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 Tenet Healthcare/Park Plaza Hospital 2401 Internet Blve., Suite 110 Frisco, TX 75034	MDR Tracking No.: M4-05-1451-01 TWCC No.: Injured Employee's Name:
Respondent's Name and Address Zurich American Ins. Co./Rep. Box #: 19 C/o Flahive, Ogden & Latson 505 West 12th Street Austin, TX 78701	Date of Injury: Employer's Name: Heico Co LLC Insurance Carrier's No.: 001540005979WC01

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
10-29-03	11-12-03	Inpatient Hospitalization	$56,260.69	$56,260.69

PART III: REQUESTOR'S POSITION SUMMARY

Position summary of November 10, 2004 states, "… Our findings reveal this claim has not been paid according to the hospital fee guideline… This claim in the amount of $75,061.50 is an inpatient surgical claim in which charges exceed $40,000… This claim was denied for no authorization, but we feel it clearly meet the definition of an emergency admission that would not require authorization…" The Requestor's Table of Disputed Services states in Part V(a), "… We are asking for an IRO review medical records and medial necessity to support that this indeed was an emergency admission…"

PART IV: RESPONDENT'S POSITION SUMMARY

Position summary of November 12, 2004 states, Provider identifies this as a retrospective medical necessity dispute… Carrier denied reimbursement because Provider did not obtain preauthorization for Claimant's inpatient hospital admission and did not provide sufficient documentation showing the admission was done under emergent circumstance… If the inpatient hospital admission is not preauthorized, the Carrier is not liable for the healthcare cost… If the hospital inpatient admission is for an emergency, then the healthcare services provided are subject to retrospective review… Claimant was admitted five days after the date of injury. Provider did not submit documentation showing that Claimant was evaluated or treated in the emergency room. Therefore, Provider did not prove that Claimant was admitted for an emergency and the inpatient hospital stay was required to be preauthorized. Since it was not, Carrier is not liable for the inpatient stay. If Provider established an emergent inpatient stay, then those services are subject to retrospective medical necessity review…".

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."

The Requestor submitted Explanation of Benefits, which states, "Preauthorization Required But Not Requested". According to the submitted information, the patient was admitted because of an emergency.

Rule 133.1 (a)(7)(A) (Definitions for Chapter 133 – Benefits – Medical Benefits) defines a medical emergency. The medical information provided by the Requestor states in the operative report of October 29, 2003 "… he presented to the clinic in the afternoon with obvious abscess… He was scheduled emergently for the surgery…". The patient underwent surgery for a septic left hand infection on October 29, 2003, patient returned to surgery for debridement on November 1, 2003 and on November 5, 2003 with ischemic left index finger, which developed necrotic tissue.

After reviewing the documentation provided by the Requestor, it **does** appear that this particular admission involved "unusually extensive services." In particular, this admission resulted in a hospital stay of 14 days. Accordingly, the stop-loss method does apply and the reimbursement is to be based on the stop-loss methodology.

The Requestor billed $285,476.41 and the Respondent reimbursed $75,061.50. Due to the medical information provided, the admission involved "unusually extensive services". Therefore, the stop-loss reimbursement factor of (75%) results in a workers' compensation reimbursement amount equal to $56,260.69 ($75,061.50 - $47.25 Personal Items).

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 $56,260.69.

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 $56,260.69. 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:

	Allen McDonald	5-20-05
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, 7551 Metro Center Drive, Suite # 100, 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: _____