

FastFacts

For Insurance Carriers and Health Care Providers

Medical Dispute Resolution (MDR) – Fee Disputes

Texas Administrative Code (TAC) Title 28, Chapter 133, Subchapter D (related to Dispute of Medical Bills), §133.307

What is a medical fee dispute?

A medical fee dispute is a disagreement over the amount paid for medically necessary, non-network health care provided to treat an employee's work-related injury.

Who can request medical fee dispute resolution (MFDR)?

- **Health care provider (HCP)** can dispute either of the following:
 - An insurance carrier (carrier) reduction or denial of a medical bill; or
 - An order to refund a carrier based on a Division or carrier audit
- **Injured employee (IE)** can dispute either of the following:
 - A carrier denial of a refund request for medical care the IE has paid for; or
 - A HCP denial to refund an amount the IE has paid above the Division of Workers' Compensation (Division) medical fee guideline

Which medical fee disputes are affected by this new MFDR rule?

The rule applies to non-network health care MFDR requests filed on or after January 15, 2007, even if the dates of service in dispute are before January 15, 2007.

What is the deadline for requesting MFDR?

The requestor has up to one year from the date(s) of service in dispute to request MFDR, except in the following situations, in which this deadline may be extended:

- When a requestor has filed a medical necessity, compensability, extent of injury, or liability dispute, the requestor must request MFDR within 60 days of the requestor's receipt of the final decision or within one year from the date(s) of service in dispute, whichever is longer; and
- When the Division has issued a refund notice after a Division audit or review, the requestor must request MFDR within 60 days of receipt of the refund notice or within one year from the date(s) of service in dispute, whichever is longer.

How should a HCP request MFDR?

Complete and submit form DWC-60, Request for Medical Fee Dispute Resolution, including the table showing the specific disputed health care and charges, along with appropriate documentation, including:

- A copy of all medical bills(s) as originally submitted to the carrier and a copy of all medical bill(s) submitted for reconsideration;
- A copy of each Explanation of Benefits (EOB) or convincing documentation showing that the carrier received a request for an EOB;
- When applicable, a copy of the final decision regarding compensability, extent of injury, liability, and/or medical necessity for the health care related to the dispute;
- A copy of all applicable medical records for the dates of service in dispute;
- A position statement of the disputed issue(s) that includes:
 - A description of the health care in dispute;
 - An explanation of why the disputed fees should be paid or refunded;
 - An explanation of how the law, rules, and fee guidelines impact the disputed fee issues; and
 - An explanation of how the submitted documentation supports the requestor's position for each disputed issue.
- Documentation justifying that the payment being sought is fair and reasonable when no maximum allowable reimbursement (MAR) has been established.

How should an Injured Employee request a MFDR?

Complete and submit form DWC-60, including the table showing the specific disputed health care and charges, along with appropriate documentation and an explanation of the disputed amount(s), including:

- A description of the health care in dispute;
- An explanation of why the disputed amount should be refunded or reimbursed;
- An explanation of how the submitted documentation supports the explanation for each disputed amount;
- Proof of the employee's payment, such as copies of receipts; and
- A copy of the carrier's or HCP's denial or evidence of the IE's effort to obtain reimbursement or refund.

What do carriers have to do in response to a MFDR request?

Submit a legible response in the form and manner prescribed by the Division within 14 calendar days of receipt of the copy of the requestor's dispute. *The carrier may not submit additional documentation beyond this 14-day deadline unless the Division's MFDR section specifically requests it.* The carrier response must include:

- The completed request form, including any missing information known;
- All initial and reconsideration EOBs related to the health care in dispute not previously submitted or a statement certifying that the carrier did not receive the disputed billing prior to the dispute request;
- A copy of all relevant medical bills, if different from those originally submitted;
- A copy of all relevant medical records and other documents not already provided;
- A statement of the disputed fee issues, including:
 - A description of the health care in dispute
 - A position statement explaining why the disputed fees should not be paid;
 - An explanation of how the Labor Code, Division rules, and fee guidelines, impact the disputed fee issues;
 - An explanation of how the submitted documentation supports the respondent's position for each disputed fee issue; and
 - Documentation justifying that the amount the respondent paid is fair and reasonable reimbursement if there is no established MAR.

