TDI Division of Workers' Compensation
PO Box 12050 | Austin, TX 78711 | 800-252-7031 | tdi.texas.gov/wc

Medical Fee Dispute Resolution Findings and Decision

General Information

Requester Name
Methodist Health Systems

Respondent Name
AIU Insurance Company

MFDR Tracking Number
M4-26-0086-01

Carrier's Austin Representative
Box Number 19

DWC Date Received
September 9, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
April 21, 2025 to April 24, 2025	Outpatient hospital services	$24,545.00	$0.00

Requester's Position

"Requested retro-authorization for emergency procedure."

Amount in Dispute: $24,545.00

Respondent's Position

"This letter acknowledges receipt of your Liberty Health Care Network (HCN) complaint on 9/11/2025. Complaints must be made no later than 90 days after the date of the issue arises that is the basis of the complaint."

Response Submitted by: Helmsman Management Services, LLC

Supplemental Response: "The provider did not have a contract with Liberty HCN and did not receive out of network approval. Attached is a printout of a search for the provider's TIN showing that it was not part of the network… The surgery was pre-authorized on 02/05/2025 and the medical notes characterize the surgery as 'scheduled.' The pre-authorization approval specifically states on page 4 that 'While the medical necessity for the requested treatment has

been established, this Liberty Health Care Network claim requires the provider of facility rendering treatment for the injured worker is in network or has network approval. To ensure payment is not affected please check your network status prior to providing the approved treatment.' See attached. Carrier maintains its denial."

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 sets out the procedures for resolving medical disputes.
2. 28 TAC §133.307 sets out the procedures for resolving medical fee disputes.
3. The Texas Insurance Code (TIC) Chapter 1305 sets out the general provisions for workers' compensation health care networks.
4. 28 TAC §§10.120 through 10.122 sets out the workers compensation health care networks complaints guidelines.
5. 28 TAC §141.1 sets out the guidelines for dispute resolution—benefit review conference.

Denial Reasons

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

- 5884 – Provider is not within the Liberty Health Care network (HCN) for this customer. Insurance code 1305.044(B).

Issues

1. Were the disputed services provided by the requester out-of-network healthcare?
2. Is the insurance carrier liable for the out-of-network healthcare in this case?

Findings

1. The requester, Methodist Health Systems, submitted medical fee dispute M4-26-0086-01 to the Division of Workers' Compensation (DWC) for resolution under 28 TAC §133.307. The dispute involves outpatient hospital services, rendered on April 21, 2025 to April 24, 2025.

   Based on the documentation submitted and information available to DWC, the injured employee's claim is subject to the Liberty Health Care Network (HCN). At the time the services were rendered, the requester was not a participating provider in this certified network.

Therefore, the services were provided on an out-of-network basis.

2. The requester seeks reimbursement pursuant to the Texas Labor Code (TLC) and applicable regulations, including 28 TAC §133.307. Liability for out-of-network care is governed by the Texas Insurance Code (TIC) §1305.006, which specifies the limited circumstances under which an insurance carrier is responsible for such care.

   The requester contends that " Requested retro-authorization for emergency procedure" and asserts that this entitles them to reimbursement under the Texas Labor Code (TLC) and applicable DWC rules. The DWC has jurisdiction to review and resolve medical fee disputes of this nature.

   Upon review, the Division found no supporting documentation substantiating that the services qualified as emergency care under subsection (1). Additionally, the dispute lacked a valid position statement as required by 28 TAC §133.307(c)(2)(N), which must clearly explain:

   - Why the disputed fees should be paid.
   - How the relevant TLC and Division of Workers' Compensation (DWC) rules apply to the dispute; and
   - How the submitted evidence supports the requester's position.

   TIC §1305.006 identifies three scenarios that may impose liability on an insurance carrier for out-of-network services:

   1. Emergency care.
   2. Care provided to an employee residing outside any network service area; and
   3. Care delivered by an out-of-network provider following a network-approved referral under §1305.103.

   The requester's statement failed to adequately demonstrate that the care met the statutory definition of "emergency care" as set forth in TIC §1305.004(13). Moreover, the supporting documentation was insufficient to substantiate a claim under this provision.

   Regarding subsection (2), the Division found no evidence that the injured employee resided outside the network's service area. Consequently, the requirements to establish liability under this subsection were not satisfied.

   With respect to subsection (3), the Division noted no documents confirming a network-approved referral was submitted. Thus, the criteria for liability under this subsection was not met.

Conclusion

After careful consideration of the submitted documentation, the Division concludes that the requester has not met the burden of proof to establish that the disputed services qualify under any of the circumstances outlined in TIC §1305.006. Specifically:

- No evidence was provided to support a claim of emergency care.
- No documentation demonstrated that the injured employee resided outside the network's service area; and
- No network-approved out-of-network referral was presented.

The Division of Workers' Compensation (DWC) finds that the requester has not established entitlement to reimbursement for the disputed services. Therefore, the insurance carrier is not liable for payment of the out-of-network care rendered on April 21, 2025 to April 24, 2025.

Order

Based on the submitted information, pursuant to Texas Labor Code 413.031, the DWC hereby determines that the requester is entitled to $0.00 reimbursement for the services in dispute.

Authorized Signature

		October 8, 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.