Billing and Reimbursement for Maximum Medical Improvement & Impairment Rating

DWC
Division of Workers' Compensation
Texas Department of Insurance

May 2015

This presentation is for educational purposes only and is not a substitute for the statute and Texas Department of Insurance, Division of Workers' Compensation (DWC) rules

DWC
Division of Workers' Compensation
Texas Department of Insurance

Topics to be Covered In This Presentation

- Definitions
- General Information
- Billing for maximum medical improvement ("MMI") evaluations
  - Doctors who ***have*** treated the injured employee
  - Doctors who ***have NOT*** treated the injured employee

DWC
Division of Workers' Compensation
Texas Department of Insurance

Topics to be Covered In This Presentation

- Billing for impairment rating (“IR”) examinations
- Billing for designated doctor services
- Billing for required medical examination doctor services

DWC
Division of Workers' Compensation
Texas Department of Insurance

Rules Used In This Presentation

Requirements

- 28 TAC §130.1 Certification of MMI & IR (General)
- 28 TAC §130.2 Certification of MMI & IR (TD)
- 28 TAC §130.3 Certification of MMI & IR (Non-TD)

DWC
Division of Workers' Compensation
Texas Department of Insurance

Rules Used In This Presentation

Reimbursement

- 28 TAC §134.2 Incentive Payments for Workers' Compensation Underserved Areas
- 28 TAC §134.203 Medical Fee Guidelines for Professional Services
- 28 TAC §134.204 Medical Fee Guidelines for Division Specific Services

DWC
Division of Workers' Compensation
Texas Department of Insurance

Maximum Medical Improvement (MMI)

The earlier of:

- *Clinical:* the earliest date after which, based on reasonable medical probability, further material recovery from or lasting improvement to an injury can no longer reasonably be anticipated; ***or***

DWC
Division of Workers' Compensation
Texas Department of Insurance

Maximum Medical Improvement (MMI)

The earlier of:

- *Statutory:* the expiration of 104 weeks from the date on which income benefits begin to accrue.
  - The date may be extended by Commissioner Order due to spinal surgery or approved spinal surgery. (TLC §408.104 and 28 TAC §126.11)

DWC
Division of Workers' Compensation
Texas Department of Insurance

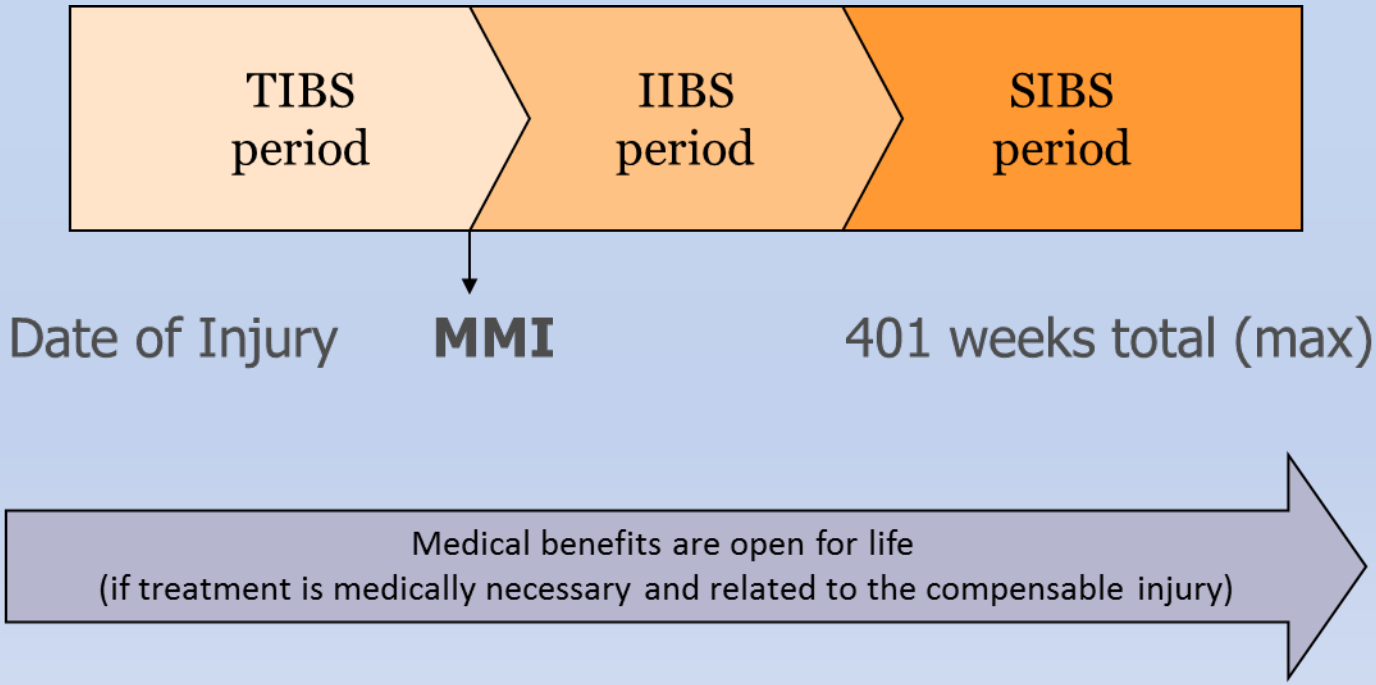
Impairment Rating (IR)

