MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: (x) HCP ( ) IE ( ) IC	**Response Timely Filed?** () Yes (x) No
Requestor's Name and Address Vista Medical Center Hospital 4301 Vista Road Pasadena, Texas 77503	MDR Tracking No.: M4-05-0211-01 TWCC No.: Injured Employee's Name:
Respondent's Name and Address Universal Underwriters Insurance Company 14300 Cornerstone Village Drive Houston, Texas 77014-1251 Box 10	Date of Injury: Employer's Name: Oreilly Automotive, Inc. Insurance Carrier's No.: 2230096424

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
10/27/03	**10/29/03**	**Hospital Admission**	**$50,155.92**	**$0.00**

PART III: REQUESTOR'S POSITION SUMMARY

"According to the literal interpretation of TWCC Rule 134.401 and the further clarification by the TWCC from QRL 01-03, a Carrier may not 'deduct' any carve-out costs listed in Rule 134.401(c)(4). Further, additional reimbursement for implants or any other 'carve-out costs' shall only be reimbursed at cost plus 10% if the stop-loss threshold is NOT met. Therefore, in this instance, the Carrier has severely under-reimbursed the billed charges, despite the clear language in the Texas Administrative Codes and further clarification by the TWCC in QRL 01-03."

PART IV: RESPONDENT'S POSITION SUMMARY

No response was noted from the carrier in the case file

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

This dispute relates to inpatient services provided in hospital setting with reimbursement subject to the provisions of Rule 134.401 (Acute Care Inpatient Hospital Fee Guideline). The hospital has requested additional reimbursement according to the stop-loss method contained in that rule. Rule 134.401(c)(6) establishes that the stop-loss method is to be used for "unusually costly services." The explanation that follows this paragraph indicates that in order to determine if "unusually costly services" were provided, the admission must not only exceed $40,000 in total audited charges, but also involve "unusually extensive services."

After reviewing the information provided by both parties, it does **not** appear that this particular admission involved "unusually extensive services." Accordingly, the stop-loss method does not apply and the reimbursement is to be based on the per diem methodology described in the same rule. The requestor indicates per the operative report that this was an anterior cervical fusion C4-C6. Operative report also indicates that there were no problems were noted and the patient was transferred to the recovery room in satisfactory position.

The carrier made reimbursement based on per diem for the 2-day stay in the amount of $2,236.00. The carrier also reimbursed the requestor an additional amount of $4,011.70 for the implantables plus $224.25 for blood bringing the total amount of reimbursement to $6,471.95. The provider billed $3,497.00 for the implantables. The provider submitted invoices totaling $3,497.00 in billed amount, so using the invoice amount at cost plus ten percent = $3,846.70 ($3,497.00 x 110% = $3,846.70). The total amount of per diem $2,336.00 and cost plus ten percent for the implantables ($3,846.70) equals $6,306.95. The carrier correctly reimbursed the requestor per rule 134.401(c).

Therefore, based on the facts of this situation, the parties' positions, and the application of the provisions of Rule 134.401(c), we find that the health care provider is not entitled to additional reimbursement.

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.

Ordered by:

	Michael Bucklin	06/15/05
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 _____. 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 and Order in the Austin Representative's box.

Signature of Insurance Carrier: _____ Date: _____