



MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: <input type="checkbox"/> Health Care Provider <input type="checkbox"/> Injured Employee <input checked="" type="checkbox"/> Insurance Carrier	
Requestor's Name and Address: Benchmark Insurance Company Box 17	MDR Tracking No.: M4-05-1733-01
	Claim No.:
	Injured Employee's Name:
Respondent's Name and Address: Presbyterian Greenville P.O. Box 971947 Dallas, Texas 75397-1947	Date of Injury:
	Employer's Name: Environmental Cleaning Service
	Insurance Carrier's No.: 158750

PART II: REQUESTOR'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

The insurance carrier had denied the claim as "not compensable" and the injured employee has not filed a Request for a Benefit Review Conference to dispute this finding. Therefore, the carrier believes that the claim should be deemed as non-compensable and the hospital should be ordered to refund the \$536.72 that the insurance carrier paid for the outpatient services.

The carrier has submitted a copy of the Notice of Refused or Disputed Claim (TWCC-21) which was filed with the Commission on 03/24/04; a copy of the UB-92 (bill for hospital services) for the services rendered; a copy of the Explanation of Benefits (EOB) dated 05/14/2004; medical records related to the admission; a copy of the check detail showing a check in the amount of \$536.72 was issued on 04/01/2004; a copy of the Employers First Report of Injury or Illness (TWCC-1); and copies of requests for refund to the hospital.

PART III: RESPONDENT'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

A response was not contained in the medical dispute file.

PART IV: SUMMARY OF DISPUTE AND FINDINGS

Date(s) of Service	CPT Code(s) or Description	Part V Reference	Refund Amount Due (if any)
02/26/04 – 02/26/04	Outpatient Services		\$0.00

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

This is a dispute regarding a request for refund submitted by an insurance carrier. It does not appear that the respondent has filed any response to the request, so the dispute will be based on the information submitted by the insurance carrier as part of their request [Rule 133.307(i)]. The hospital provided and billed for outpatient services, which are not covered by a medical fee guideline nor have an established maximum allowable reimbursement pursuant to a fee guideline.

The first issue in this situation is whether or not the dispute can be worked without final adjudication of the compensability issue. Rule 133.307(e)(2)(D) states that if the carrier has raised a dispute regarding compensability, the "request for an IRO will be held in abeyance until those disputes have been resolved by a final decision by the commission..." Since this does not involve a request for an IRO, and since there is no assertion that this claim is a work related injury (there is no evidence that the injured employee filed a claim for a work-related injury nor a Request for a Benefit Review Conference), it appears that it is appropriate for medical dispute resolution to process the request.

The second issue relates to the entitlement to a refund. A review of the factual situation appears necessary to explain the mechanics of this situation:

The hospital submitted a UB-92 and indicated in Box 32 that the treatment was for a work-related injury. The insurance carrier received a copy of the Employers First Report of Injury or Illness on 3/22/2004, which indicated that the injury was not work related. The insurance carrier filed a Notice of Refused or Disputed Claim with the commission on 3/24/2004. The insurance carrier issued payment for the services on 4/1/2004. The insurance carrier sent an EOB to the hospital after issuing payment (copy in the file shows a date of 05/14/2004) with the reasons for reduction listed as RC40 (charge exceeds reasonable amount) and RCYC (negotiated contract price). The insurance carrier requested a refund after the payment was made, but the hospital has not responded to those requests.

Texas Labor Code §413.016 states that “(t)he division shall order a refund of charges paid to a health care provider in excess of those allowed by the medical policies or fee guidelines...” In this instance, there is no medical policy or fee guideline that specifically addresses this situation. Accordingly, it is difficult to make a finding that a health care provider charged an amount that was “in excess of those allowed by the medical policies or fee guidelines.” While the carrier seems to be making an assertion that the hospital inappropriately submitted a bill for a non-work related injury, there are processes in place to allow the insurance carrier to review those bills and deny claims as appropriate.

Rule 133.304, related to Medical Payments and Denials, requires insurance carriers to take final action on a bill “not later than the 45th day after the date the insurance carrier received a complete medical bill.” In this situation, the carrier did not avail themselves of these processing rules. The carrier had the ability to avoid issuing payment on a disputed claim by following the basic mechanics of the processing rules. Instead of using these rules to ensure they took the appropriate action, the carrier paid the bill, even though they had already filed their dispute on compensability (the carrier filed the Notice of Refused or Disputed Claim on 03/24/2004 and paid this particular bill on 04/01/2004). There is no explanation from the insurance carrier regarding why they issued payment subsequent to the filing of the dispute on compensability.

Based upon the documentation submitted by the insurance carrier, the Division does not find sufficient basis to support a refund under the provisions of Texas Labor Code §413.016, §413.031, or Rule 133.307.

PART VI: GENERAL PAYMENT POLICIES/REFERENCES IMPACTING DECISION

Texas Labor Code §§413.016 and 413.031
28 Texas Administrative Code Sections 133.304 and 133.307

PART VII: DIVISION DECISION

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 not entitled to refund.

Issued by:

Allen C. McDonald, Jr.

January 17, 2006

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.