



Medical Fee Dispute Resolution Findings and Decision

General Information

Requester Name

Peak Integrated
Healthcare

Respondent Name

Safety National Casualty Corp

MFDR Tracking Number

M4-26-0155-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

September 16, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
July 22, 2025	97110-GP	\$91.26	\$0.00
July 22, 2025	97112-GP	\$33.92	\$16.96
Total		\$125.18	\$16.96

Requester's Position

"The above date of service were denied full payment stating 'charge exceeds mppr rules' This is INCORRECT."

Amount in Dispute: \$125.18

Respondent's Position

"The carrier's payment amount is based upon a multiple payment reduction. The provider billed six units under CPT 97110 GP and two units under CPT 97112 GP as well as eight units under CPT 97750. The first unit for CPT 97750 was paid at \$72.83 and each additional unit was reimbursed with multiple payment reduction applied in the amount of \$52.68 per unit. CPT 97110 GP was reimbursed with the multiple payment reduction applied in the amount of \$47.73 per unit and CPT 97112 GP was reimbursed for the multiple payment reduction applied in the amount of \$53.05 per unit. The total payment for CPT 97110 GP and 97112 GP was \$392.48. The provider is not entitled to any additional reimbursement."

Response Submitted by: Flahive, Ogden & 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 [\(TAC\) §133.307](#) sets out the procedures for resolving medical fee disputes.
2. [28 TAC §134.203](#) sets out the fee guideline for professional medical services.

Denial Reasons

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

- 163 – The charge for this procedure exceeds the unit value and/or the multiple procedure rule.
- 876 – Fee schedule amount is equal to the charge.
- 193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.

Issues

1. What are the services in dispute?
2. Does CMS multiple procedure payment reduction (MPPR) policies apply to the services in dispute?
3. Is the Requester entitled to reimbursement?

Findings

1. The requester seeks additional reimbursement for CPT Codes 97110-GP and 97112-GP rendered on July 22, 2025. The insurance carrier reduced the disputed services with reduction codes indicated above.

The requester seeks additional payment in the amount of \$33.92 for CPT code 97112, and \$91.26 for CPT code 97110.

- CPT code 97110 - "Therapeutic procedure, 1 or more areas, each 15 minutes; therapeutic exercises to develop strength and endurance, range of motion and flexibility."
- CPT Code 97112 – "Therapeutic procedure, 1 or more areas, each 15 minutes; neuromuscular reeducation of movement, balance, coordination, kinesthetic sense, posture, and/or proprioception for sitting and/or standing activities."

Modifier GP was appended to indicate that the services were delivered under an outpatient physical therapy plan of care.

2. Medicare Claims Processing Manual, Chapter 5, Section 10.3.7—effective June 6, 2016, titled *Multiple Procedure Payment Reductions for Outpatient Rehabilitation Services*, outlines the following policy:

- Full payment is made for the procedure or unit with the highest Practice Expense (PE) payment.
- For subsequent units or procedures with dates of service on or after April 1, 2013, provided to the same patient on the same day, payment is:
 - Full payment for work and malpractice expenses.
 - 50% payment of the PE component for services billed on either professional or institutional claims.

To determine which services are subject to the Multiple Procedure Payment Reduction (MPPR), contractors rank services based on their PE relative value units (RVUs). The service with the highest PE RVU receives 100% payment, while the 50% MPPR is applied to the remaining services.

If multiple services share the highest PE RVU, they are further ranked by the highest total fee schedule amount. The service with the highest fee schedule receives full payment, and the MPPR applies to the rest.

A review of Medicare policies confirms that the MPPR applies to the Practice Expense component of certain time-based physical therapy codes when multiple units or procedures are performed on the same day for the same patient. Medicare publishes an annual list of codes subject to this policy. The DWC finds that both CPT code 97110 and 97112 are subject to the MPPR policies and are ranked as follows:

CPT Code	Practice Expense
97110	0.43
97112	0.48

As shown above, CPT Code 97112 has the highest PE payment amount therefore, the reduced PE payment applies to the remaining units for both CPT 97112 (2 units) and 97110 (6 units).

3. 28 TAC §134.203 states in pertinent part, "(c) To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications. (1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is \$52.83. For Surgery when performed in a facility setting, the established conversion factor to be applied is \$66.32. (2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for

calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors, and shall be effective January 1st of the new calendar year..."

The MPPR Rate File that contains the payments for 2025 services is found at <https://www.cms.gov/Medicare/Billing/TherapyServices/index.html>.

- MPPR rates are published by carrier and locality.
- The services were provided in zip code 75043, Dallas, TX.
- The carrier code for Texas is 4412 and the locality code for Dallas is 11.

CPT Code	Medicare Fee Schedule (1 st unit)	MPPR for subsequent units
97110		\$22.00
97112	\$32.27	\$24.45

To determine the MAR the following formula is used: (DWC Conversion Factor/Medicare Conversion Factor) X Medicare Payment = Maximum Allowable Reimbursement (MAR).

- The 2025 DWC Conversion Factor is 70.18
- The 2025 Medicare Conversion Factor is 32.3465

Date of Service	CPT Code	# Units	CMS Payment	MAR	Insurance Carrier Paid	Amount Sought	Recommended Amount
July 22, 2025	97110	6	\$22.00	$\$47.73 \times 6 = \286.38	\$286.38	\$91.26	\$0.00
July 22, 2025	97112	2	1st Unit \$32.27 2nd Unit \$24.45	1 st Unit \$70.01 2 nd Unit \$53.05 = \$123.06	\$106.10	\$33.92	\$16.96
Total							\$16.96

The Division of Workers' Compensation (DWC) has determined that no additional reimbursement is warranted for CPT code 97110, as the insurance carrier has issued payment in accordance with the applicable medical fee guidelines. However, additional reimbursement in the amount of \$16.96 is recommended for CPT code 97112.

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 \$16.96 is due.

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 an additional payment of \$16.96 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

October 22, 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. 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.