- Only doctors who are certified by DWC may assign an IR
- Reflects the extent of permanent anatomic or functional abnormality or loss resulting from a compensable injury as of the date of MMI
- Shown as percentage of permanent impairment to the whole body

Impairment Rating (IR)

- Based on the American Medical Association's *Guides to the Evaluation of Permanent Impairment, 4th Edition (*AMA *Guides*)
- An impairment rating is used to determine impairment income benefits (IIBs)
- Three weeks of IIBs due for each percent of whole body impairment

Three Stages of Possible Income Benefits



DWC
Division of Workers' Compensation
Texas Department of Insurance

General Information Applies to All Doctors

DWC
Division of Workers' Compensation
Texas Department of Insurance

MMI + IR = MAR

The Maximum Allowable Reimbursement (MAR) for a MMI / IR examination is equal to the reimbursement for the MMI evaluation plus the reimbursement for the body area(s) evaluated for assignment of an IR.

DWC
Division of Workers' Compensation
Texas Department of Insurance

Reimbursement for the MMI / IR examination includes the following components:

- The medical examination;
- Consultation with injured employee;
- Review of medical records and films;
- Reports (DWC Form-069), including the initial narrative report as well as any subsequent reports in response to the need for clarification, explanation, or reconsideration;

DWC
Division of Workers' Compensation
Texas Department of Insurance

Reimbursement for the MMI / IR examination includes the following components:

- Calculations, tables, figures, and worksheets; and
- Tests used to assign an IR, as outlined in the AMA *Guides*.

DWC
Division of Workers' Compensation
Texas Department of Insurance

When billing for an MMI / IR examination, provide the following information in the Procedures, Services, or Supplies field of the billing form (CMS-1500) or electronic format:

- MMI evaluation CPT code;
- Appropriate modifiers;
- Units and/or

DWC
Division of Workers' Compensation
Texas Department of Insurance

When billing for an MMI / IR examination, provide the following information in the Procedures, Services, or Supplies field of the billing form (CMS-1500) or electronic format:

- CPT code(s) that ***best describe the test(s)*** performed by the examining doctor for rating non-musculoskeletal areas. Reimbursement is based on the procedure codes (CPT) codes billed.

DWC
Division of Workers' Compensation
Texas Department of Insurance

MMI/IR examinations primarily use only one of two CPT codes

- **99455** - Treating doctors and other doctors who ***have*** previously treated the injured employee. (Ex: Treating doctors and some referral doctors.)
- **99456** - Doctors who ***have not*** previously treated the injured employee. (Ex: Designated doctors, required medical examination doctors, and some referral doctors.)

