TDI Division of Workers' Compensation
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Medical Fee Dispute Resolution Findings and Decision

General Information

Requester Name

Injury Centers of TX

Respondent Name

North River Insurance Co of NE

MFDR Tracking Number

M4-26-1843-01

Insurance Carrier's Austin Representative

BOX 53 Hoffman Kelley LLP

DWC Date Received

February 26, 2026

Summary of Findings

Date(s) of Service	Disputed Services	Amount in Dispute	Amount Due
November 18, 2025	Physical Therapy – 97110	$178.74	$109.47
November 18, 2025	Physical Therapy – 97530	$49.00	$49.00
November 18, 2025	Physical Therapy – 97124	$27.91	$18.52
November 19, 2025	Physical Therapy – 97110	$178.74	$109.47
November 19, 2025	Physical Therapy – 97530	$49.00	$49.00
November 19, 2025	Physical Therapy – 97124	$27.91	$18.52
November 21, 2025	Physical Therapy – 97110	$178.74	$109.47
November 21, 2025	Physical Therapy – 97530	$49.00	$49.00
November 21, 2025	Physical Therapy – 97124	$27.91	$18.52
November 24, 2025	Physical Therapy – 97110	$178.74	$109.47

November 24, 2025	Physical Therapy – 97530	$49.00	$49.00
November 24, 2025	Physical Therapy – 97124	$27.91	$18.52
November 25, 2025	Physical Therapy – 97110	$178.74	$109.47
November 25, 2025	Physical Therapy – 97530	$49.00	$49.00
November 25, 2025	Physical Therapy – 97124	$27.91	$18.52
December 1, 2025	Physical Therapy – 97110	$178.74	$109.47
December 1, 2025	Physical Therapy – 97530	$49.00	$49.00
December 1, 2025	Physical Therapy – 97124	$27.91	$18.52
December 2, 2025	Physical Therapy – 97110	$178.74	$109.47
December 2, 2025	Physical Therapy – 97530	$49.00	$49.00
December 2, 2025	Physical Therapy – 97124	$27.91	$18.52
December 5, 2025	Physical Therapy – 97110	$178.74	$109.47
December 5, 2025	Physical Therapy – 97530	$49.00	$49.00
December 5, 2025	Physical Therapy – 97124	$27.91	$18.52
December 9, 2025	Physical Therapy – 97110	$178.74	$109.47
December 9, 2025	Physical Therapy – 97530	$49.00	$49.00
December 9, 2025	Physical Therapy – 97124	$27.91	$18.52
December 10, 2025	Physical Therapy – 97110	$178.74	$109.47
December 10, 2025	Physical Therapy – 97530	$49.00	$49.00
December 10, 2025	Physical Therapy – 97124	$27.91	$18.52
December 12, 2025	Physical Therapy – 97110	$178.74	$109.47
December 12, 2025	Physical Therapy – 97530	$49.00	$49.00

December 12, 2025	Physical Therapy – 97124	$27.91	$18.52
December 17, 2025	Physical Therapy – 97110	$178.74	$109.47
December 17, 2025	Physical Therapy – 97530	$49.00	$49.00
December 17, 2025	Physical Therapy – 97124	$27.91	$18.52
	Total	$3,067.80	$2,123.88

Requester's Position

"We believe this denial reasoning is INCORRECT as we are OUT OF NETWORK with **CRUM AND FOSTER – THE NORTH RIVER INSURANCE COMPANY**, therefore we shouldn't have received a PPO reduction."

Amount In Dispute: $3,067.80

Respondent's Position

Response submitted by Coventry: "Injury Centers of TX PLLC entered into a Provider Agreement with Coventry Health Care Workers Compensation, Inc., effective 2/1/2025. At the time services were rendered … on 11/18/2025, 11/19/2025, 11/21/2025, 11/24/2025, 11/25/2025, 12/1/2025, 12/2/2025, 12/5/2025, 12/9/2025, 12/10/2025, 12/12/2025 and 12/17/2025, the Provider was participating in the Coventry Health Care Workers Compensation Network."

Response submitted by Stratacare by MedRisk: "The PPO network has completed its review and has **affirmed that the provider does in fact have a valid and active contract** with the network for all dates of service in question. Accordingly, all billed services within the dispute were **priced in accordance with the negotiated contract rates**, and the reductions applied were appropriate based on the provider's contracted agreement."

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 124.2 sets out insurance notification requirements.

3. 28 TAC Section 134.203 sets out the fee guidelines for professional medical services.

4. Texas Insurance Code Chapter 1305 sets out the general provisions for workers' compensation health care networks.

Adjustment Reasons

The insurance carrier reduced payment for the disputed services with the following reasons:

1. 5851 – Paid per State Fee Schedule

2. 877 – Reimbursement is based on the contracted amount.

