

MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: (x) HCP () IE () IC	Response Timely Filed? (x) Yes () No
Requestor's Name and Address HCA Texas Orthopedic Hospital C/O Hollaway & Gumbert 3701 Kirby Drive, Suite 1288 Houston, Texas 77098-3926	MDR Tracking No.: M4-05-0256-01
	TWCC No.:
	Injured Employee's Name:
Respondent's Name and Address Zurich American Insurance Company P O Box 13367 Austin, Texas 78711-3367 Box 19	Date of Injury:
	Employer's Name: US Contractors
	Insurance Carrier's No.: 2230071546

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
12/10/03	12/13/03	Hospital Admission	\$22,047.35	\$7,050.94

PART III: REQUESTOR'S POSITION SUMMARY

"Per Rule 134.401(c)(6)(A)(i)(iii), once the bill has reached the minimum stop-loss threshold of \$40K, the entire admission will be paid using the stop-loss reimbursement factor(:SLRF") of 75%."

PART IV: RESPONDENT'S POSITION SUMMARY

"This a medical fee dispute arising from an inpatient hospital surgical admission, dates of service 12/10/03 through 12/13/03. Requestor billed a total of \$40,235.20. The Requestor asserts it is entitled to reimbursement in the amount of \$30,176.40, which is 75% of the total charges. Requestor has not shown entitlement to this alternative, exceptional method of calculating reimbursement and has not otherwise properly calculated the audited charges."

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 operative report indicates that this was a total right knee arthroplasty. The operative report indicates there were no complications, the patient tolerated the procedure well and was transferred in stable condition.

The carrier made reimbursement based on per diem for the 3-day stay \$3,354.00(3 x \$1,118 = \$3,354.00 per diem). The carrier also reimbursed the requestor an additional amount of \$4,775.05 for the implantables, the provider billed \$18,881.03. The provider submitted invoices totaling \$10,750.90 in billed amount, so using the billed amount at cost plus ten percent \$11,825.99 (\$10,750.90 x 110% = \$11,825.99). The total amount of per diem and cost plus ten percent is \$15,179.99 and the carrier reimbursed the provider \$8,129.05, leaving \$7,050.94 in 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 entitled to additional reimbursement in the amount of \$7,050.94. The Division hereby **ORDERS** the insurance carrier to remit this amount plus all accrued interest due at the time of payment to the Requestor within 20 days of this Order.

Ordered by:

Michael Bucklin

05/10/05

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: _____