

## Texas Department of Insurance, Division of Workers' Compensation

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1609

# MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION		
<b>Type of Requestor:</b> (x) Health Care Provider () Injured Employee	( ) Insurance Carrier	
Requestor's Name and Address: Palladium for Surgery by Gilbert & Maxwell	MDR Tracking No.:	M4-05-1993-01
PO Box 1984	Claim No.:	
Houston TX 77251	Injured Employee's Name:	
Respondent's Name and Address: BOX#: 50	Date of Injury:	
TPCIGA for Reliance National Ins.	Employer's Name:	Oceaneering International, Inc.
	Insurance Carrier's No.:	03831000034

## PART II: REQUESTOR'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Principal documents reviewed: 1. UB-92 / EOB's

- 2. Table of Disputed Services
- 3. Operative Report
- 4. Requestor's request/statement/position

"Summary of Health Care Provider's Position...Texas Labor Code 408.021... 28 TAC 133.304(i)... Texas Labor Code 413.011(b)... Rule 134.401(a)(4)... <u>Usual and Customary fees</u>... It is Palladium Surgical Center's position that this facility correctly and appropriately coded and billed for the treatments and/or services...on 1/16/04 and 2/6/04. Each and every item and service... were documented thoroughly...The patient's diagnosis...Lumbago...It is Palladium's position that this facility correctly and appropriately coded and billed for the treatment(s) and/or service(s) (radiofrequency facet neurectomy) performed...TPCIGA has improperly reduced or denied payment for services rendered ..."

## PART III: RESPONDENT'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

- Principal documents reviewed: 1. Same documentation as mentioned in Part II.
  - 2. Respondent's response and any Attachments/Exhibits.

"We (Stone Loughlin & Swanson, LLP) have been retained by TPCIGA for Reliance, an impaired carrier... Exhibits 1-9... Conclusion...TPCIGA's rate of reimbursement in this case is consistent with the Act's criteria for payment. The Provider simply has not met its burden of proof to establish that it's billed charges for the two dates of service in dispute meet the statutory standards under the Act for reimbursement of facility charges for the procedures performed. On the contrary, the amount billed for the two separate dates of service is grossly excessive as established by the Commission's inpatient surgical per diem rate; the Medicare rate for ASC facility services...Provider has not met its burden of proof to establish that its charges comply with the Act's statutory standards for reimbursement and that TPCIGA's rate of payment of does not..."

### PART IV: SUMMARY OF DISPUTE AND FINDINGS

Date(s) of Service		CPT Code(s) or Description	Part V Reference	Additional Amount Due (if any)
1/16/04 1/	1/16/04	Ambulatory Surgical Center Care	1	\$0
	1/10/04			
2/6/04 2	2/6/04	Ambulatory Surgical Center Care	1	\$0
	4/0/04			

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

1.) This dispute relates to services provided in an Ambulatory Surgical Center that are not covered under a fee guideline for these dates of service(s). Accordingly, the reimbursement determined through this dispute resolution process must reflect a fair and reasonable rate as directed by Commission Rule 134.1. This case involves a factual dispute about what is a fair and reasonable reimbursement for the

services provided.

After reviewing the documentation provided by both parties, it appears that neither the requestor nor the respondent provided convincing documentation that sufficiently discusses, demonstrates, and justifies that their purported amount is a fair and reasonable reimbursement (Rule 133.307). The failure to provide persuasive information that supports their proposed amounts makes rendering a decision difficult. After reviewing the services, the charges, and both parties' positions, it is determined that no additional payment is due.

During the rule development process for facility guidelines, the Commission had contracted with Ingenix, a professional firm specializing in actuarial and health care information services, in order to secure data and information on reimbursement ranges for these types of services. The results of this analysis resulted in a recommended range for reimbursement for workers' compensation services provided in these facilities. In addition, we received information from both ASCs and insurance carriers in the recent rule revision process. While not controlling, we considered this information in order to find data related to commercial market payments for these services. This information provides a very good benchmark for determining the "fair and reasonable" reimbursement amount for the services in dispute.

To determine the amount due for this particular dispute, staff compared the procedures in this case to the amounts that would be within the reimbursement range recommended by the Ingenix study (from 213.3% to 290% of Medicare for this particular year). Staff considered the other information submitted by the parties and the issues related to the specific procedures performed in this dispute. Based on this review, the original reimbursement on these services is within the low end of the Ingenix range. The EOB's showed reimbursement of different amounts than the 'Table of Disputed Services.' The UB-92's submitted for review were for two different dates of injury and one was not received for DOS 2/6/04. According to CMS ASC guidelines, lab fees and diagnostic services are included in the facility fees and not separately payable. The decision for no additional reimbursement was then presented to a staff team with health care provider billing and insurance adjusting experience. This team considered the decision and discussed the facts of the individual case.

Based on the facts of this situation, the parties' positions, the Ingenix range for applicable procedures, and the consensus of other experienced staff members in Medical Review, we find that no additional reimbursement is due for these services.

### PART VI: GENERAL PAYMENT POLICIES/REFERENCES IMPACTING DECISION

28 Texas Administrative Code Sec. 134.202(e)(3) 28 Texas Administrative Code Sec. 133.307

## PART VII: DIVISION DECISION AND ORDER

Based upon the review of the disputed healthcare services, the Medical Review Division has determined that the requestor is **not** entitled to additional reimbursement.

Ordered by:

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.