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

General Information

Requester Name

Pain and Rehabilitation Solutions

Respondent Name

Great American Alliance Insurance

MFDR Tracking Number

M4-26-2251-01

Insurance Carrier's Austin Representative

BOX 19 Flahive Ogden & Latson

DWC Date Received

April 10, 2026

Summary of Findings

Date(s) of Service	Disputed Services	Amount in Dispute	Amount Due
June 23, 2025	97164-GP	$60.00	$60.00
July 14, 2025	97110-GP	$190.00	$111.43
July 14, 2025	97140-59	$105.00	$45.67
July 14, 2025	97035-GP	$80.00	$23.32
July 21, 2025	97110-GP	$190.00	$111.43
July 21, 2025	97140-59	$105.00	$45.67
July 21, 2025	97035-GP	$80.00	$23.32
July 28, 2025	97110-GP	$190.00	$111.43
July 28, 2025	97140-59	$105.00	$45.67
July 28, 2025	97035-GP	$80.00	$23.32
	Total	$1185.00	$601.26

Requester's Position

The requester did not submit a position statement with this request for MFDR. They did submit a copy of a document titled, "Appeal for payment" that states, "attached you will find corrected hicfas, notes, preauthorization letter and eobs, please reprocess our bill accordingly."

Amount In Dispute: $1,185.00

Respondent's Position

"…It remains the Carrier's position that no additional monies are owed for this date of service."

Response Submitted By: Flahive, Ogden & Latson

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 carrier notification requirements.
3. 28 TAC Section 134.600 sets out the procedures for preauthorization.
4. 28 TAC Section 133.20 sets out the requirements for medical bill submission.
5. 28 TAC Section 133.210 sets out the requirements for medical bill processing by insurance carrier.
6. 28 TAC Section 134.203 sets out the fee guidelines for professional medical services.

Adjustment Reasons

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

- 16 – Claim/service lacks information or has submission/billing error(s)
- 270 – No allowance has been recommended for this procedure/service/supply Please see special "NOTE" below.
- 270: Treatment not related, Diagnosis condition not related.

Issues

1. What is DWC considering in this medical fee dispute?
2. Did the respondent support denial of non-relatedness?
3. Were the disputed services prior authorized?
4. Is the denial for lack of information/billing errors supported?
5. What rules are applicable to reimbursement?
6. Has DWC determined whether reimbursement is due to the requester?

Findings

1. The requester is seeking reimbursement of physical therapy services rendered in June and July of 2025 in the amount of $1185.00. The denials by the insurance carrier are reviewed below based on the applicable DWC reimbursement guidelines.

2. Regarding the denial as shown above with Special "Note", 270: Denial Division appointed designated doctor noted injury resolved 3/06/2025 and Treatment not related, Diagnosis condition not related.

   28 TAC Section 133.307(d)(2)(H) requires that if the medical fee dispute involves compensability, extent of injury, or liability, the insurance carrier shall attach a copy of any related Plain Language Notice in accordance with Rule §124.2 (relating to carrier reporting and notification requirements).

   28 TAC Section 124.2(h) requires notification to the division and claimant of any dispute of disability or extent of injury using plain language notices with language and content prescribed by the division. Such notices "shall provide a full and complete statement describing the carrier's action and its reason(s) for such action. The statement must contain sufficient claim-specific substantive information to enable the employee/legal beneficiary to understand the carrier's position or action taken on the claim."

   Review of the submitted information finds no copies, as required by Rule Section 133.307(d)(2)(H), of any PLN-11 or PLN 1 notices issued in accordance with Rule 28 TAC Section 124.2.

   The insurance carrier's denial reason is therefore not supported. Furthermore, because the respondent failed to meet the requirements of Rule Section 133.307(d)(2)(H) regarding notice of issues of extent of injury, the respondent has waived the right to raise such issues during dispute resolution.

   Consequently, the division concludes there are no outstanding issues of compensability, extent, or liability for the injury. The disputed services are therefore reviewed pursuant to the applicable rules and guidelines.

3. 28 TAC 134.600(p)(5)(A)(i) states in pertinent parts, physical and occupation therapy services in the Healthcare Common Procedure Coding System (HCPCS) at the following levels: Level I code rage for physical medicine and rehabilitation, but limited to: modalities, both supervised and constant attendance.

   Review of the information presented with this request for MFDR found a "genex" review #7022857 dated July 10, 2025 to partially certify 6 physical therapy sessions for the (CPT 97110 x 4, 97140 x 4, 97035 x 4 and 97032 x 4) between 6/23/2025 and 11/4/2025

   28 TAC 134.600(c)(1)(B) states in pertinent parts, "The insurance carrier is liable for all reasonable and necessary medical costs relating to the health care: listed in subsection (p)(q) of this section only when the following situations occur: preauthorization of any health care listed in subsection (p) of this section that was approved prior to providing the health care;

   Based on the presented utilization review from genex the dates of service July 14, 21, and 28, 2025 were prior authorized. The insurance carrier is liable for the services rendered on these dates of service.