DWC
Division of Workers' Compensation
Texas Department of Insurance

Billing MMI by Treating Doctors and Other Doctors Who Have Previously Treated the Injured Employee

(Ex: Treating doctors and certain referral doctors.)

DWC
Division of Workers' Compensation
Texas Department of Insurance

Doctors Who Have Previously Treated the Injured Employee

- Report CPT code **99455**;
- Use the “V1,” “V2,” “V3,” “V4,” or “V5” modifier to correspond with the last digit of the applicable established patient office visit code; and
- Reimbursement for the MMI Evaluation is the same amount as the corresponding office visit fees.

DWC
Division of Workers' Compensation
Texas Department of Insurance

Reimbursement for the MMI Evaluation is the same amount as the corresponding office visit fees.

- 99455-V1 = reimbursement for 99211
- 99455-V2 = reimbursement for 99212
- 99455-V3 = reimbursement for 99213
- 99455-V4 = reimbursement for 99214
- 99455-V5 = reimbursement for 99215

If the treating (examining) doctor determines that MMI has been reached and there is no permanent impairment because the injury was sufficiently minor:

- an IR examination is not required, and
- only the MMI evaluation portion of the examination is billed and reimbursed. (28 TAC §130.1)

DWC
Division of Workers' Compensation
Texas Department of Insurance

When the treating doctor is required to review and agree or disagree with the certification of MMI and assignment of IR performed by another doctor. (28 TAC §130.3)

- Report CPT code 99455
- Use the “VR” modifier to indicate a review of the report only; and
- Reimbursement is $50

DWC
Division of Workers' Compensation
Texas Department of Insurance

Billing MMI by Doctors Who Have *NOT* Previously Treated the Injured Employee

(Ex: Designated doctors, required medical examination doctors, and certain referral doctors.)

DWC
Division of Workers' Compensation
Texas Department of Insurance

Doctors Who Have *NOT* Previously Treated the Injured Employee

- Report CPT code **99456**
- If the patient is not at MMI, then the provider uses the "NM" modifier;
- MMI Evaluation reimbursement is $350, regardless of whether the injured employee is at MMI or not.

DWC
Division of Workers' Compensation
Texas Department of Insurance

If the examining doctor determines that MMI has been reached and there is no permanent impairment because the injury was sufficiently minor:

- an IR examination is not required, and
- only the MMI evaluation portion of the examination is billed and reimbursed. (28 TAC §130.1)

DWC
Division of Workers' Compensation
Texas Department of Insurance

Billing and Reimbursement for Assignment of an Impairment Rating

(Applies to all doctors)

DWC
Division of Workers' Compensation
Texas Department of Insurance

- MMI evaluation CPT code (99455 or 99456);
- Appropriate modifiers; and
- Units (number of body areas rated)

DWC
Division of Workers' Compensation
Texas Department of Insurance

Component modifiers

- WP = Whole procedure (100% of total MAR)
- 26 = Professional component (80% of total MAR)
- TC = Technical component (20% of total MAR)

DWC
Division of Workers' Compensation
Texas Department of Insurance

- If additional testing that is not outlined in the AMA *Guides* is required, use the appropriate CPT code(s) for that service.

- Reimbursement for necessary testing is made in addition to the MMI/IR fees described in the fee guideline.

DWC
Division of Workers' Compensation
Texas Department of Insurance

The examining doctor may bill for a maximum of three musculoskeletal body areas (units), which are defined as follows:

- Spine and pelvis;
- Upper extremities and hands; and
- Lower extremities (including feet).

