

MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: () Health Care Provider () Injured Employee () Insurance Carrier

Requestors Name and Address
 First Street Surgical
 730 N. Post Oak Rd #203
 Houston TX 77024

MDR Tracking No.: M4-05-3577-01

TWCC No.:

Injured Employee's Name:

Respondent's Name and Address
 TEXAS MUTUAL INSURANCE CO
 Representative Box #54

Date of Injury:

Employer's Name: SPRING GLASS & MIRROR LTD

Insurance Carrier's No.: 99E0000373930

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
4/20/04	4/20/04	24666	\$7,681.05	\$340.03
Total Due				\$340.03

PART III: REQUESTOR'S POSITION SUMMARY AND PRINCIPLE DOCUMENTATION

Position Summary: "...We do not consider this payment to be fair or reasonable..."

Principle Documentation:

1. DWC-60 and Position Summary
2. EOB's
3. UB-92
4. Medical Reports

PART IV: RESPONDENT'S POSITION SUMMARY AND PRINCIPLE DOCUMENTATION

Position Summary: "...the requester failed to produce any credible evidence that its billing...is fair and reasonable...failed to prove its usual and customary fees for the service in dispute is fair and reasonable are consistent in Section 413.011 (b)..."

Principle Documentation:

1. DWC-60 and position statement
2. ASC groupings

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

This dispute relates to services provided in an Ambulatory Surgical Center that are not covered under a fee guideline for this date of service. Accordingly, the reimbursement determined through this dispute resolution process must reflect a fair and reasonable rate as directed by Division 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 party has provided convincing documentation that sufficiently discusses, demonstrates, and justifies that their purported amount is a fair and reasonable reimbursement (Rule §133.307). After reviewing the services, the charges, and both parties' positions, it is clearly evident that some other amount represents the fair and reasonable reimbursement.

During the rule development process for facility guidelines, the Division 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 and considering the similarity of the various procedures involved in this surgery, staff selected a reimbursement amount in the lower end of the Ingenix range. The total amount was then presented to a staff team with health care provider billing and insurance adjusting experience. This team considered the recommended amount, discussed the facts of the individual case, and selected the appropriate “fair and reasonable” amount to be ordered in the final decision.

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 Dispute Resolution, we find that the fair and reasonable reimbursement amount for these services is \$1,679.73. Since the insurance carrier paid a total of \$1,239.70 for these services, the health care provider is entitled to an additional reimbursement in the amount of \$340.03.

PART VI: DIVISION DECISION

Based upon the review of the disputed healthcare services, the Division has determined that the requestor is entitled to additional reimbursement in the amount of **\$340.03**. 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 30-days of receipt of this Order.

Order by:

James Schneider

11/20 /06

Authorized Signature

Typed Name

Date of Decision

PART VII: YOUR RIGHT TO REQUEST A HEARING

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 in español acerca de ésta correspondencia, favor de llamar a 512-804-4812.