MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION					
Response Timely Filed? (x) Yes () No					
MDR Tracking No.: M4-05-4221-01					
TWCC No.:					
Injured Employee's Name:					
			Date of Injury:		
Employer's Name: Bradford Holding Co. Inc.					
Insurance Carrier's No.: 99E0000368536					

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	То	Ci i Code(s) of Description	Amount in Dispute	Amount Duc
2-13-04	2-23-04	Inpatient Hospitalization	\$1,879.49	\$00.00

PART III: REQUESTOR'S POSITION SUMMARY

A position statement was not submitted. The Requestor's rational listed on the Table of Disputed Services states "IC failed to pay per TWCC Rule 134.401 Acute Care Inpatient Hospital Fee Guideline and SOAH decision 453-04-3600.M4. Per TWCC Rule 134.401©(6) and SOAH decision 453-04-3600.M4, claim pays @ 75% of total charges as charges exceed \$40,000 stop-loss threshold. IC further failed to audit according to TWCC Rule 134.401(c)(6)(A)(v).

PART IV: RESPONDENT'S POSITION SUMMARY

Respondent position statement of February 23, 2005 states, "... This dispute involves the carrier's payment for dates of service 02/13/04-02/23/04 for which the requester billed \$62,979.00. It is this carrier's position that a fair and reasonable reimbursement has been made... The requestor failed to prove it's billing of usual and customary is fair and reasonable...".

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

This dispute relates to inpatient services provided in a hospital setting with reimbursement subject to the provisions of Rule 134.401 (Acute Care Inpatient Hospital Fee Guideline). In this particular admission, the principle diagnosis code was 823.00 related to trauma care for a closed fractured of upper end of tibia. Pursuant to Rule 134.401(c)(5), the reimbursement for the entire admission shall be paid at a fair and reasonable rate as neither the per diem method nor the stop loss method apply to this case.

Determining the "fair and reasonable" reimbursement can be difficult. In this case, it appears that neither the requestor nor the respondent have persuasively shown that their position represents the appropriate amount. Therefore, an alternate approach is needed to determine the reimbursement amount.

Based on the data contained in the Commission's medical billing database for dates of service in 2004, trauma admissions were reimbursed, on average, at 48.2% of the total charges (total payments divided by total charges). Applying this same formula to this specific case appears to be a sound method to determine the appropriate fair and reasonable reimbursement.

Accordingly, the health care provider is entitled to a total reimbursement amount of \$30,355.87. This was calculated by multiplying the total changes of \$62,979.00 by 48.2%.

Since the carrier has previously paid \$45,354.76, the health care provider is **not** entitled to additional reimbursement.

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.

Decision by:						
Decision by:		0.4/0.7				
	Roy Lewis	04/27/05				
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, 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 involved in the dispute.	sion shall deliver a copy of their written requ	nest for a hearing to the opposing party				
Si prefiere hablar con una persona in 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:				