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

Denton Hand & Othopedics

Respondent Name

City of Denton

MFDR Tracking Number

M4-26-2391-01

Insurance Carrier's Austin Representative

BOX 53 Hoffman Kelley LLP

DWC Date Received

April 13, 2026

Summary of Findings

Date(s) of Service	Disputed Services	Amount in Dispute	Amount Due
October 30, 2025	99204	$397.28	$344.78
	Total	$397.28	$344.78

Requester's Position

"The claim was initially billed and partially reimbursed; however, the office visit was denied. Upon contacting the carrier, we were advised that the documentation did not support the level of service billed. We respectfully disagree with this determination… Accordingly, we are formally disputing the reimbursement for CPT code 99204. We maintain that the level of service billed is fully supported by the documentation for the following reasons:

1. Number of Problems: One new acute complicated injury (moderate complexity)
2. Data Reviewed: None
3. Risk: Moderate risk, including decision for major surgery and prescription drug management (moderate risk)

"Based on the above, the documentation supports a Level 4 new patient office visit (CPT 99204)."

Amount In Dispute: $397.28

Respondent's Position

"Our bill audit company has determined that no further payment is due."

Response Submitted By: Gallagher Bassett

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 133.250 sets out the procedures for reconsideration for payment of medical bills.
3. 28 TAC Section 133.210 sets out medical documentation requirements for reimbursement of medical services.
4. 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:

P12 – Workers' compensation jurisdictional fee schedule adjustment.

18 – Exact duplicate claim/service

Issues

1. What is DWC considering in this medical fee dispute?
2. Is the insurance carrier's denial supported?
3. What rules apply to the services in dispute?
4. Is the requester entitled to reimbursement?

Findings

1. This medical fee dispute resolution (MFDR) request involves non-payment of a new patient evaluation and management office visit billed under CPT code 99204.

In its position statement, the requester states that they were verbally advised that the documentation does not support the level of service billed. However, upon review of the submitted explanation of benefits (EOB) documents DWC finds that although the service of CPT code 99204 was denied reimbursement, DWC finds no evidence that the denial is based on lack of supportive documentation. Furthermore, the respondent does not indicate lack of supportive medical documentation in its response statement.

The requester is seeking reimbursement in the amount of $397.28. DWC will review the submitted documentation to determine the requester's entitlement to reimbursement in accordance with applicable DWC Statutes and Rules.

2. A review of the submitted EOBs finds that CPT 99204 rendered on October 30, 2025, was denied reimbursement based on workers' compensation fee schedule adjustment and based on a duplicate claim.

   DWC finds that no fee schedule adjustment based on workers' compensation fee schedule was applied therefore, this reason for denial is not supported.

   The Rule at 28 TAC Section 133.250 allows for a health care provider to request reconsideration of a denied claim no later than 10 months from the date of service. DWC finds that the requester submitted an appeal for reconsideration to the insurance carrier on December 9, 2025, following the initial claim denial on November 24, 2025. DWC finds no evidence that a duplicate claim was submitted. Therefore, this reason for denial is not supported.

   DWC finds that the insurance carrier's reason(s) for denial is not supported.

3. Because the service in dispute is an evaluation and management office visit billed under CPT code 99204, DWC finds that 28 TAC Section 134.203(b)(1) applies to the billing and reimbursement of the disputed service, stating in pertinent part, ""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."

   DWC further finds that 28 TAC Section 133.210(c)(1), which sets out medical documentation requirements, applies to the service in question stating in pertinent part "In addition to the documentation requirements of subsection (b) of this section, medical bills for the following services shall include the following supporting documentation: the two highest Evaluation and Management office visit codes for new and established patients: office visit notes/report satisfying the American Medical Association requirements for use of those CPT codes…" As CPT code 99204 is one of the two highest evaluation and management codes, DWC finds

that (TAC) §133.210(c)(1) required the requestor to submit supporting documentation to satisfy American Medical Association requirements."

4. The requester is seeking reimbursement in the amount of $397.28 for CPT code 99204 rendered on October 30, 2025. Because the insurance carrier's reason(s) for denial are not supported, DWC finds that the requester is entitled to adjudication of the maximum allowable reimbursement (MAR) for the service in dispute.

    - CPT Code 99204 is defined as, "Office or other outpatient visit for the evaluation and management of a new patient, which requires a medically appropriate history and/or examination and moderate level of medical decision making (MDM). When using time for code selection, 45-59 minutes of total time is spent on the date of the encounter."

    - The American Medical Association (AMA) CPT Code and Guideline Changes, effective January 1, 2021, can be found at: https://www.ama-assn.org/system/files/2019-06/cpt-office-prolonged-svs-code-changes.pdf. In summary, CPT code 99204 documentation **must contain two out of three of the following elements**: 1) moderate level of number and complexity of problems addressed 2) moderate level of amount and/or complexity of data to be reviewed and analyzed 3) moderate risk of morbidity/mortality of patient management OR must document 45-59 minutes of total time spent on the date of patient encounter.

    - An interactive E&M scoresheet tool is available at: E/M Interactive score sheet (novitas-solutions.com)

    - A review of the submitted medical documentation finds that a moderate level of MDM was met in the elements of 1) Complexity of problems addressed and in the third element 3) Risk of morbidity/mortality of patient management. For these reasons, medical documentation submitted meets AMA criteria for reimbursement of CPT code 99204.

    - As a result, DWC will adjudicate CPT code 99204 rendered on October 30, 2025, for reimbursement of the MAR in accordance with 28 TAC Section 134.203(c).

    28 TAC Section 134.203(c) states in pertinent part, "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. 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."

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

- The disputed service was rendered in zip code 76201, locality 99, "Rest of Texas" in 2025.
- The Medicare participating amount for CPT code 99204 in 2025 at this locality is $158.91.
- The 2025 DWC Conversion Factor is 70.18
- The 2025 Medicare Conversion Factor is 32.3465
- Using the above formula, DWC finds the MAR is $344.78 for CPT code 99204 on the disputed date of service.
- The respondent paid $0.00.
- Reimbursement in the amount of $344.78 is recommended.

DWC finds that the requester is entitled to reimbursement in the amount of $344.78 for CPT code 99204 rendered on October 30, 2025.

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 City of Denton must remit to Denton Hand & Orthopedics $344.78 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 20, 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.