THIS DECISION HAS BEEN APPEALED. THE FOLLOWING IS THE RELATED SOAH DECISION NUMBER:

SOAH DOCKET NO. 453-04-5401.M5

MDR Tracking Number: M5-03-2507-01

Under the provisions of Section 413.031 of the Texas Workers' Compensation Act, Title 5, Subtitle A of the Texas Labor Code, effective June 17, 2001 and Commission Rule 133.305 titled Medical Dispute Resolution-General, 133.307 and 133.308 titled Medical Dispute Resolution by Independent Review Organizations, the Medical Review Division assigned an IRO to conduct a review of the disputed medical necessity issues between the requestor and the respondent. This dispute was received on 06-10-03.

The IRO reviewed medical-surgical supplies, nonsterile supplies, sterile supplies rendered on 07-23-02 that was denied based upon "U".

The Medical Review Division has reviewed the IRO decision and determined that the **requestor prevailed** on the issues of medical necessity. Therefore, upon receipt of this Order and in accordance with \$133.308(r)(9), the Commission hereby orders the respondent and non-prevailing party to **refund the requestor \$650.00** for the paid IRO fee. For the purposes of determining compliance with the order, the Commission will add 20-days to the date the order was deemed received as outlined on page one of this order.

In accordance with §413.031(e), it is a defense for the carrier if the carrier timely complies with the IRO decision.

Based on review of the disputed issues within the request, the Medical Review Division has determined that **medical necessity was not the only issue** to be resolved. This dispute also contained services that were not addressed by the IRO and will be reviewed by the Medical Review Division.

On 09-03-03, the Medical Review Division submitted a Notice to requestor to submit additional documentation necessary to support the charges and to challenge the reasons the respondent had denied reimbursement within 14-days of the requestor's receipt of the Notice.

Revenue code R360 OR services denied for M-No MAR, reduced to fair and reasonable. The requestor did not support fair and reasonable and documentation does not identify the services performed or support delivery of service. No additional reimbursement is recommended.

ORDER

Pursuant to §§402.042, 413.016, 413.031, and 413.019 of the Act, the Medical Review Division hereby ORDERS the respondent to pay for the unpaid medical fees in accordance with the fair and reasonable rate as set forth in Commission Rule 133.1(a)(8) plus all accrued interest due at the time of payment to the requestor within 20-days of receipt of this order. This Decision is applicable for date of service 07-23-02 in this dispute.

This Findings and Decision and Order is hereby issued this 31st day of March 2004.

Debra L. Hewitt Medical Dispute Resolution Officer Medical Review Division

RL/dlh

NOTICE OF INDEPENDENT REVIEW DECISION

Date: August 29, 2003

RE: MDR Tracking #: M5-03-2507-01

IRO Certificate #: 5242

___ has been certified by the Texas Department of Insurance (TDI) as an independent review organization (IRO). The Texas Workers' Compensation Commission (TWCC) has assigned the above referenced case to ___ for independent review in accordance with TWCC Rule §133.308 which allows for medical dispute resolution by an IRO.

has performed an independent review of the proposed care to determine if the adverse determination was appropriate. In performing this review, relevant medical records, any documents utilized by the parties referenced above in making the adverse determination and any documentation and written information submitted in support of the appeal was reviewed.

The independent review was performed by a Plastic\Hand Surgeon physician reviewer who is board certified in Plastic\Hand Surgery. The Plastic\Hand Surgeon physician reviewer has signed a certification statement stating that no known conflicts of interest exist between him or her and any of the treating physicians or providers or any of the physicians or providers who reviewed the case for a determination prior to the referral to for independent review. In addition, the reviewer has certified that the review was performed without bias for or against any party to this case.

Clinical History

The claimant is an ____ female. At the time of the last operation, she was 30 years old and was status post multiple surgeries to her left hand. She apparently sustained a crush injury at work on ___ at which time she was loading a roll of plastic material into a fabricating machine when apparently her left thumb was caught in the gear mechanism of the rollers. The initial injury was defined as a crush injury and was treated at ___ with a simple wound closure. No fractures were present. There was an approximately 8cm laceration of the palm. Subsequently the claimant underwent 3 operations carried out by ___. All of these operations were to release scar tissue. An RME by ___ dated 2/15/02 lists a surgery by ___ dated 5/23/01 followed by a second surgery on 10/23/01. The second surgery operative report is not available and the chart was apparently very extensive. The claimant benefitted by approximately 16 sessions of supervised therapy over

6 weeks in conjunction with a home exercise program after the first 2 surgeries. A third surgery was performed on 7/23/02 at ___ and consisted of 11 procedures. The operative report of that surgery is attached to these records and has been reviewed.

Requested Service(s)

The medical necessity of outpatient services specifically medical/surgical supplies, non-sterile supplies and sterile supplies rendered on 7/23/02.

Decision

The medical/surgical supplies, sterile and non-sterile, are medically necessary.

Rationale/Basis for Decision

The documentation provided has carefully been reviewed. It appears that neither the medical necessity for the procedure itself nor the charges on the individual items billed by _____, but rather, for the procedure performed by ____ on 7/23/03, are the hospital supplies used reasonable and necessary. Given the description of the procedure performed, I find nothing to suggest that these supplies could not have been utilized and are not medically necessary.

It appears that the codes used to deny the charges are in error. It would appear that the hospital supply charges are not truly being denied because it was felt that they were not medically necessary, but because they are part of an inclusive fee for outpatient surgery in an ambulatory surgical center or hospital.