DWC
Division of Workers' Compensation
Texas Department of Insurance

Musculoskeletal body areas are rated by two methods:

1. Diagnostic related estimate (DRE)
2. Range of Motion (ROM)

DWC
Division of Workers' Compensation
Texas Department of Insurance

When the Diagnosis Related Estimates (DRE) method found in the AMA *Guides* is used:

- Reimbursement is $150 for each body area rated by the DRE method

DWC
Division of Workers' Compensation
Texas Department of Insurance

When a range of motion test is performed:

- Reimbursement is $300 for the first musculoskeletal body area in which range of motion is measured
- Reimbursement is $150 for each additional musculoskeletal body area

DWC
Division of Workers' Compensation
Texas Department of Insurance

When the examining doctor performs the MMI evaluation and the IR testing of the musculoskeletal body area(s), the following guidelines apply:

- Examining doctor bills using the appropriate MMI CPT code with the “WP” modifier
- Reimbursement is 100 percent of the total MAR

DWC
Division of Workers' Compensation
Texas Department of Insurance

When the examining doctor performs the MMI evaluation and assigns the IR, but *does not* perform the testing of the musculoskeletal body area(s), the following guidelines apply:

- Examining doctor bills using the appropriate MMI CPT code with the “26” modifier
- Reimbursement is 80 percent of the total MAR

DWC
Division of Workers' Compensation
Texas Department of Insurance

When a health care provider other than the examining doctor performs the testing of the musculoskeletal body area(s), the following guidelines apply:

- HCP bills using the appropriate MMI CPT code with the “TC” modifier

- Reimbursement is 20 percent of the total MAR.

DWC
Division of Workers' Compensation
Texas Department of Insurance

Non-musculoskeletal body areas are billed and reimbursed using the appropriate CPT code(s) for the test(s) required for the assignment of IR. Non-musculoskeletal body areas are defined as:

- Body systems;
- Body structures (including skin); and
- Mental and behavioral disorders.

DWC
Division of Workers' Compensation
Texas Department of Insurance

When there is no test to determine an IR for a non-musculoskeletal condition:

- The IR is based on the charts in the AMA *Guides*. These charts generally show a category of impairment and a range of percentage ratings that fall within that category.

- The certifying doctor must determine and assign a finite whole percentage number from the range of percentage ratings.

DWC
Division of Workers' Compensation
Texas Department of Insurance

When there is no test to determine an IR for a non-musculoskeletal condition:

- Use of these charts to assign an IR is equivalent to assigning an IR by the DRE method.
- The MAR for the assignment of an IR in a non-musculoskeletal body area shall be $150.

DWC
Division of Workers' Compensation
Texas Department of Insurance

If the examining doctor refers testing for non-musculoskeletal body area(s) to a specialist and then incorporates the findings as part of the MMI/IR report, the following billing and reimbursement guidelines apply:

- The examining doctor (the referring doctor) bills using the appropriate MMI CPT code with the “SP” modifier
- Enter one unit in the “units” field of the billing form (CMS-1500) or the electronic format

DWC
Division of Workers' Compensation
Texas Department of Insurance

If the examining doctor refers testing for non-musculoskeletal body area(s) to a specialist and then incorporates the findings as part of the MMI/IR report, the following billing and reimbursement guidelines apply:

- A $50 reimbursement for incorporating one or more specialist's report(s) information into the final assignment of IR is allowed only once per examination

DWC
Division of Workers' Compensation
Texas Department of Insurance

If the examining doctor refers testing for non-musculoskeletal body area(s) to a specialist and then incorporates the findings as part of the MMI/IR report, the following billing and reimbursement guidelines apply:

- The referral specialist bills and is reimbursed for the appropriate CPT code(s) for the tests required for the assignment of an IR.
- Documentation is required.

DWC
Division of Workers' Compensation
Texas Department of Insurance

Examples of Billing by a Doctor Who Previously Treated the Injured Employee

DWC
Division of Workers' Compensation
Texas Department of Insurance

Example: Treating doctor determined an injured employee reached MMI and assigned an IR during a midlevel established patient office visit conducted in Austin, Texas.

IR was assigned to one body area using the *DRE* method.

Billing: 99455-V3-WP	Units = 1
Reimbursement:	
MMI (office visit) =	114.80
IR (DRE) =	150.00
	264.80

DWC Division of Workers' Compensation
Texas Department of Insurance

Example: Treating doctor determined an injured employee reached MMI and assigned an IR during a midlevel established patient office visit conducted in Austin, Texas.

