



Medical Fee Dispute Resolution Findings and Decision

General Information

Requester Name

Reece Maricelli Hayden, DC

Respondent Name

American Fire & Casualty Co

MFDR Tracking Number

M4-26-2941-01

Insurance Carrier's Austin Representative

BOX 60 Downs Stanford PC

DWC Date Received

June 15, 2026

Summary of Findings

Date(s) of Service	Disputed Services	Amount in Dispute	Amount Due
March 5, 2026	97750-FC Functional Capacity Evaluation	\$335.20	\$0.00
Total		\$335.20	\$0.00

Requester's Position

"SPECIFIC REASONING/RESPONSE: RATES SET BY TDI. INCORRECT REDUCTION AND/OR DENIAL OF CPT 97750-FC. RATE IS \$75.54 X 16 = \$1208.64 INCORRECTLY REDUCED TO \$873.44.

Amount In Dispute: \$335.20

Respondent's Position

"We have again review payment for the services of March 05, 2026 by Dr. Reece Hayden and determined that reimbursement was issued according to the guidelines provided by the Texas Medical Fee Schedule. The provider billed 97750 with 16 units. The first unit for 97750 was paid \$73.04 and each additional unit was reimbursed with the multiple payment reduction applied in the amount of \$53.36 per unit. Total payment issued \$873.44 is appropriate. No additional payment is due."

Response Submitted By: Liberty Mutual Insurance

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. 28 TAC 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. 163 – The charge for this procedure exceeds the unit value and/or the multiple procedure rules
2. 309 – The charge for this procedure exceeds the fee schedule allowance
3. 193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly

Issues

1. What is DWC considering in this medical fee dispute?
2. Is the insurance carrier's reduction based on multiple procedure rules supported?
3. Is the requester entitled to [additional] reimbursement?

Findings

1. The requester seeks additional reimbursement in the amount of \$335.20 for a functional capacity evaluation (97750-FC) referred to by a designated doctor. The date of service listed on the table of disputed services is March 5, 2026. The insurance carrier issued payment in the amount of \$873.44 and reduced the remaining charges with reduction reason code 163, 309 and 193 (description indicated above).
2. 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:

- (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.

CPT code 97750-FC represents a functional capacity evaluation (FCE).

On the disputed date of service, the requester billed CPT code 97750-FC for 16 units. The multiple procedure payment reduction (MPPR) rule applies to the disputed services.

The Medicare Claims Processing Manual Chapter 5, Section 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 practice expense PE payment.
- For subsequent units or procedures furnished to the same patient on the same day (for dates of service on or after April 1, 2013), full payment is made for work and malpractice components, while 50 percent of the PE component is paid for services submitted on either professional or institutional claims.
- To determine which services are subject to MPPR, contractors must rank services based on the applicable PE relative value units (RVUs). The service with the highest PE RVU is paid 100 percent, and the appropriate MPPR reduction is applied to the remaining services. If multiple services have the same highest PE RVU, they must then be ranked according to the total fee schedule amount. The service with the highest fee schedule amount will be reimbursed at 100 percent, and the Multiple Procedure Payment Reduction (MPPR) will apply to the remaining service.

Based on these provisions, the Division of Workers' Compensation (DWC) finds that the insurance carrier's MPPR-based payment reduction appropriately applies to the disputed service.

3. The requester billed \$1,208.64 for 16 units of CPT code 97750-FC rendered on March 5, 2026. The insurance carrier issued a payment in the amount of \$873.44 on March 27, 2026. The requester is seeking additional reimbursement in the amount of \$335.20.

The applicable fee guideline for functional capacity evaluations (FCEs) is found in 28 TAC Section 134.225, which provides:

- A maximum of three FCEs per compensable injury may be billed and reimbursed.
- FCEs ordered by the Division do not count toward this three-test limit.
- FCEs must be billed using CPT code 97750 with modifier "FC".
- Reimbursement is determined in accordance with Section 134.203(c)(1).
- Reimbursement limits are:
 - Up to four hours for the initial test or a division-ordered test
 - Up to two hours for an interim test
 - Up to three hours for the discharge test, unless it is the initial test
- Documentation is required.

28 TAC Section 134.203(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.

On the disputed date of service, the requester billed 16 units of CPT code 97750-FC. As discussed in Finding No. 2, the MPPR discounting rule applies to these services.

The MPPR Rate File containing payment rates for 2026 services is available through the Centers for Medicare & Medicaid Services (CMS) at www.cms.gov/Medicare/Billing/TherapyServices/index.html.

To calculate the MAR, the following formula is applied:

$(\text{DWC Conversion Factor} \div \text{Medicare Conversion Factor}) \times \text{Medicare Payment} = \text{MAR}$

Relevant factors for this dispute include:

- Date of service: March 5, 2026
- Location: ZIP code 77042, Locality 18 (Houston)
- Medicare participating amount for CPT 97750 (2026):
 - \$33.85 for the first unit
 - \$24.73 for each subsequent unit
- 2026 DWC Conversion Factor: 72.07
- 2026 Medicare Conversion Factor: 33.4009

Applying the formula above, DWC calculates the MAR as follows:

- First unit: \$73.04
- Subsequent 15 units: \$800.41
- Total MAR: \$873.45

The respondent issued payment of \$873.44. DWC therefore finds that no 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 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 additional reimbursement for the disputed services.

Authorized Signature

Signature Medical Fee Dispute Resolution Officer

June 25, 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.