

MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: <input checked="" type="checkbox"/> HCP <input type="checkbox"/> IE <input type="checkbox"/> IC	Response Timely Filed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Requestor's Name and Address Advanced Practice, Inc. On Behalf of Baylor Medical Center at Grapevine 17101 Preston Road, Suite 180-S	MDR Tracking No.: M4-05-4160-01
	TWCC No.:
	Injured Employee's Name:
Respondent's Name and Address TRANSPORTATION INSURANCE CO BURNS ANDERSON JURY & BRENNER PO BOX 26300 AUSTIN TX 78755-0300 Austin Commission Representative Box 47	Date of Injury:
	Employer's Name: Crum Staffing Inc.
	Insurance Carrier's No.: 900000246

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
2/23/04	2/27/04	Inpatient Hospitalization	\$37,706.58	\$37,706.53

PART III: REQUESTOR'S POSITION SUMMARY

It appears in reviewing the payments on this account, only per diems were paid. There were no payments towards implants, although, invoices were submitted. There was no consideration given to the fact that this was a Stoploss claim and Stoploss guidelines should apply. TWCC hospital fee guidelines, per the stoploss methodology, do not have any carve outs (such as implants) that pay at a different rate than the rest of the claim. This carve out clause in the guideline (134.401(c)(4)(A)(i)) for implants to be paid at 110% of invoice cost is only to be used in per diem reimbursement and not stoploss reimbursement as noted in the rule listed previously in this document. We are requesting Disptue Resolution for proper reimbursement per the stoposs clause of the TWCC hospital fee guidelines at 75% billed (audited) charges.

PART IV: RESPONDENT'S POSITION SUMMARY

Reimbursement in this case should be pursuant to the standard per diem reimbursement method. The stop-loss method for outlier cases does not apply as the audited charges do not exceed \$40,000 and the services provided to the claimant were not unusually extensive and costly. This case does not involve an unusually lengthy stay, unusually extensive services by Provider, or services that were unusually costly to Provider. In other words, it is not the type of outlier case for which the Commission developed the stop-loss reimbursement method. Rather, this case involves a routine hospital stay in which Provider performed routine services for a routine operation. The Provider has not justified the use of the stop-loss method in this case by demonstrating that the admission required unusually extensive services. Therefore, the standard per diem reimbursement method should be applied. However, even if the stop-loss exception were otherwise applicable to this case, surgical implants are excepted from stop-loss, and, when medically necessary, are reimbursed at cost plus 10%. There is no justification for reimbursement of implants at 75% of Provider's grossly inflated charges. Reimbursement for implants at cost plus ten percent provides reimbursement that is consistent with the Act's statutory standards. Finally, even if the stop-loss exception were otherwise applicable to this case, the stop-loss provisions of the guideline are invalid for the reasons stated.

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 4 days based upon a posterior spinal fusion with instrumentation, T12 to L2, with decompression and iliac crest bone graft. Accordingly, the stop-loss method does apply and the reimbursement is to be based on the stop-loss methodology.

The total audited charges associated with this admission equals \$58,594.04. This amount multiplied by the stop-loss reimbursement factor (75%) results in a workers’ compensation reimbursement amount equal to \$43,945.53. The Requestor billed the Respondent \$58,594.04 and received payments of \$6,239.00.

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 \$37,706.53.

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 \$37,706.53. 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

04/12/05

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, 7551 Metro Center Drive, Suite #100, 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: _____