

MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: (x) HCP () IE () IC		Response Timely Filed? () Yes (x) No	
Requestor's Name and Address North Hills Hospital HCA Patient Account Services 10030 MacArthur Blvd., Suite 100 Irving, TX 75063		MDR Tracking No.:	M4-05-2949-01
		TWCC No.:	
		Injured Employee's Name:	
Respondent's Name and Address MARYLAND CASUALTY CO 9330 LBJ FREEWAY STE 1200 DALLAS TX 75243-3436 Austin Commission Representative Box 19		Date of Injury:	
		Employer's Name:	
		Insurance Carrier's No.:	900000148

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
11/04/03	11/08/03	Inpatient Hospitalization	\$36,206.55	\$0.00

PART III: REQUESTOR'S POSITION SUMMARY

Per TWCC guidelines, this claim qualified for the stop loss methodology reimbursement, as charges exceed the \$40,000 threshold. Therefore, the entire claim should be paid at 75% of charges. Per the San Antonio Independent School Board vs. TWCC and the Metropolitan Methodist Hospital (Docket No. 453-03-1233.M4), implants should not be removed in stop loss claims. This claim should be reimbursed at 75% of the entire billed charges, including implant charges.

PART IV: RESPONDENT'S POSITION SUMMARY

This is a medical fee dispute arising from an inpatient hospital surgical admission, dates of service 12/22/03-12/25/03. Requestor billed a total of \$48,562.23. The Requestor asserts it is entitled to reimbursement in the amount of \$36,421.67, which is 75% of the total charges. Requestor has not shown entitlement to this alternative, exceptional method of calculating reimbursement and has not otherwise properly calculated the audited charges.

Medical bills in excess of \$40,000 do not automatically qualify for stop-loss reimbursement. Rather, the per diem rate is the default and preferred method of reimbursement that must be employed unless the hospital justified use of the stop-loss method in a particular case...

Here, the initial \$40,000 threshold has not been exceeded. The "total charges" less "deducted charges" (including personal items, undocumented services, services unrelated to the compensable injury, duplicative charges, upcoded services, unbundled services, implantables, orthotics, prosthetics and pharmaceuticals in excess of \$250 per dose), results in "audited charges" which do not exceed \$40,000. Cost-plus reimbursement for the above-referenced services is applicable as such are included in "deducted charges."

Using the per diem method, this 3 day surgical admission qualified for \$3,354 (\$118*3) in reimbursement...

Further, the Requestor is entitled to reimbursement for implantables (revenue codes 275, 276 and 278) and orthotics/prosthetics (revenue code 274) in the amount of \$4,144.00. This is based on the hospital's cost plus 10%...The Requestor may also be entitled to additional reimbursement for pharmaceuticals costing in excess of \$250 per dose. The Requestor must document the cost of such pharmaceuticals so Carrier may reimburse at cost plus 10%...A CT scan was paid at the MAR of \$408.20.

Having already reimbursed Requestor \$7,907.00, the Carrier has reimbursed Requestor an amount greater than or equal to the amount that would be calculated in accordance with the above-described TWCC Rules and SOAH Decisions.

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 3 days (consisting of 3 days for surgical). Accordingly, the standard per diem amount due for this admission is equal to \$3,354(3 times \$1,118). In addition, the hospital is entitled to additional reimbursement for (implantables/MRIs/CAT Scans/pharmaceuticals) as follows: The requestor did not submit implant invoices; therefore, MDR cannot determine the cost plus 10% for implantables. The CT scan/body was billed at \$1,985.00.

The Requestor billed the Respondent \$48,562.23 and received payments totaling \$7,907.00.00. Considering the reimbursement amount calculated in accordance with the provisions of rule 134.401(c) compared with the amount previously paid by the insurance carrier, we find that no additional reimbursement is due for these services.

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.

Findings and Decision by:

Gail A. Anderson

03-24-05

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, 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: _____