SOAH DOCKET NO. 453-05-5537.M4
NO. M4-03-7507-01

LAWNDALE MEDICAL CLINIC, Provider	§	**BEFORE THE STATE OFFICE**
	§	
	§	
V.	§	
	§	**OF**
AMERICAN CASUALTY COMPANY OF READING, PA, Carrier	§	
	§	**ADMINISTRATIVE HEARINGS**

DECISION AND ORDER

The issue involved is whether Lawndale Medical Clinic (Provider) is entitled to reimbursement for certain chronic pain management services provided from December 17, 2002, to January 13, 2003. American Casualty Company of Reading, PA (Carrier) denied payment of Provider's claims. The Administrative Law Judge (ALJ) finds that Provider failed to establish it is entitled to reimbursement for its claims.

I. JURISDICTION, NOTICE, AND PROCEDURAL HISTORY

On November 30, 2005, ALJ Georgie B. Cunningham convened the hearing on the merits at the William P. Clements Building, 300 West 15th Street, Austin, Texas. Dinah Torres, Workers' Compensation Administrator, appeared telephonically for Provider. After waiting 20 minutes during which time the ALJ attempted to ascertain whether the Carrier would appear, the ALJ proceeded with the hearing. After the hearing had concluded on November 30, an attorney for Carrier filed a motion requesting the hearing be reset, beginning a series of motions, briefings, hearings on motions, and submission of documents, beginning with the reopening of the hearing. The details of the procedural history are contained in the orders issued in this case. Attorney Erin Hacker Shanley eventually represented the Carrier, and Mauro Marisigan, Manager for the Physical Therapy Department, represented the Provider. The ALJ closed the record on June 5, 2006, following the submission of the parties' written closing arguments.

The ALJ determined that jurisdiction and notice were sufficient.[1] Therefore, these issues are addressed in the findings of fact and conclusions of law without discussion.

II. DISCUSSION

Between November 14, 2002, and January 13, 2003, Provider furnished pain management services to Claimant for low back pain. Carrier, which provided workers' compensation insurance coverage to Claimant's employer, denied payment of Provider's claims on the basis that it was contesting the extent of the injury. Provider requested medical dispute resolution by the Texas Workers' Compensation Commission (Commission), now known as the Division of Workers' Compensation of the Texas Department of Insurance, based on Carrier's denial.

On March 24, 2005, the Commission's Medical Review Division (MRD) issued its decision that Provider was entitled to reimbursement for 13 dates of service and ordered Carrier to reimburse it $4,875.91. The MRD decision found that Carrier had failed to establish that it was contesting the extent of the injury. The MRD decision further determined that Provider was not entitled to reimbursement for other dates of service because Provider had failed to submit complete copies of its Request for Reconsideration, Explanation of Benefits (EOBs) or documentation to support its request for those claims.

On April 11, 2005, Provider requested a hearing before the State Office of Administrative Hearings to consider the denial of its claims for December 17, 18, 19, 20, 23, and 24, 2002, and January 2, 7, 8, 9, and 13, 2003. Carrier did not contest the partial reimbursement order by requesting a hearing.

After considering the evidence, legal argument, and briefs submitted in this matter, the ALJ concludes that Provider failed to show it is entitled to additional reimbursement for the contested dates of service. Provider did not meet the prerequisites for requesting medical dispute resolution for the claims, as correctly noted by the MRD decision.

[1] The Commission had sent proper notice to the Carrier. Carrier had simply failed to process the notice after it was received.

The Commission adopted rules to govern the process. The Commission Rule 133.304(k) provided:

> If the sender of the bill is dissatisfied with the insurance carrier's final action on a medical bill, the sender may request that the insurance carrier reconsider its action. The . . . request shall include:
>
> > (1) a copy of the complete medical bill that the health care provider is requesting the insurance carrier to reconsider; (A) clearly marked with the statement "REQUEST FOR RECONSIDERATION," (B) with the identical codes and charges that are on the original medical bill;
> > (2) a copy of the explanation of benefits; and
> > (3) a claim-specific substantive explanation that enables the insurance carrier to understand the sender's position. This explanation shall rebut the insurance carrier's reason for its action as indicated on the explanation of benefits. A generic statement that simply states a conclusion such as "insurance carrier improperly reduced the bill" or other similar phrases with no further description of the factual basis for the sender's position does not satisfy the requirements of the section.