What are the other requirements for the carrier response to a MFDR request?

The carrier's response must address only those denial reasons that were presented to the requestor before the date when the request for MDR was filed. If the carrier did not receive the HCP's disputed billing or the employee's reimbursement request relevant to the dispute prior to the request, the carrier must include that information in a written statement in the response the carrier submits to the Division.

If the response includes any unresolved compensability, extent of injury, or liability issues, the carrier must attach a copy of the related Plain Language Notices in accordance with 28 Texas Administrative Code §124, and the request for MDR will be dismissed. If the medical fee dispute involves any medical necessity issues, the carrier must attach a copy of documentation that supports an adverse determination in accordance with 28 Texas Administrative Code §19.2005.

What do HCPs have to do in response to a MFDR request?

Submit a legible response in the form and manner prescribed by the Division within 14 calendar days of receipt of the copy of the requestor's dispute which includes:

- The completed request form, including any missing information known by the provider
- Documentation (medical bills, IE payment receipts) and reasons why the refund request was denied
- A statement of disputed fee issues, including an explanation of how the submitted documentation supports the HCP's position
- A copy of the HCP's refund payment, if applicable

When can the Division dismiss a medical fee dispute resolution request?

The Division may dismiss a medical fee dispute request if:

- The dispute no longer exists
- The requestor is not a proper party to the dispute
- The medical bills in dispute have not been submitted to the carrier for reconsideration
- The fee disputes for the dates of health care in question have been previously adjudicated by the Division
- The request is untimely
- The dispute is for health care services provided under a private fee contract
- The request contains an unresolved adverse determination of medical necessity
- The carrier has raised a dispute pertaining to compensability, extent of injury, or liability for the claim
- The request was not submitted in compliance with the Labor Code §133.307
- The Division determines good cause exists to dismiss the request

What happens after the Division makes a decision regarding the medical fee dispute?

The Division must send the decision to the disputing parties and their representative(s), if any, and post the decision on the agency website.

What can you do if you are not satisfied with the outcome of a dispute?

You can seek judicial review of the decision by filing a petition in a Travis County district court within 30 days from receipt of the decision by the appealing party. A decision that is not timely appealed becomes final. (Letters of clerical correction are exceptions.)

What do you have to do to appeal a MDR Section decision?

When an appealing party files a petition with the district court, **they must send a copy to the Division.** Neither the Department nor the Division is a party to the dispute.

Information that must be included in the petition or in a cover letter includes:

- MDR Section tracking number;
- Names of parties;
- Cause number;
- Identity of the court; and
- Date the petition was filed with the court.

What does the Division have to do when it receives a court petition?

When the Division receives the court petition, it prepares a record of the MDR Section review for appeal and submits a copy of the record to the district court. The Division assesses the party seeking judicial review expenses incurred by Division in preparing and copying the record. The record must contain:

- The MDR Section decision;
- The request for MDR;
- All documentation and written information that was submitted by the requestor;
- All documentation and written information that was submitted by respondent
- Other documents in the MDR Section files, such as correspondence and orders for production;
- Copies of any pertinent medical literature and any other documentation used to support the decision (or a listing of such documentation referencing portion(s) of each document used); and
- A signed and certified custodian of records affidavit.

What is a letter of clerical correction and when is it used?

On receipt of medical fee dispute decision, either party may request a non-substantive clerical correction of an error in a decision, such as typographical errors, mathematical calculation errors, etc. The Division determines if a clerical correction is required and the request for clerical correction does not change the appeal deadlines.

Additional information about the Medical Fee Dispute process can be found using the following link:

<http://www.tdi.state.tx.us/wc/mr/medrev.html#meddispute>