



Medical Fee Dispute Resolution Findings and Decision

General Information

Requester Name

Legent Outpatient Surgery
Frisco

Respondent Name

AIU Insurance Co.

MFDR Tracking Number

M4-25-3457-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

August 29, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
September 4, 2024	29888	\$0.00	\$0.00
September 4, 2024	29882	\$566.29	\$0.00
Total		\$566.29	\$0.00

Requester's Position

"We have only been paid \$8,810.11. We are owed an additional \$566.29 to be in compliance with the TX WC FS rules, regulation and administrative codes."

Amount in Dispute: \$566.29

Respondent's Position

"The Carrier has reviewed the documentation and contends the Provider has been reimbursed at the appropriate Maximum Allowable Reimbursement amount per the applicable Division-adopted fee schedule for the admission and implants. CPT code 29882 is subject to the cascading multiple procedure rule under the primary procedure. No additional reimbursement is warranted."

Response submitted by: Constitution State Services

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 \(TAC\) §133.307](#) sets out the procedures for resolving medical fee disputes.
2. [28 TAC §133.305](#) sets out general Medical Dispute Resolution guidelines.
3. [28 TAC §134.402](#) sets out the fee guidelines for ambulatory surgical centers.

Adjustment Reasons

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

- 1001 - Based on the corrected billing and/or additional information/documentation now submitted by the provider, we are recommending further payment to be made for the above noted procedure code.
- P12 - WORKERS' COMPENSATION JURISDICTIONAL FEE SCHEDULE ADJUSTMENT.
- 170 - REIMBURSEMENT IS BASED ON THE OUTPATIENT/INPATIENT FEE SCHEDULE.
- 2008 -ADDITIONAL PAYMENT MADE ON APPEAL/RECONSIDERATION.
- 303 - MULTIPLE PROCEDURE GUIDELINES (CASCADE) WERE APPLIED TO THIS PROCEDURE.
- W3 - BILL IS A RECONSIDERATION OR APPEAL.

Issues

1. What are the procedure codes to be considered in this medical fee dispute resolution (MFDR) review?
2. What Rule applies to the reimbursement of the service in dispute?
3. Is the requester entitled to additional reimbursement for the disputed service?

Findings

1. The requester submitted this medical fee dispute resolution (MFDR) request in accordance with 28 TAC §133.307. A review of the DWC060 Medical Fee Dispute Resolution (MFDR) Request form finds that the amount in dispute for CPT code 29888 was left blank and CPT code 29882 is

found to be in dispute in the amount of \$566.29. Due to the amounts in dispute displayed on the DWC060 request form, DWC finds that the only procedure code to be reviewed in the MFDR process will be CPT code 29882.

2. This medical fee dispute involves charges for surgical services rendered in a licensed ambulatory surgical center. The requester, Legent Outpatient Surgery Frisco, is requesting additional reimbursement for surgical procedure code 29882.

DWC Rule 28 TAC §134.402 (d), which applies to the disputed service, 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 "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. Reimbursement shall be based on the fully implemented payment amount as in ADDENDUM AA, ASC COVERED SURGICAL PROCEDURES FOR CY 2008, published in the November 27, 2007, publication of the Federal Register, or its successor. The following minimal modifications apply:

(1) Reimbursement for non-device intensive procedures shall be:

(A) The Medicare ASC facility reimbursement amount multiplied by 235 percent;
or

(B) if an ASC facility or surgical implant provider requests separate reimbursement for an implantable reimbursement for the non-device intensive procedure shall be the sum of:

(i) the lesser of the manufacturer's invoice amount or the net amount (exclusive of rebates and discounts) plus 10 percent or \$1,000 per billed item add-on, whichever is less, but not to exceed \$2,000 in add-on's per admission; and

(ii) the Medicare ASC facility reimbursement amount multiplied by 153 percent."

3. The requester is seeking additional reimbursement in the amount of \$566.29 for procedure code 29882 rendered on September 4, 2024, in a licensed ambulatory surgical center. On the disputed date of service, the requester billed for one unit of procedure code 29888-RT and

one unit of procedure code 29882-RT. Separate reimbursement for implants was requested on the medical bill. The implants have received separate reimbursement and are not in dispute.

In accordance with 28 TAC §134.402, the MAR for the service in dispute billed under CPT code 29882 is calculated as follows:

Procedure Code 29882 has a payment indicator of A2 indicating "a surgical procedure on ASC list in CY 2007; payment based on OPPS relative payment weight." Because the implants have previously received separate reimbursement, in accordance with DWC Rule 28 TAC §134.402 (f)(1)(B), reimbursement for this non-device intensive procedure shall be based on the Medicare ASC facility reimbursement amount multiplied by 153 percent. Per the ASC Addendum AA for the applicable date of service, the Medicare facility reimbursement amount is \$1,518.96.

Per the ACS addendum AA for the applicable date of service, DWC finds that CPT code 29882 is subject to the Medicare multiple procedure payment reduction (MPPR) rule. A review of the [Medicare Claims Processing Manual – Chapter 14, Section 40.5 – Payment for Multiple Procedures](#), finds that when more than one surgical procedure is performed in the same operative session, special payment rules apply. When the ASC performs multiple surgical procedures in the same operative session that are subject to the multiple procedure discount, contractors pay 100 percent of the highest paying surgical procedure on the claim, plus 50 percent of the applicable payment rate(s) for the other ASC covered surgical procedures subject to the multiple procedure discount that are furnished in the same session.

Per CMS, multiple surgeries are reimbursed as follows:

- 100 percent of the fee schedule amount for the highest valued procedure; and
- 50 percent of the fee schedule amount for the second through the fifth highest valued procedures

DWC Rule 28 TAC 134.402 (f) (1) states in pertinent part "(1) Reimbursement for non-device intensive procedures shall be: ... (B) if an ASC facility or surgical implant provider requests separate reimbursement for an implantable, reimbursement for the non-device intensive procedure shall be ... (ii) the Medicare ASC facility reimbursement amount multiplied by 153 percent."

The following formula is used to calculate the MAR:

- The Medicare ASC reimbursement for code 29882 for applicable date of service is \$1,518.96.
- The Medicare ASC reimbursement is divided by 2 = \$759.48.
- This number multiplied by the CBSA for Dallas, Plano, Irving, Texas region of 0.9625 = \$731.00.
- Add these two together, \$759.48 + \$731.00 = \$1,490.48, which is the geographically adjusted Medicare ASC rate.
- To determine the MAR for CPT code 29882, multiply the geographically adjusted Medicare ASC reimbursement of \$1,490.48 by the DWC payment adjustment

factor of 153% = \$2,280.43.

- Because this procedure was furnished in the same session as another primary procedure billed under CPT code 29888, the disputed CPT code 29882 is subject to MPPR discounting; therefore, the MAR is fifty percent of \$2,280.43, or \$1,140.22.
- The insurance carrier paid \$1,140.06.
- Additional reimbursement is not recommended.

DWC finds that the requester is not entitled to additional reimbursement for CPT code 29882 rendered on September 4, 2024.

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 not established that additional reimbursement is due.

Order

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

Authorized Signature

_____	_____	September 24, 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.