



MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: (X) Health Care Provider () Injured Employee () Insurance Carrier	
Requestor's Name and Address:	MDR Tracking No.: M4-05-0440-01
Surgical Diagnostic CRT 729 Bedford Euless Road W. Ste 100 Hurst, TX 76053	Claim No.:
	Injured Employee's Name:
Respondent's Name and Address:	Date of Injury:
American Interstate Insurance Box 01	Employer's Name: Anchor Roofing Systems LTD
	Insurance Carrier's No.: 200337297

PART II: REQUESTOR'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Our charges are F&R based on other insurance companies' determination of F&R payments of 85-100% of our billed charges. Workers' compensation carriers are subject to a duty of good faith and fair dealings in the processing of worker' compensation claims. No denial code was used (for C1109); requesting reimbursement for implants @ cost plus 10%, invoice enclosed. No denial code was used (for 86701); requesting reimbursement for lab work according to fee guidelines. Carrier did not respond to Request for Reconsideration.

Principle Documentation: 1. Summary packet 2. EOB 3. Itemized Charges 4. Ethicon, Inc. Invoice 5. Medical Records 6. Billing and Reimbursement Examples

PART III: RESPONDENT'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Reduced to F&R, the recommended payments reflect a fair, reasonable, and consistent methodology of reimbursement according to parameters as established by the TWCC, applicable rules, and administrative case law. After audit: "Supplement payment" for implants charge; no additional allowance recommended.

Principle Documentation: 1. Summary packet

PART IV: SUMMARY OF DISPUTE AND FINDINGS

Date(s) of Service	CPT Code(s) or Description	Part V Reference	Additional Amount Due (if any)
10/23/03	Ambulatory Surgery Charges	1	\$2,805.20

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

1. 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 party has provided convincing documentation that sufficiently discusses, demonstrates, and justifies that their purported amount is a fair and reasonable reimbursement (Rule 133.307). After reviewing the services, the charges, and both parties' positions, it is evident that some other amount represents a fair and reasonable reimbursement.

During the rule development process for facility guidelines, the Commission 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 medical services. The analysis resulted in a recommended range of reimbursement for workers' compensation services provided in these facilities. In addition, information was received from both ASCs and insurance carriers in the recent rule revision processes. While not controlling, this information was considered in order to find data related to commercial market payments for these services. The information provides a 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 (including an invoice for anchors) and the issues related to the specific

procedures performed in this dispute. Based on this review, staff compared the reimbursement amount to the Ingenix range and found that a reimbursement amount in the low end of the Ingenix range is fair and reasonable. The total amount (including a reimbursement based on cost plus 10% for anchors) was then presented to a staff team with health care provider billing and insurance adjusting experience. This team considered the recommended amount, discussed the facts of the individual case, and selected an appropriate "fair and reasonable" amount to be ordered in the final decision.

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 a fair and reasonable total reimbursement amount for these services is \$5027.70. Since the insurance carrier paid a total of \$2,222.50 for these services, the health care provider is entitled to an additional reimbursement in the amount of \$2,805.20.

PART VI: GENERAL PAYMENT POLICIES/REFERENCES IMPACTING DECISION

28 Texas Administrative Code Sec. 134.1
28 Texas Administrative Code Sec. 133.307

PART VII: DIVISION DECISION AND ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code, Sec. 413.031, the Division has determined that the requestor is entitled to additional reimbursement in the amount of **\$2,805.20**. 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 30-days of receipt of this Order.

Ordered by:

Marguerite Foster

October 12, 2005

Authorized Signature

Typed Name

Date of Order

PART VIII: YOUR RIGHT TO REQUEST JUDICIAL REVIEW

Appeals of medical dispute resolution decisions and orders are procedurally made directly to a district court in Travis County [see Texas Labor Code, Sec. 413.031(k), as amended and effective Sept. 1, 2005]. An appeal to District Court must be filed not later than 30 days after the date on which the decision that is the subject of the appeal is final and appealable. The Division is not considered a party to the appeal.

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