

# MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

## PART I: GENERAL INFORMATION

<b>Type of Requestor:</b> (x) HCP ( ) IE ( ) IC		<b>Response Timely Filed?</b> (x) Yes ( ) No	
Requestor's Name and Address Vista Hospital of Dallas 4301 Vista Rd. Pasadena, TX 77504		MDR Tracking No.:	M4-05-3533-01
		TWCC No.:	
		Injured Employee's Name:	
Respondent's Name and Address Liberty Mutual Insurance Box: 28 2875 Browns Bridge Road Gainesville, GA 30504 c/o Hammerman & Gainer		Date of Injury:	
		Employer's Name:	Encore Wire Corporation
		Insurance Carrier's No.:	973384852

## PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
03/01/04	03/06/04	Inpatient Hospitalization	\$80,270.71	\$49,576.54

## PART III: REQUESTOR'S POSITION SUMMARY

The Requestor did not submit a Position Summary; however, the Requestor's rationale for increased reimbursement or refund on the Table of Disputed Services states in part, "F – Payment not in accordance with Acute In-Patient Stop Loss per Fee Guideline..."

## PART IV: RESPONDENT'S POSITION SUMMARY

Position Summary states in part, "...The bill has been reviewed Per Rule 133.301 and the fee schedule guidelines, which allow for line item audit. Reductions may reflect fair and reasonable pricing, denial of personal items, non-compensable services, and or services not normally billed. Additional reductions, based on usual and customary charges in the same geographic areas as the provider, have also been applied. These reductions were based upon review by CorVel Med Check Select. The Med Check select report of adjusted charges is attached. The itemized bill is also attached, which documents other charges reduced or denied by Liberty Mutual (Wausau)..."

## 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** appear that this particular admission involved "unusually extensive services." In particular, this admission resulted in a hospital stay of 5 days based upon a complete anterior lumbar discectomy at L4-5 and L5-S1; rigid internal fixation at L4 through L5-S1 using 2 cages; internal fixation at L4-5 using a lordotic PEEK cage; bilateral posterolateral fusion at L4-5 and L5-S1; laminectomy at L5-S1 on the right side to explore the S1 pedicle and S1 nerve root; rigid internal fixation at L4, L5 and S1 using the pedicle screw system and a morselized allograft. The patient is also positive for diabetes mellitus and has borderline hypertension. Accordingly, the stop-loss method does apply and the reimbursement is to be based on the stop-loss methodology.

As stated in the Respondents position summary, CorVel audited the billed charges and the recommended allowance after the audit was \$142,487.35. This amount multiplied by the stop-loss reimbursement factor (75%) results in a workers' compensation reimbursement amount equal to \$106,865.52. The Respondent made payments totaling \$57,288.98.

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 \$49,576.54.

**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 \$49,576.54. 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

April 14, 2005

Authorized Signature

Typed Name

Date of Order

Decision by:

Marguerite Foster

April 14, 2005

Authorized Signature

Typed Name

Date of Decision

**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 and Order in the Austin Representative's box.

Signature of Insurance Carrier: \_\_\_\_\_ Date: \_\_\_\_\_