4. Regarding the denial for lack of information/billing errors. 28 TAC 133.20(c) states, A health care provider must include correct billing codes from the applicable division fee guidelines in effect on the date or dates of service when submitting medical bills. 28 TAC 134.203(b) states, For coding, billing reporting and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following: Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edit; modifiers…

   The following codes were submitted on the medical bill with the indicated modifiers.

   Date of service June 23, 2025

   - 97164 -GP, Re-evaluation of physical therapy established plan of care, requiring these components: An examination including a review of history and use of standardized tests and measures is required; and Revised plan of care using a standardized patient assessment instrument and/or measurable assessment of functional outcome Typically, 20 minutes are spent face-to-face with the patient and/or family.

   Dates of service: July 14, 2025; July 21, 2025 and July 28, 2025

   - 97110 -GP, Therapeutic procedure, 1 or more areas, each **15** minutes; therapeutic exercises to develop strength and endurance, range of motion and flexibility
   - 97140 -59, Manual therapy techniques (eg, mobilization/ manipulation, manual lymphatic drainage, manual traction), 1 or more regions, each **15** minutes
   - 97035 -GP, Application of a modality to 1 or more areas; ultrasound, each **15** minutes
   - GP modifier – Service delivered under an outpatient physical therapy plan of care
   - 59 modifier – Distinct procedure service.

Review of the submitted medical bills found the codes/modifiers submitted for the disputed dates of service were billed in accordance with the applicable rules and guidelines. 28 TAC 133.210(a)(b) states, Medical documentation includes all medical reports and records, such as evaluation reports, narrative reports, assessment reports, progress report/notes, clinical notes, hospital records and diagnostic test results. When submitting a medical bill for reimbursement, the health care provider shall provide required documentation in legible form…

The documentation submitted with this request for MFDR contain a five page re-evaluation Plan of Care dated June 23, 2025 and description of physical therapy rendered by units for dates of service July 14, 2025, July 21, 2025 and July 28, 2025. The insurance carrier's denial is not supported and will not be considered in this review. The requester is therefore entitled to reimbursement for the services rendered on June 23, 2025; July 14, 2025; July 21, 2025, and July 28, 2025.

5. The reimbursement of physical therapy is found in 28 TAC Section 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 procedures*

   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 77082; Houston, Texas.
   - The carrier code for Texas is 4412 and the locality code for Houston is 18.
   - The PE for 97110 is 0.43 which has the highest PE. First unit $29.17 second unit at MPPR rate of $22.19.
   - The PE for 97140 is 0.40. Not the highest MMPR rate $21.05.
   - The PE for 97035 is 0.21. Not the highest MPPR rate $10.75

   DWC Rule 28 TAC Section 134.203 states in pertinent part, (c) To determine the Maximum Allowable Reimbursement (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 following formula represents the calculation of the DWC MAR at Section 134.203 (c)(1) & (2). (DWC Conversion Factor ÷ Medicare Conversion Factor) x Medicare Payment = MAR.

In this instance,

- The 2025 DWC Conversion Factor 70.18
- The 2025 CMS Conversion Factor 32.3465
- 97110 (2 units) First unit 97110 – 70.18/32.3465 x $29.17 = $63.29
- Second unit 97110 – 70.18/32.3465 x $22.19 = $48.14
- Total MAR code 97110 ($63.29 + $48.14) = $111.43
- 97140 (1 unit) – 70.18/32.3465 x $21.05 = $45.67
- 97035 (1 unit) – 70.18/32.3465 x $10.75 = $23.32
- 97164 (1 unit) – 70.18/32.3465 x $68.41 = $148.42

6. Based on the information available at the time of this review, DWC finds the requester is due reimbursement of the services in dispute.

    - 97164 -GP requester seeks $60.00. This amount is recommended
    - 97110 -GP MAR of $111.43. Dates of service July 14, 21, 28, 2025. ($111.43 x 3 = $334.29)
    - 97140 -59 MAR of $45.67. Dates of service July 14, 21, 28, 2025. ($45.67 x 3 = $137.01)
    - 97035 -GP MAR of $23.32. Dates of service July 14, 21, 28, 2025. ($23.32 x 3 = $69.96)
    - Total recommended payment, $60 + $334.29 + $137.01 + 69.96 = $601.26.

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 reimbursement is due.

Order

Under Texas Labor Code Sections 413.031 and 413.019, DWC has determined the requester is entitled to reimbursement for the disputed services. It is ordered that Great American Alliance Insurance must remit to Pain and Rehabilitation Solutions $601.26 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	May 28, 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.