IR was assigned to one body area using the ***ROM*** method.

Billing: 99455-V3-WP Units = 1

Reimbursement:

MMI (office visit) =	114.80
IR (ROM) =	300.00
	414.80

DWC
Division of Workers' Compensation
Texas Department of Insurance

Information That Applies to Designated Doctors

DWC
Division of Workers' Compensation
Texas Department of Insurance

What is a designated doctor?

A designated doctor is a doctor ***appointed by the DWC*** to resolve any question about:

- IR
- MMI
- Extent of the employee's compensable injury
- Whether the injured employee's disability is a direct result of the work-related injury
- Ability of the employee to return to work; and
- Other similar issues

DWC
Division of Workers' Compensation
Texas Department of Insurance

Examinations Conducted by Designated Doctors with Corresponding Modifiers

- Maximum Medical Improvement (W5)
- Impairment Rating (W5)
- Extent of Injury (W6)
- Whether disability is direct result of compensable injury (W7)
- Ability to return to work (W8)
- Similar issues (W9)

DWC
Division of Workers' Compensation
Texas Department of Insurance

- Designated doctors primarily use one CPT Code: **99456**

- If billing for a test that is not included in the AMA *Guides*, but is necessary to assign an IR:
  - Bill the CPT code for that test.

"W" modifiers are added as the *first* modifier to indicate if that doctor was a designated doctor and the type of examination that was performed.

MMI and IR

- W5: Maximum Medical Improvement
- W5: Impairment Rating

DWC
Division of Workers' Compensation
Texas Department of Insurance

"W" modifiers are added as the first modifier to indicate if that doctor was a designated doctor and the type of examination that was performed.

NON-MMI and IR

- W6: Extent of compensable injury
- W7: Is disability a result of compensable injury
- W8: Ability to return to work
- W9: "Similar issues"

DWC
Division of Workers' Compensation
Texas Department of Insurance

Additional modifiers used by designated doctors are the following:

- NM: Not at Maximum Medical Improvement
- WP: Designated doctor is billing for whole procedure of IR measurements
- 26: Doctor is billing for professional component of the IR

Additional modifiers used by designated doctors are the following:

- SP: Designated doctor referred the patient to a specialist and is incorporating the report from the specialist
- RE: Always used with W6, W7, W8, and W9 modifiers
- MI: DWC requested multiple impairment ratings

DWC
Division of Workers' Compensation
Texas Department of Insurance

Multiple Impairment Ratings by Designated Doctor

When multiple IRs are required as a component of a designated doctor examination the following guidelines apply:

- The designated doctor bills for the number of body areas rated
- Add the "MI" modifier to the MMI CPT code **99456-W5**
- Reimbursement is $50 for each additional IR calculation

DWC
Division of Workers' Compensation
Texas Department of Insurance

CPT code 99456-W5-NM states the following:

- A doctor other than the treating doctor examined an injured employee.
- That doctor was acting as a DWC appointed designated doctor.
- The examination performed by the doctor was to determine MMI and/or IR.
- The injured employee is not at MMI.

CPT code 99456-W5-WP states the following:

- A doctor other than the treating doctor examined an injured employee.
- That doctor was acting as a DWC appointed designated doctor.
- The examination performed by the doctor was to determine MMI and/or IR.

CPT code 99456-W5-WP states the following:

- The injured employee is at MMI.
- Designated doctor is billing for whole procedure of impairment rating measurement.
- The doctor is eligible for 100% of the MAR for the examination.

DWC
Division of Workers' Compensation
Texas Department of Insurance

Designated Doctor Non-MMI/IR Examinations

Tiered Reimbursement

- The first examination is reimbursed at 100 percent of the set fee.
- The second examination is reimbursed at 50 percent of the set fee.
- Subsequent examinations are reimbursed at 25 percent of the set fee.