3. 109 – Claim/service not covered by this payer/contractor. You must send the claim/service to the correct payer/contractor.

4. 45 – Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement.

5. N600 – Adjusted based on the applicable fee schedule for the region in which the service was rendered.

6. 247 – A payment or denial has already been recommended for this service.

7. 18 – Exact duplicate claim/service

Issues

1. What is DWC considering in this medical fee dispute?

2. Is the insurance carrier's reduction based on network status supported?

3. Is the requester entitled to additional reimbursement?

Findings

1. The requester is seeking reimbursement for physical therapy services rendered November 18, 2025, through December 17, 2025. The procedures included CPT codes 97110, 97530, and 97124. The insurance carrier stated that reimbursement was based on a contracted amount. DWC will review these services based on appropriate fee guidelines.

2. In its position statement, Coventry stated, on behalf of the insurance carrier, "Injury Centers of TX PLLC entered into a Provider Agreement with Coventry Health Care Workers Compensation, Inc., effective 2/1/2025." Stratacare by Medrisk also stated, "The PPO network has completed its review and has affirmed that the provider does in fact have a valid and active contract with the network for all dates of service in question."

PPO contracts are not valid under the Texas Workers' Compensation system. Certified health care networks governed by Texas Insurance Code 1305 are valid, and no evidence was submitted supporting the claim in question is part of a certified health care network.

DWC finds that the reduction of payment based on network status for the services in question is not supported.

3. Fee guidelines for professional services such as those considered in this dispute are found in 28 TAC Section 134.203, which states in pertinent part,

(b) For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following:

(1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules …

(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 …

(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 services in question are categorized as "always therapy" by CMS. Per Medicare Claims Processing Manual 100-04, Chapter 5 – Part B, Section 10.7,

"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 … 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 procedures. Full payment is made for the unit or procedure with the highest PE payment …

"For subsequent units and procedures with dates of service on or after April 1, 2013, furnished to the same patient on the same day, full payment is made for work and malpractice, and 50 percent payment is made for the PE for services submitted on either professional or institutional claims.

"To determine which services will receive the MPPR, contractors shall rank services according to the applicable PE relative value units (RVU) and price the service with the highest PE RVU at 100% and apply the appropriate MPPR to the remaining services."

The formula for MAR is as follows:

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

- MPPR rates for 2025 are published on the CMS Therapy Services page: www.cms.gov/Medicare/Billing/TherapyServices/index.html
- Date of Service: November 18, 2025 - December 17, 2025
- Service Location: ZIP Code 77034 (Houston, Locality 18)
- Carrier: 4412

DWC finds that CPT code 97530 is the service with the highest PE RVU. Therefore, the first unit of this procedure is paid 100%. Subsequent units and additional therapy units and codes in this dispute are paid at 50% of the PE RVU.

The calculation for CPT code 97530 for two units is as follows, using the DWC established conversion factor for 2025:

Work Total	PE Total	MP Total	Sum	Conv. Fact.	Sub-Total	Units	Total
0.446160	0.621860	0.014090	1.082110	70.18	$75.94	1	$75.94
0.446160	0.310930	0.014090	0.771180	70.18	$54.12	1	$54.12
							$130.06

The total allowable reimbursement for this procedure on each date of service is $130.06. The requester billed $112.00. The insurance carrier paid $63.00. An additional reimbursement of $49.00 is recommended.

The calculation for CPT code 97124 is as follows, using 50% of the PE RVU and the DWC established conversion factor for 2025:

Work Total	PE Total	MP Total	Sum	Conv. Fact.	Sub-Total	Units	Total
0.354900	0.280840	0.014090	0.649830	70.18	$45.61	1	$45.61
							$45.61

The total allowable reimbursement for this procedure on each date of service is $45.61. The insurance carrier paid $27.09. An additional reimbursement of $18.52 is recommended.

The calculation for CPT code 97110 is as follows, using 50% of the PE RVU and the DWC established conversion factor for 2025:

Work Total	PE Total	MP Total	Sum	Conv. Fact.	Sub-Total	Units	Total
0.456300	0.215645	0.014090	0.686035	70.18	$48.15	5	$240.73
							$240.73

The total allowable reimbursement for this procedure on each date of service is $240.73. The insurance carrier paid $131.26. An additional reimbursement of $109.47 is recommended.

The total allowable reimbursement for the disputed 12 dates of service is $4,780.08. The insurance paid $2,656.20. An additional reimbursement of $2,123.88 is recommended.

Conclusion

The outcome of this medical fee dispute is based on the evidence the 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 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 additional reimbursement for the disputed services. It is ordered that North River Insurance Co of NE must remit to Injury Centers of TX $2,123.88 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC Section 134.130.

Authorized Signature

Signature	Medical Fee Dispute Resolution Officer	June 16, 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 electronico CompConnection@tdi.texas.gov.