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
Peak Integrated Healthcare

Respondent Name
XL Specialty Insurance Co

MFDR Tracking Number
M4-26-0384-01

Carrier's Austin Representative
Box Number 19

DWC Date Received
October 7, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
June 16, 2025	97110-GP	$377.64	$286.39
June 16, 2025	97112-GP	$16.96	$0.00
	Total	$394.60	$286.39

Requester's Position

The requester submitted a copy of their reconsideration with the request for MFDR that states, "These bills were denied in full payment for "The charge for this procedure exceeds the unit value and/or the multiple procedure rules."

Amount in Dispute: $394.60

Respondent's Position

"Our bill audit company has determined that no further payment is due. ...The CPT code 97110 correctly denied as documentation did not specify the specific exercise performed [e.g.: number of sets and repetitions, amount of resistance, duration of hands] and for each units reps is considered as documentation."

Response submitted by: Gallagher Bassett

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 guidelines for the resolution of medical fee disputes.
2. 28 TAC §134.600 sets out the requirements of prior authorization
3. 28 TAC §134.203 sets out the reimbursement guidelines for professional medical services.

Denial Reasons

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

- 5405 – This charge was reviewed through the clinical validation program.
- 90409/119 – Benefit maximum for this time period or occurrence has been reached.
- B12 – Services not documented in patients medical records.
- 163 – The charge for this procedure exceeds the unit value and/or the multiple procedure rules.
- 193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.

Issues

1. Is the respondent's position supported?
2. Are the insurance carrier's reasons for denial or reduction of payment supported?
3. What is the rule applicable to reimbursement?
4. Is the requester entitled to additional reimbursement?

Findings

1. The services in dispute are for physical therapy serviced rendered in April of 2025. The insurance carrier denied/reduced the payment amount stating, "…Documentation on the CMS 1500 or UB04 is not supported by the information in the medical record."

   DWC Rule 28 TAC 134.203 (b)(1) states in pertinent parts, For coding, billing, reporting and reimbursement of professional medical services, Texas workers' compensation system participants shall apply, Medicare payment policies, including its coding; billing…

   The CMS Medicare Benefit Policy Manual, Chapter 15, Section 220.3, "Documentation Requirements of Therapy Services" at https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/bp102c15.pdf, states, *"Documentation of each treatment shall include the following* ***required elements****:*

   - *Date of treatment; and*
   - *Identification of each specific intervention/modality provided and billed, for both timed and untimed codes, in language that can be compared with the billing on the claim to verify correct coding. Record each service provided that is represented by a timed code, regardless of whether or not it is billed, because the unbilled timed services may impact the billing; and*
   - ***Total timed code treatment minutes and total treatment time in minutes****. Total treatment time includes the minutes for timed code treatment and untimed code treatment.*

   Review of the requester's submitted documentation beginning on page 59 indicates the following.

   - April 15, 2025, April 17, 2025, April 22, 2025, April 25, 2025, April 29, 2025.
     - Neuro-Lower Extremity
       - Theraball 5 minutes
       - Heel Ball Roll 5 minutes
       - Rocker Board 5 minutes
       - PNF Stretches 5 minutes
       - Vibration Plate 5 minutes
     - Total time 25 – Therapy units 2 – Billed Code 97112
     - Warmup/Cardio
       - Air Dyne / R-Bike 15 minutes
       - Hand Bike 15 minutes
     - Stretching
       - Lumbar Stretching/ROM 20 minutes
       - Stretching on Chair 10 minutes
     - Strengthening

- Band Exercises 10 minutes
- Medicine Ball 10 minutes
- Leg Curl 2 minutes
- Leg Extension 2 minutes
- Calf/Toe Raise 2 minutes
- Leg Pres 2 minutes
- STAIRS 5 minutes

- Total time 83 – Therapy units billed 6 – Billed code 97110

DWC finds based on this review the reporting requirements of the Medicare payment policy, the documentation requirements for therapy services was met. The insurance carrier's position statement/denial for lack of documentation is not supported.

2. The insurance carrier's explanation of benefits also indicates a denial/reduction made for benefit maximum for this time period has been reached.

