

MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

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| Type of Requestor: (x) HCP () IE () IC | Response Timely Filed? () Yes (x) No |
| Requestor's Name and Address Valley Regional Medical Center C/o Hollaway & Gumbert 3701 Kirby Drive, Suite 1288 Houston, Texas 77098 | MDR Tracking No.: M4-05-0807-01 |
| | TWCC No.: |
| | Injured Employee's Name: |
| Respondent's Name and Address Texas Mutual Ins. Co./Rep. Box #: 54 P.O. Box 12029 Austin, Texas 78711-2029 | Date of Injury: |
| | Employer's Name: Bradford Holding Co. Inc. |
| | Insurance Carrier's No.: 99D0000356353 |

PART II: SUMMARY OF DISPUTE AND FINDINGS

| Dates of Service | | CPT Code(s) or Description | Amount in Dispute | Amount Due |
|------------------|---------|----------------------------|-------------------|------------|
| From | To | | | |
| 9-24-03 | 10-1-03 | Inpatient Hospitalization | \$4,993.03 | \$00.00 |
| | | | | |

PART III: REQUESTOR'S POSITION SUMMARY

Position summary of October 24, 2004 states, "... Because ___ admission was inpatient, this claim would be reimbursed pursuant to TWCC Rule 134.401... Under Rule 134.401(c)(6)... this claim would be reimbursed at the stop loss rate of 75% as total audited charges exceed the minimum stop-loss threshold of \$40,000.00 resulting in a reimbursement of \$47,148.02..."

PART IV: RESPONDENT'S POSITION SUMMARY

Position statement was submitted untimely.

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

This dispute relates to inpatient services provided in a hospital setting with reimbursement subject to the provisions of Rule 134.401 (Acute Care Inpatient Hospital Fee Guideline). In this particular admission, the principle diagnosis code was 821.01 related to trauma care for "MIDSHAFT FRACTURE, LEFT FEMUR WITH COMMUNATED FRACTURE, LEFT PROXIMAL ULNAR AND COMMUNATED FRACTURE, LEFT RADIAL HEAD". Pursuant to Rule 134.401(c)(5), the reimbursement for the entire admission shall be paid at a fair and reasonable rate as neither the per diem method nor the stop loss method apply to this case.

Determining the "fair and reasonable" reimbursement can be difficult. In this case, it appears that neither the requestor nor the respondent have persuasively shown that their position represents the appropriate amount. Therefore, an alternate approach is needed to determine the reimbursement amount.

Based on the data contained in the Commission's medical billing database for dates of service in 2003, trauma admissions were reimbursed, on average, at 51.8% of the total charges (total payments divided by total charges). Applying this same formula to this specific case appears to be a sound method to determine the appropriate fair and reasonable reimbursement.

Accordingly, the health care provider is entitled to a total reimbursement amount of \$33,563.56. This was calculated by multiplying the total charges of \$62,864.02 by 51.8%.

Since the carrier has previously paid \$42,154.99, 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.

Decision by:

Roy Lewis

6-8-05

Signature

Typed Name

Date of Decision

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 en 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: _____