Tiered Reimbursement for non-MMI/IR Examinations

- The MMI and IR examinations (W5) performed by a designated doctor are NOT subject to tiered reimbursement.
- The remaining types of examinations (W6, W7, W8, W9) performed by a designated doctor are subject to tiered reimbursement.

DWC
Division of Workers' Compensation
Texas Department of Insurance

Billing for Designated Doctor Services: MMI and IR

MMI/IR Exam	Coding	Billed & Reimbursed	MAR
Attainment of MMI	99456-W5 + modifiers	as outlined in 134.204(j)	$350
Impairment caused by the compensable injury	99456-W5 + modifiers	as outlined in 134.204(j)	1st Body Area ROM = $300 or DRE = $150 Each additional body area(s) ROM or DRE = $150

Billing for Designated Doctor Services: NON-MMI and IR

Exam type	Coding	Billed and Reimbursed	MAR
Extent of the compensable injury	99456-W6-RE	as outlined in 134.204(i) & (k)	$500
Employee's ability to RTW	99456-W8-RE	as outlined in 134.204(i) & (k)	$500
Similar issues	99456-W9-RE	as outlined in 134.204(i) & (k)	$500
Multiple non-MMI/IR examinations performed concurrently under the same DWC Order	99456-W6- RE 99456-W8- RE 99456-W9- RE	as outlined in 134.204(i) & (k)	1st = 100% ($500) 2nd = 50% ($250) subsequent = 25% ($125)

Billing for Designated Doctor Services Reimbursement Example

MMI			$350
IR	1st body area	ROM	$300
	2nd body area	DRE	$150
			$800
Extent of injury			$500
RTW			$250
Similar Issues			$125
			$875
Total Reimbursement			$800 MMI/IR
			$875 Non-MMI/IR
			$1675

DWC
Division of Workers' Compensation
Texas Department of Insurance

Information That Applies to Required Medical Examination (RME) Doctors

DWC
Division of Workers' Compensation
Texas Department of Insurance

The services of a RME doctor are billed and reimbursed the same as a designated doctor but *without* the W5, W6, W7, W8 or W9 modifier.

DWC
Division of Workers' Compensation
Texas Department of Insurance

Billing for RME Doctor Services: MMI and IR

MMI/IR Exam	Coding	Billed & Reimbursed	MAR
Attainment of MMI	99456-modifiers	as outlined in 134.204(j)	$350
Impairment caused by the compensable injury	99456-modifiers	as outlined in 134.204(j)	1st Body Area ROM = $300 or DRE = $150 Each additional body area(s) ROM or DRE = $150

Billing for RME Doctor Services: NON-MMI and IR

Exam type	Coding	Billed & Reimbursed	MAR
Extent of the compensable injury	99456-RE	as outlined in 134.204(i) & (k)	$500
Employee's ability to RTW	99456-RE	as outlined in 134.204(i) & (k)	$500
Similar issues	99456-RE	as outlined in 134.204(i) & (k)	$500
Multiple non-MMI/IR examinations performed concurrently under the same DWC Order	99456-RE 99456-RE 99456-RE	as outlined in 134.204(i) & (k)	1st = 100% ($500) 2nd = 50% ($250) subsequent = 25% ($125)

Topics Covered In This Presentation

- Definitions
- General Information
- Billing for MMI evaluations
  - Doctors who ***have*** treated the injured employee
  - Doctors who ***have NOT*** treated the injured employee

DWC
Division of Workers' Compensation
Texas Department of Insurance

Topics Covered In This Presentation

- Billing for IR examinations
- Billing for designated doctor services
- Billing for required medical examination doctor services

DWC
Division of Workers' Compensation
Texas Department of Insurance

Questions About Billing

Call CompConnection

(800) 252-7031, Option #3

In Austin *(512) 804-4000, Option #3*.

E-mail

medben@tdi.texas.gov

DWC
Division of Workers' Compensation
Texas Department of Insurance

DWC
Division of Workers' Compensation
Texas Department of Insurance