   DWC Rule 28 Texas Administrative Code §134.600(p) states, in relevant part: Non-emergency health care requiring preauthorization includes: (5) physical and occupational therapy services, which includes those services listed in the Healthcare Common Procedure Coding System (HCPCS) at the following levels:

   (A) Level I code range for Physical Medicine and Rehabilitation, but limited to:

   (i) Modalities, both supervised and constant attendance;

   (ii) Therapeutic procedures, excluding work hardening and work conditioning; (iii) Orthotics/Prosthetics Management; (iv) Other procedures, limited to the unlisted physical medicine and rehabilitation procedure code; and

   (B) Level II temporary code(s) for physical and occupational therapy services provided in a home setting;

   (C) except for the first six visits of physical or occupational therapy following the evaluation when such treatment is rendered within the first two weeks immediately following:

   (i) the date of injury; or

   (ii) a surgical intervention previously preauthorized by the insurance carrier;

   Review of the submitted documentation finds a Texas Utilization Review Preauthorization Service dated February 4, 2025, that approved CPT codes 97110 with a start date of June 9, 2025 through September 9, 2025. The disputed services were rendered within the preauthorized timeframes.

   The Division finds that disputed CPT codes 97110 was preauthorized in accordance with 28 Texas Administrative Code §134.600 with an authorized number of units six. As the was the number of units billed, the insurance carrier's denial reason of "119 –

Benefit Maximum" is not supported. The requester is therefore entitled to additional reimbursement for the remaining unpaid units of CPT codes 97110.

3. The applicable DWC fee guideline for physical therapy is 28 TAC §134.203 (b) (1) which requires the application of Medicare payment policies applicable to professional services.

   The applicable Medicare payment policy is found at www.cms.gov, Medicare Claims Processing Manual, Chapter 5, Section 10.7 Multiple Procedure Payment Reductions for Outpatient Rehabilitation Services. *Medicare applies a multiple procedure payment reduction (MPPR) to the practice expense (PE) payment of select therapy services. The reduction applies to the HCPCS codes contained on the list of "always therapy" services (see section 20), excluding A/B MAC (B)-priced, bundled and add-on codes, regardless of the type of provider or supplier that furnishes the services. Medicare applies an MPPR to the PE payment when more than one unit or procedure is provided to the same patient on the same day, i.e., the MPPR applies to multiple units as well as multiple procedure*

   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 Dallas, TX.
   - The carrier code for Texas is 4412 and the locality code for Dallas is 11.

   The Maximum Allowable Reimbursement (MAR) fee guideline if found in DWC Rule 28 §134.203 (c)(1) & (2). 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...
   >
   > (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.

   (DWC Conversion Factor ÷ Medicare Conversion Factor) x Medicare Payment = MAR

   - The 2025 DWC Conversion Factor is 70.18
   - The 2025 Medicare Conversion Factor is 32.3465
   - The Carrier/Locality where services rendered Carrier - 04412/Locality Dallas -11
   - Code 97112 highest rank 1st unit CMS MPPR rate $32.27, 2nd unit $24.45
   - Code 97110 MPPR rank applicable to all units $22.00
   - 70.18/32.3465 x $32.27 = $70.01

- 70.18/32.3465 x $24.45 = $53.05
- Total allowable for code 97112 $123.06. Carrier paid $123.06 for each disputed date of service. No additional payment due.
- 70.18/32.3465 x $22.00 x 6 units = $286.39
- Total allowable for code 97110 is $286.39

4. The total allowable per DWC fee guideline for code 97112 is $123.05. The insurance carrier supports payment in that amount. No additional payment is recommended. The total allowable per DWC fee guideline for code 97110 is $286.39. This amount is recommended.

Conclusion

In resolving disputes over reimbursement for medically necessary health care to treat a compensable injury, the role of DWC is to adjudicate payment following Texas laws and DWC rules. The findings in this decision are based on the evidence available at the time of review. Even though not all the evidence was discussed, it was considered.

For the reasons above the requester has established payment is due.

ORDER

Based on the submitted information, pursuant to Texas Labor Code Section 413.031, the division hereby determines the requester is entitled to additional reimbursement for the services in dispute. It is ordered that XL Specialty Insurance Co must remit to Peak Integrated Health Services $286.39 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

_____		November 6, 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 in accordance with 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 1-800-252-7031, opción tres o correo electronico CompConnection@tdi.texas.gov.