

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 Clear Lake Regional Medical Center C/O Hollaway & Gumbert 3701 Kirby Dr., Suite 1288 Houston, TX 77098-3926	MDR Tracking No.: M4-05-0796-01
	TWCC No.:
	Injured Employee's Name:
Respondent's Name and Address TAC WC SELF INSURANCE FUND C/O J I SPECIALTY PO BOX 160120 AUSTIN TX 78716-0120 Austin Commission Representative Box 54	Date of Injury:
	Employer's Name:
	Insurance Carrier's No.: 900000920

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
9/25/03	9/29/03	Surgical Admission	\$44,057.91	\$0.00

PART III: REQUESTOR'S POSITION SUMMARY

Clear Lake Regional Medical Center's request for medical dispute resolution pertains to medical services and treatment provided to the injured employee, ____, during the period September 25, 2003 through September 29, 2003. To date, a total of \$45,724.65 has been paid in connection with this claim. It is our position that reimbursement was improperly determined pursuant to the acute care inpatient hospital fee guidelines of the Texas Workers' Compensation Commission ("TWCC"). Specifically on the dates September 25, 2003 through September 29, 2003, ____ received treatment at our client's facility relating to spinal surgery. Because Ms. ____ admission was inpatient, this claim would be reimbursed pursuant to TWCC Rule 134.401 entitled "Acute Care Inpatient Hospital Fee Guideline." According to Rule 134.401(c)(6), TWCC, this claim would then be reimbursed at the stop-loss rate of 75% as the total audited charges exceed the minimum stop-loss threshold of \$40,000.00. The TWCC established the stop-loss method as an independent reimbursement methodology established to ensure fair and reasonable compensation to the hospital for unusually costly services rendered during treatment to an injured worker (pertinent medical records, which provide the basis of the unusually costly services rendered to ____, are enclosed). Rule 134.401(c)(6)(A)(v) describes those items, which may be audited. Per Rule 134.401(c)(6)(A)(v), the only charges that may be deducted from the total bill are those for personal items (i.e., television, telephone), those which are not documented as rendered during the admission, and those not related to the compensable injury. Per Rule 134.401(c)(6), 75% of the total audited charges of \$69,163.55 result in a maximum, allowable reimbursement of \$51,872.66. Based on the clear wording of the rules of TWCC, the carrier is liable for an additional sum owed our client in the amount of \$6,148.04.

PART IV: RESPONDENT'S POSITION SUMMARY

The Provider has not shown that the stop-loss provision applies for this hospitalization. Commission Rule 134.401(c) states that independent reimbursement is allowed on a case-by-case basis if the particular case exceeds the stop loss threshold (emphasis added). Nothing in the rule indicates that the stop-loss method of reimbursement would apply automatically to each and every hospital bill that exceeds \$40,000. Additionally, under subsections (b)(1)(F) and (c)(6), the rule further states that the stop-loss method is a reimbursement methodology established to ensure fair and reasonable compensation to the hospital for unusually costly or extensive services rendered during the hospitalization. Just because the hospital bill exceeds \$40,000 does not mean that unusually costly or extensive services were rendered. If the Commission Rule was promulgated to ensure that each and every hospital bill above \$40,000 was paid pursuant to the stop-loss provision, the rule would not have required that the stop-loss rule be applied on a "case-by-case" basis nor would the rule have used the language "unusually costly" or "extensive" services. The Provider has not shown that it rendered unusually costly or extensive services.

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 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 documentation 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 plus carve-out methodology described in the same rule.

The total length of stay for this admission was 4 days (consisting of 4 days for surgical). Accordingly, the standard per diem amount due for this admission is equal to \$4,472 (4 times \$1,118). Requestor billed \$4,360.00. In addition, the hospital is entitled to additional reimbursement for (implantables/MRIs/CAT Scans/pharmaceuticals) as follows:

No documentation was included for implantables.

Considering the reimbursement amount calculated in accordance with the provisions of rule 134.401(c) compared with the amount previously paid by the insurance carrier, we find that no additional reimbursement is due for these services. Insurance carrier paid \$15,618.47.

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:

03-18-05

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 in the Austin Representative’s box.

Signature of Insurance Carrier: _____ Date: _____