MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: ☒HCP ☐ IE ☐ IC	**Response Timely Filed?** ☒ Yes ☐ No
Requestor's Name and Address HCA Healthcare 6000 NW Parkway San Antonio, TX 78249	MDR Tracking No.: M4-05-1058-01 TWCC No.: Injured Employee's Name:
Respondent's Name and Address AMERICAN CASUALTY CO OF READING PA BURNS ANDERSON JURY & BRENNER PO BOX 26300 AUSTIN TX 78755-0300 Austin Commission Representative Box 47	Date of Injury: Employer's Name: MMI Products Inc. Insurance Carrier's No.: 900000008

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
12/01/03	**12/05/03**	**Inpatient Hospitalization**	**$36,797.20**	**$573.60**

PART III: REQUESTOR'S POSITION SUMMARY

Per TWCC contract total charges exceeding $40,000 are reimbursed @ 75%. Audited charges are patient convenience items and non-covered charges.

PART IV: RESPONDENT'S POSITION SUMMARY

Reimbursement in this case should be pursuant to the standard per diem reimbursement method. The stop-loss method for outlier cases does not apply as the services provided to the claimant were not unusually extensive and costly. This case does not involve an unusually lengthy stay, unusually extensive services by Provider, or services that were unusually costly to Provider. In other words, it is not the type of outlier case for which the Commission developed the stop-loss reimbursement method. Rather, this case involves a routine hospital stay in which Provider performed routine services for a routine operation. The Provider has not justified the use of the stop-loss method in this case by demonstrating that the admission required unusually extensive services. Therefore, the standard per diem reimbursement method should be applied. However, even if the stop-loss exception were otherwise applicable to this case, surgical implants are excepted from stop-loss and, when medically necessary, are reimbursed at cost plus 10%. There is no justification for reimbursement of implants at 75% of Provider's grossly inflated charges. Reimbursement for implants at cost plus ten percent provides reimbursement that is consistent with the Act's statutory standards. Finally, even if the stop-loss exception were otherwise applicable to this case, the stop-loss provisions of the guideline are invalid for the reasons stated.

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 0 days in an intensive care unit and 4 days for surgical).

Accordingly, the standard per diem amount due for this admission is equal to $4,472 (0 times $1,560 plus 4 times $1,118). In addition, the hospital is entitled to additional reimbursement for (implantables/MRIs/CAT Scans/pharmaceuticals) as follows:

Requestor provided documentation for implantables in the amount of $8,938.20 ($7,643.20 and $1,295.00). Cost plus 10% = $9.832.02.

The Requestor billed theRespondent $40,248.90 and received payments totaling $5,768.50. 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 entitled to a reimbursement amount for these services equal to $573.60.

PART VI: COMMISSION DECISION AND ORDER

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 $573.60. 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 receipt of this Order.

Ordered by:

Authorized Signature	Gail A. Anderson Typed Name	04/08/05 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: _____