



Medical Fee Dispute Resolution Findings and Decision

General Information

Requester Name

Baylor Orthopedic & Spine Hospital Arlington

Respondent Name

Technology Insurance Co

MFDR Tracking Number

M4-26-0937-01

Insurance Carrier's Austin Representative

BOX 17 Downs Stanford PC

DWC Date Received

December 1, 2025

Summary of Findings

Date(s) of Service	Disputed Services	Amount in Dispute	Amount Due
August 6, 2025	C1781	\$3,025.00	\$0.00
August 6, 2025	C1730	\$2,651.94	\$0.00
August 6, 2025	29828	\$0.00	\$0.00
July 25, 2025	80053	\$13.20	\$0.00
July 25, 2025	36415	\$3.75	\$0.00
Total		\$135.45	\$0.00

Requester's Position

"This clean claim was billed requesting the surgical procedure be paid at 130% of CMS with separate reimbursement for our implants. According to Texas Workers Compensation Rule 134.402, 'Implantable devices are reimbursed at the providers cost plus 10% up to \$1,000.00 per item or \$2,000.00 per case.'"

Amount In Dispute: \$135.45

Respondent's Position

"There was no request for separate payment of implants... Therefore, the billing did not meet the requirements of DWC Rule 134.403(g). Therefore, the Respondent paid the correct amount inclusive of the entire surgical procedure, the APC plus the markup without separate reimbursement for implantables. Therefore, no additional reimbursement should be awarded to the Requestor based on what they billed the Respondent for."

Response Submitted By: Downs Stanford, P.C

Findings and Decision

Authority

This medical fee dispute is decided according to Texas Labor Code Section [413.031](#) and other applicable laws and rules of the Texas Department of Insurance, Division of Workers' Compensation (DWC).

Statutes and Rules

1. 28 Texas Administrative Code (TAC) Section [133.307](#) sets out the procedures for resolving medical fee disputes.
2. 28 TAC Section [134.403](#) sets out the guidelines for outpatient hospital services.
3. [28 TAC §133.10](#) sets out required billing forms/formats for health care provider billing procedures.

Adjustment Reasons

1. 305 – The implant is included in this billing and is reimbursed at the higher percentage calculation.
2. 618 – THE value of this procedure is packaged into the payment of other services performed on the same date of service.
3. P12 – Workers' compensation jurisdictional fee schedule adjustment.
4. W3 – in accordance with TDI-DWC Rule 134.804, this bill has been identified as a request for reconsideration or appeal.

Issues

1. What is DWC considering in this medical fee dispute?
2. What rules apply to the services in dispute?
3. Did the requester request separate reimbursement for the disputed surgical implantable items in accordance with DWC Rules?
4. Is the requester entitled to separate reimbursement for procedure codes 80053 and 36415?
5. Is the requester entitled to additional reimbursement?

Findings

1. This medical fee dispute involves surgical services rendered on August 6, 2025, in an outpatient surgical facility setting.

According to a review of the submitted explanation of benefits (EOB) the insurance carrier has previously allowed payment in the amount of \$13,649.67 for the services rendered on the disputed date. The requester is seeking an additional payment in the amount of \$135.45.

According to the submitted DWC Form-060, *Medical Fee Dispute Resolution Request* (DWC Form-060), the amount in dispute for CPT code 29828 is \$0.00. Therefore, CPT code 29828 will not be considered in this medical fee dispute resolution (MFDR) review.

DWC notes that the "Total Amount in Dispute" field of the DWC Form-060 is not the accurate sum of the line items "Amount in Dispute" fields.

DWC will review the services in dispute in accordance with applicable DWC Statutes and Rules to determine if additional payment is due.

2. The requester is seeking additional reimbursement for services provided in an outpatient hospital setting on August 6, 2025.

28 TAC Section 134.403, which sets out fee guidelines for outpatient hospital services, applies to the services in dispute, stating in pertinent part, "(f) The reimbursement calculation used for establishing the MAR shall be the Medicare facility specific amount, including outlier payment amounts, determined by applying the most recently adopted and effective Medicare Outpatient Prospective Payment System (OPPS) reimbursement formula and factors as published annually in the *Federal Register*. The following minimal modifications shall be applied.