If the Provider is still aggrieved by Carrier's denial on the request for reconsideration, it may seek dispute resolution. The Commission enacted a rule to prescribe the form, format, and manner for submitting requests for medical dispute resolution. The Commission Rule 133.307(e) requires the submission of the medical bills as originally submitted to the Carrier for reconsideration in accordance with Rule 133.304, a copy of each explanation of benefits (EOB), or if no EOB was received, convincing evidence of Carrier's receipt of the Provider's request for an EOB.

An examination of the record shows that Provider failed to submit complete documentation for its eleven contested claims. Although it did submit some records, the documentation was incomplete, as originally determined by the MRD reviewer. Provider conceded that it had encountered personnel changes among staff who handled the account, and it was unable to locate and submit complete documentation. Not only was the documentation incomplete, but the Provider's claim-specific substantive explanation did not address Carrier's stated reason that it was contesting the extent of the injury.

Although Provider argued it should prevail based on partial evidence, the ALJ finds no basis for granting relief based on partial compliance. Therefore, the ALJ concludes Provider is not entitled to reimbursement for the eleven additional claims.

III. FINDINGS OF FACT

1. Between November 14, 2002, and January 13, 2003, Lawndale Medical Clinic (Provider) provided pain management services to Claimant for low back pain.

2. American Casualty Company of Reading, PA (Carrier), which provided workers' compensation coverage for Claimant's employer, denied payment of Provider's claim.

3. Provider requested medical dispute resolution by the Texas Workers' Compensation Commission (Commission), now known as the Division of Workers' Compensation of the Texas Department of Insurance, based on Carrier's denial.

4. On March 24, 2005, the Commission's Medical Review Division (MRD) issued its decision that Provider was entitled to reimbursement for 13 dates of service and ordered Carrier to reimburse it $4,875.91.

5. The MRD decision further determined that Provider was not entitled to reimbursement for the other dates of service because Provider had failed to submit complete documentation including its request for reconsideration, Carrier's explanation of benefits (EOBs), and its medical bills.

6. On April 11, 2005, Provider requested a hearing before the State Office of Administrative Hearings to consider the denial of its claims for December 17, 18, 19, 20, 23, and 24, 2002, and January 2, 7, 8, 9, and 13, 2003.

7. On November 16, 2004, the Commission sent a hearing notice advising the parties of the matters to be determined; the right to appear and be represented by counsel; the date, time, and place of the hearing; and the statues and rules involved.

8. When Provider requested medical dispute resolution, it did not submit all copies of its medical bills as originally submitted to the Carrier for reconsideration, copies of each explanation of benefits (EOB) or if no EOB was received, convincing evidence of Carrier's receipt of its request, and a claim-specific explanation to rebut Carrier's reason for the denial of the December 17, 18, 19, 20, 23, and 24, 2002, and January 2, 7, 8, 9, and 13, 2003 claims.

IV. CONCLUSIONS OF LAW

1. The Texas Workers' Compensation Commission, now known as the Division of Workers' Compensation of the Texas Department of Insurance, has jurisdiction over this issue, pursuant to TEX. LAB. CODE ANN. § 413.031.

2. The State Office of Administrative Hearings has jurisdiction over matters related to the hearing in this proceeding, including the authority to issue a decision and order, pursuant to TEX. LAB. CODE ANN. §§ 402.073 and 413.031(k) and TEX. GOV'T CODE ANN. ch. 2003.

3. Adequate and timely notice of the hearing was provided to the parties in accordance with TEX. GOV'T CODE ANN. §§2001.051 and 2001.052.

4. As specified in 28 TEX. ADMIN. CODE (TAC) § 148.21(h) and (i), Petitioner had the burden of establishing it is entitled to reimbursement for the dates of service at issue.

5. Petitioner failed to show it complied with the Commission's procedures in requesting dispute resolution, as specified in 28 TAC §133.304 and 133.307.

6. Petitioner did not prove it is entitled to reimbursement for the contested dates of service.

ORDER

IT IS, THEREFORE, ORDERED that Lawndale Medical Clinic is not entitled to reimbursement by American Casualty Company of Reading, PA for pain management services provided Claimant on December 17, 18, 19, 20, 23, and 24, 2002, and January 2, 7, 8, 9, and 13, 2003.

SIGNED August 9, 2006.

GEORGIE B. CUNNINGHAM
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS