



Medical Fee Dispute Resolution Findings and Decision

General Information

Requester Name

Marcus P. Hayes, D.C.

Respondent Name

Pennsylvania Manufacturers Assoc

MFDR Tracking Number

M4-26-2479-01

Insurance Carrier's Austin Representative

BOX 19 Flahive Ogden & Latson

DWC Date Received

May 2, 2026

Summary of Findings

Date(s) of Service	Disputed Services	Amount in Dispute	Amount Due
March 3, 2026	97750-FC, 13 Units	\$141.26	\$141.26
March 18, 2026	97750-FC, 8 Units	\$94.49	\$94.49
Total		\$235.75	\$235.75

Requester's Position

"As stated in the request for reconsideration, this is an out-of-network claim, therefore, any in-network reduction cannot be applied. Therefore, AI&FATC requests PMA Companies to remit the balance due of \$235.75 for said procedures performed on said patient on said dates."

Amount In Dispute: \$235.75

Respondent's Position

"We are attaching a copy of the Provider's EOBs and they are both dated 4/27/26. The first EOB recommended payment of \$0 due to the PPO reduction being taken in accordance to the PMS or leased entity contract. The recommended allowance is based on a PPO contract with the Provider's facility. Reimbursement already equals the amount billed. The same reasoning was given in the second PPO. The carrier has paid \$572.10 for the first bill of 3/3/26 and \$352.07 for the second bill of

3/18/26. The amount in dispute for the first bill is \$141.26 and the amount in dispute for the second bill is \$94.49. The total disputed amount for these two bills equals \$235.75. It remains the Carrier's position that the Provider is not entitled to any additional monies."

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 [134.203](#) sets out the fee guidelines for professional medical services.
3. 28TAC Section [134.225](#) sets out the fee guidelines for functional capacity evaluations.

Adjustment Reasons

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

1. PRHT - The PPO reduction was taken in accordance to the PHS or leased entity contract.
2. 225 - The recommended allowance is based on a PPO contract held with your facility.
3. 876 - Reimbursement equals the amount billed.

Issues

1. What is DWC considering in this medical fee dispute?
2. Did the respondent support the PPO reduction?
3. Is the requester entitled to additional reimbursement?

Findings

1. The requester seeks additional reimbursement in the amount of \$235.75 for a functional capacity evaluation (97750-FC) rendered on March 3, 2026, and March 18, 2026. The insurance carrier issued payment in the amount of \$924.17 and reduced the remaining charges with reduction reason code 225, and PRHT (descriptions indicated above).
2. The explanation of benefits included with this dispute references a PPO contract. Review of the submitted documentation and information known to the division does not support the

injured worker is enrolled in a certified health network. The reduction taken by the insurance carrier is not supported and will not be considered in this review.

3. The requester is pursuing additional reimbursement in the amount of \$235.75 for a functional capacity evaluation (97750-FC) rendered on March 3, 2026, and March 18, 2026.

28 TAC Section 134.203(b)(1) states: For coding, billing, reporting, and reimbursement of professional medical services within the Texas workers' compensation system, participants must adhere to the following requirements: Medicare payment policies shall apply, including coding guidelines, billing procedures, Correct Coding Initiative (CCI) edits, modifiers, bonus payments for Health Professional Shortage Areas (HPSAs) and Physician Scarcity Areas (PSAs), as well as any other payment policies effective on the date the service is rendered, subject to any additions or exceptions specified in the rules.

CPT Code 97750-FC is defined as a functional capacity evaluation

On the disputed dates of service, the requester billed CPT code 97750-FC x 13 units on March 3, 2026 and 8 units on March 18, 2026.

The multiple procedure rule discounting applies to the disputed service.

Medicare Claims Processing Manual Chapter 5, 10.7-effective June 6, 2016, titled Multiple Procedure Payment Reductions for Outpatient Rehabilitation Services, states in pertinent part:

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. When the highest PE RVU applies to more than one of the identified services, contractors shall additionally sort and rank these services according to highest total schedule fee amount, and price the service with the highest total fee schedule amount at 100% and apply the appropriate MPPR to the remaining services

The applicable fee guideline for FCEs is found at 28 TAC Section 134.225, which states, "The following applies to functional capacity evaluations (FCEs). A maximum of three FCEs for each compensable injury shall be billed and reimbursed. FCEs ordered by the division shall not count toward the three FCEs allowed for each compensable injury. FCEs shall be billed using CPT code 97750 with modifier 'FC.' FCEs shall be reimbursed in accordance with §134.203(c)(1) of this title. Reimbursement shall be for up to a maximum of four hours for

the initial test or for a division ordered test; a maximum of two hours for an interim test; and a maximum of three hours for the discharge test, unless it is the initial test. Documentation is required.”

28 TAC Section 134.203 states in pertinent part, “(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. 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...”

The MPPR Rate File that contains the payments for 2026 services found at www.cms.gov/Medicare/Billing/TherapyServices/index.html.

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

- The disputed dates of service are March 3, 2026, and March 18, 2026.
- MPPR rates are published by carrier and locality.
- Disputed service was rendered in zip code 77074, locality 18, Houston.
- The Medicare participating amount for CPT code 97750 in 2026 at this locality is \$33.85 for the first unit, and \$24.73 for each subsequent unit.
- The 2026 DWC Conversion Factor is 72.07
- The 2026 Medicare Conversion Factor is 33.4009
- Using the above formula, DWC finds the MAR for:
 - Date of service of March 3, 2026 is \$73.04 for the first unit, and \$53.36 for each of the subsequent 12 units for a total MAR of \$713.36.
 - Date of service of March 18, 2026 is \$73.04 for the first unit, and \$53.36 for each of the subsequent 7 units for a total MAR of \$446.56.
 - The total MAR of \$1,159.92 for the disputed dates of service.
- The respondent paid \$572.10 for date of service March 3, 2026, and \$352.07 for date of service March 18, 2026, for a total payment of \$924.17 for the disputed dates of service.
- An additional reimbursement of \$235.75 is recommended.

DWC finds that additional reimbursement is due.

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 Pennsylvania Manufacturers Assoc must remit to Marcus P. Hayes, D.C. \$235.75 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC Section [134.130](#).

Authorized Signature

_____	_____	May 28, 2026
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 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.