(1) The sum of the Medicare facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by:

(A) 200 percent; unless

(B) a facility or surgical implant **provider requests separate reimbursement in accordance with subsection (g) of this section**, in which case the facility specific reimbursement amount and any applicable outlier payment amount shall be multiplied by 130 percent.

(2) When calculating outlier payment amounts, the facility's total billed charges shall be reduced by the facility's billed charges for any item reimbursed separately under subsection (g) of this section.

(g) **Implantables, when billed separately** by the facility or a surgical implant provider in accordance with subsection (f)(1)(B) of this section, shall be reimbursed at 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-ons per admission."

28 TAC §133.10, which sets out required medical billing forms/formats, states in pertinent part, "(f) All information submitted on required paper billing forms must be legible and completed in accordance with this section. The parenthetical information following each term in this section refers to the applicable paper medical billing form and the field number corresponding to the medical billing form...

(2) **The following** data content or data elements **are required for a complete institutional medical bill** related to Texas workers' compensation health care: ...

(QQ) **remarks (UB-04/field 80) is required when separate reimbursement for surgically implanted devices is requested."**

3. The requester is seeking separate reimbursement for CPT codes C1781 and C1713 which represent surgical implantable products.

A review of the submitted medical bills finds no evidence that the health care provider requested separate reimbursement for implants on the medical bill on the disputed date of service. Therefore, DWC finds that Baylor Orthopedic & Spine Hospital Arlington did not request separate payment for surgical implantable items in accordance with applicable DWC Rules 28 TAC Section 134.403 and 28 TAC Section 133.10.

DWC finds that the requester, Baylor Orthopedic & Spine Hospital Arlington, is not entitled to separate reimbursement for implantable surgical products represented by disputed CPT codes C1781 and C1713.

4. The requester is seeking separate reimbursement for CPT codes 80053 and 36415 which represent laboratory services.

On the disputed date of service the requester billed for one unit each of CPT codes 80053 and 36415 which are both assigned APC status indicator Q4, indicating that the service is packaged into the APC payment if billed on the same claim as a procedure code assigned published status indicator "J1", "J2", "S", "T", "V", "Q1", "Q2", or "Q3".

On the same medical bill, the requester billed for surgical CPT code 29827 which has received payment and is not in dispute. Procedure code 29827 is assigned APC status indicator J1 indicating that the service is paid through a comprehensive APC payment; all covered part B services on the claim are packaged with the primary "J1" service for the claim.

Because CPT codes 80053 and 36415 with status indicator Q4 are billed on the same claim with a primary J1 status indicator CPT code, DWC finds that the requester is not entitled to separate reimbursement for CPT codes 80053 and 36415.

5. The requester is seeking additional reimbursement in the amount of \$135.45 for surgical services rendered on August 6, 2025, in an outpatient surgical facility setting.

Because DWC found that the requester did not request separate reimbursement for implantables in accordance with DWC Rules 28 TAC Section 134.403 and 28 TAC Section 133.10, the requester is not entitled to reimbursement for CPT codes C1781 and C1713.

Because CPT codes 80053 and 36415 were found to be packaged for reimbursement with the primary J1 CPT surgical code billed on the same claim, DWC finds that in accordance with 28 TAC Section 134.403 the requester is not entitled to reimbursement for CPT codes 80053 and 36415.

DWC finds that the requester, Baylor Orthopedic & Spine Hospital Arlington, is not entitled to additional reimbursement for the services in dispute.

Conclusion

The outcome of this medical fee dispute is based on the evidence requester and the respondent presented 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 Sections [413.031](#) and [413.019](#), DWC has determined the requester is entitled to \$0.00 reimbursement for the disputed services.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

February 12, 2026

Date

Your Right to Appeal

Either party to this medical fee dispute has a right to seek review of this decision under 28 TAC Section [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 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 this *Medical Fee Dispute Resolution Findings and Decision*** with any other required information listed in 28 TAC Section [141.1\(d\)](#).

Si prefiere hablar con una persona en español acerca de esta correspondencia, favor de llamar a 800-252-7031, opción tres o correo electrónico CompConnection@tdi.texas.gov.