

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Requestor's Name and Address Corpus Christi Medical Center C.o Hollaway & Gumbert 3701 Kirby Drive, Suite 1288 Houston, TX 77098	MDR Tracking No.: M4-05-4204-01
	TWCC No.:
	Injured Employee's Name:
Respondent's Name and Address TEXAS MUTUAL INSURANCE CO 6210 East Highway 290 AUSTIN TX 78723-1098 Austin Commission Representative Box 54	Date of Injury:
	Employer's Name: Flowers Machine & Welding Co.
	Insurance Carrier's No.: 000055877

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
2/09/04	2/13/04	Inpatient Hospitalization	\$15,645.42	\$15,645.42

PART III: REQUESTOR'S POSITION SUMMARY

Corpus Christi Medical Center's request for medical dispute resolution pertains to medical services and treatment provided to the injured employee during the period 2/09/04 through 2/13/04. To date, a total of \$16,128.33 has been paid in connection with the claim. It is our position that reimbursement was improperly determined pursuant to the acute care inpatient hospital fee guidelines of the Texas Workers' Compensation Commission. Specifically on the dates February 9, 2004 through February 13, 2004, ___ received treatment at our client's facility relating to spinal surgery. Because ___'s admission was inpatient, this claim should be reimbursed pursuant to TWCC Rule 134.401 entitled "Acute Care Inpatient Hospital Fee Guideline." According to Rule 134.401(c) (6), TWCC, this claim would then be reimbursed at the stop-loss rate of 75% as the total audited charges exceed the minimum stop-loss threshold of \$40,000.00... Therefore, the carrier's use of alternate audit practices to determine fair and reasonable is improper and an attempt to usurp the Commission's established methodology to provide fair and reasonable compensation to hospitals. ... This claim would be reimbursed at the stop-loss rate of 75% as the total audited charges exceed the minimum stop-loss threshold of \$40,000.00 resulting in a reimbursement of \$41,773.75. Based on the clear wording of the rules of the TWCC and ..., the carrier is liable for an additional sum owed our client in the amount of \$15,645.42.

PART IV: RESPONDENT'S POSITION SUMMARY

The Requester has argued that because the charges exceed \$40,000 that 75% is due. It is this carrier's position that the carrier has the right to audit the bill and the post audit charges did not exceed \$40,000. The Texas State Office Administrative Hearings has found that a carrier has the right to audit a hospital's bills and reimbursement for implants is based on cost to the hospital plus 10%... The requester did not support that the supplies or services were unusually costly or extensive... The carrier has been provided no information to support that the services rendered were unusually costly or extensive. The preamble to TWCC Rule 134.401 states under Stop Loss Provision that "The stop loss threshold chosen increases hospital reimbursement and will ensure fair and reasonable rates for hospitals and ensure access to quality health care for injured workers by providing higher reimbursement for very high cost cases, ensuring the hospitals will continue to treat workers compensation patients." The requester has provided no documentation to support that this was a "very high cost" case. As you can see, stop loss is for high cost and not high billed...

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 anterior (retroperitoneal) exposure to the lumbar spine with L5 partial corpectomy L5-S1 radial discectomy and anterior interbody fusion using LT cages X 2 with bone morphogenic protein. Injured worker has had previous laminectomy and posterior fusion. Complications for this procedures are the following: Complex anatomy; a lot of scar tissue, most likely from the previous lumbar laminectomy and fusion; and obesity of the patient. 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 \$43,385.00. This amount multiplied by the stop-loss reimbursement factor (75%) results in a workers’ compensation reimbursement amount equal to \$32,538.75. The Requestor billed the Respondent \$43,385.00 and received payments of \$16,128.33.

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 \$15,645.42.

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 \$15,645.42. 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 26, 2005

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: _____