

MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

| | |
|---|---|
| Type of Requestor: () HCP () IE () IC | Response Timely Filed? () Yes () No |
| Requestor's Name and Address San Antonio Orthopaedic Surgery Center P.O. Box 34533 San Antonio, TX 78265 | MDR Tracking No.: M4-05-0009-01 |
| | TWCC No.: |
| | Injured Employee's Name: |
| Respondent's Name and Address Zurich American Insurance Co. Box 19 c/o Flahive, Ogden & Latson | Date of Injury: |
| | Employer's Name: SNL Distribution Services Corp |
| | Insurance Carrier's No.: 2720040445 |

PART II: SUMMARY OF DISPUTE AND FINDINGS

| Dates of Service | | CPT Code(s) or Description | Amount in Dispute | Amount Due |
|--------------------------|----------|---|-------------------|---------------|
| From | To | | | |
| 10/21/03 | 10/21/03 | 29888 - Arthroscopically aided anterior cruciate ligament repair/augmentation or reconstruction | \$5,616.12 | \$0.00 |
| 10/21/03 | 10/21/03 | 29882-59 – Arthroscopy, knned, surgical; with meniscus repair | \$6,222.13 | \$0.00 |
| Total Amount Due: | | | \$0.00 | \$0.00 |

PART III: REQUESTOR'S POSITION SUMMARY

The insurance carrier has not provided the proper payment exception code in this instance, which is in violation of the Texas Administrative Code. The insurance carrier did not make "fair and reasonable" reimbursement and did not make consistent reimbursements.

PART IV: RESPONDENT'S POSITION SUMMARY

The insurance carrier's payment is fair and reasonable and in accordance with §413.011 of the Texas Labor Code. The insurance carrier's stated methodology for determining reimbursement is based upon 125% or the applicable Medicare reimbursement for the service performed, and additionally factored in the inpatient surgical per diem rate.

PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

This dispute relates to services provided in an Ambulatory Surgical Center that are not covered under a fee guideline for this date of service. Accordingly, the reimbursement determined through this dispute resolution process must reflect a fair and reasonable rate as directed by Commission Rule 134.1. This case involves a factual dispute about what is a fair and reasonable reimbursement for the services provided.

After reviewing the documentation provided by both parties, it appears that neither the requestor nor the respondent provided convincing documentation that sufficiently discusses, demonstrates, and justifies that their purported amount is a fair and reasonable reimbursement (Rule 133.307). The failure to provide persuasive information that supports their proposed amounts makes rendering a decision difficult. After reviewing the services, the charges, and both parties' positions, it is determined that no other payment is due.

During the rule development process for facility guidelines, the Commission had contracted with Ingenix, a professional firm specializing in actuarial and health care information services, in order to secure data and information on reimbursement ranges for these types of services. The results of this analysis resulted in a recommended range for reimbursement for workers' compensation services provided in these facilities. In addition, we received information from both ASCs and insurance carriers in the recent rule revision process. While not controlling, we considered this information in order to find data related to commercial market payments for these services. This information provides a very good benchmark for determining the "fair and reasonable" reimbursement amount for the services in dispute.

To determine the amount due for this particular dispute, staff compared the procedures in this case to the amounts that would be within the reimbursement range recommended by the Ingenix study (from 192.6% to 256.3% of Medicare for this particular year). Staff considered the other information submitted by the parties and the issues related to the specific procedures performed in this dispute. Based on this review, the original reimbursement on these services is within the medium end of the Ingenix range. The decision for no

additional reimbursement was then presented to a staff team with health care provider billing and insurance adjusting experience. This team considered the decision and discussed the facts of the individual case.

Based on the facts of this situation, the parties' positions, the Ingenix range for applicable procedures, and the consensus of other experienced staff members in Medical Review, we find that no additional reimbursement is due for these services.

PART VI: COMMISSION DECISION

Based upon the review of the disputed healthcare services, the Medical Review Division has determined that the requestor is not entitled to additional reimbursement.

Findings and Decision by:

Marguerite Foster

July 15, 2005

Authorized Signature

Typed Name

Date of Order

PART VII: YOUR RIGHT TO REQUEST A HEARING

Either party to this medical dispute may disagree with all or part of the Decision and has a right to request a hearing. A request for a hearing must be in writing and it must be received by the TWCC Chief Clerk of Proceedings/Appeals Clerk within 20 (twenty) days of your receipt of this decision (28 Texas Administrative Code § 148.3). This Decision was mailed to the health care provider and placed in the Austin Representatives box on __ 19 _____. This Decision is deemed received by you five days after it was mailed and the first working day after the date the Decision was placed in the Austin Representative's box (28 Texas Administrative Code § 102.5(d)). A request for a hearing should be sent to: Chief Clerk of Proceedings/Appeals Clerk, P.O. Box 17787, Austin, Texas, 78744 or faxed to (512) 804-4011. A copy of this Decision should be attached to the request.

The party appealing the Division's Decision shall deliver a copy of their written request for a hearing to the opposing party involved in the dispute.

Si prefiere hablar con una persona in español acerca de ésta correspondencia, favor de llamar a 512-804-4812.

PART VIII: INSURANCE CARRIER DELIVERY CERTIFICATION

I hereby verify that I received a copy of this Decision in the Austin Representative's box.

Signature of Insurance Carrier: _____ Date: _____