is the insurance carriers' reduction supported?
2. Is the requester entitled to additional reimbursement?

Findings

1. The requester is seeking additional reimbursement for surgery rendered on August 20, 2024 in an ambulatory surgical center. The insurance carrier reduced payment of the service based on Texas Workers compensation fee schedule. DWC Rule 28 TAC §134.402 (d) requires Texas workers' compensation system participants when coding, billing, reporting and reimbursement to apply Medicare payment policies in effect on the date of service.

The Medicare payment policy applicable to the services in dispute is found at www.cms.gov, Claims processing Manual, Chapter 4, Section 10.1.2 specifically Ambulatory Surgical Center Services on ASC list. Beginning with the implementation of the 2008 revised payment system, the labor related adjustments to the ASC payment rates are based on the Core-Based Statistical Area (CBSA) methodology. Payment rates for most services are geographically

adjusted using the pre-reclassification wage index values that CMS uses to pay non-acute providers. The adjustment for geographic wage variation will be made based on a 50 percent labor related share.

DWC Rule 28 TAC §134.402 (f) states in pertinent part the reimbursement calculation used for establishing the MAR shall be the Medicare ASC reimbursement amount determined by applying the most recently adopted and effective Medicare Payment System Policies for Services Furnished in Ambulatory Surgical Centers and Outpatient Prospective Payment System reimbursement formula and factors as published annually in the Federal Register...

DWC Rule 28 TAC 134.402 (f) (1) (A) states in pertinent part, Reimbursement for non-device intensive procedures shall be the Medicare ASC facility reimbursement amount multiplied by 235 percent.

The following formula was used to calculate the MAR:

- **Procedure Code 29806** has a payment indicator of A2. Indicator A2 is defined in Addendum DD1 at www.cms.gov as, "Surgical procedure on ASC list in CY 2007; payment based on OPPS relative payment weight."
- The Medicare ASC reimbursement for code 29806 for applicable date of service found in Addendum AA at www.cms.gov is \$3,392.54.
- The Medicare ASC reimbursement is divided by 2 = \$1,696.27.
- This number multiplied by the CBSA (Dallas-Plano-Irving) 19124 or 0.9625, for Frisco Texas of 0.9625 = \$1,632.66.
- Add these two together = \$3,328.93.
- To determine the MAR, multiply the geographically adjusted Medicare ASC reimbursement by the DWC payment adjustment factor of 235% = \$7,822.98. The insurance carrier paid \$2,643.70. Additional payment in the amount of \$5,179.28 is due to the requester.
- **Procedure Code 23410** has a payment indicator of A2 as defined above.
- The Medicare ASC reimbursement for code 29806 for applicable date of service is \$3,392.54. Addendum AA indicates this procedure is subject to Multiple Procedure Discounting. Payment will be 50% of the MAR.
- The Medicare ASC reimbursement for code 23410 for applicable date of service found in Addendum AA at www.cms.gov is \$3,392.54.
- The Medicare ASC reimbursement is divided by 2 = \$1,696.27.
- This number multiplied by the CBSA (Dallas-Plano-Irving) 19124 or 0.9625, for Frisco Texas of 0.9625 = \$1,632.66.

- Add these two together = \$3,328.93.
- To determine the MAR, multiply the geographically adjusted Medicare ASC reimbursement by the DWC payment adjustment factor of 235% = \$7,822.98 reduced by 50% is \$3,911.49. The insurance carrier paid \$1,025.44. Additional payment in the amount of \$2,886.05

2. The DWC finds the MAR for CPT codes is \$7,822.98 + \$3,911.49 = \$11,734.47. The respondent paid \$3,669.14. An additional payment of \$8,065.33 is due to the requester.

Conclusion

The outcome of this medical fee dispute is based on the evidence presented by the requester 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 \$8,065.33 is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requester is entitled to additional reimbursement for the disputed services. It is ordered that Great American Alliance Insurance must remit to Baylor Surgicare at Blue Star \$8,065.33 plus applicable accrued interest within 30 days of receiving this order in accordance with [28 TAC §134.130](#).

Authorized Signature

		November 17, 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 electrónico CompConnection@tdi.texas.gov.