MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: (x) HCP ( ) IE ( ) IC	**Response Timely Filed?** ( ) Yes (x) No
Requestor's Name and Address Twelve Oaks Medical Center C/O Hollaway & Gumbert 3701 Kirby Drive, Suite 1288 Houston, Texas 77098	MDR Tracking No.: M4-05-4859-01 TWCC No.: Injured Employee's Name:
Respondent's Name and Address ZURICH AMERICAN INSURANCE CO PO BOX 1336 AUSTIN TX 787113367 Box 19	Date of Injury: Employer's Name: Insurance Carrier's No.: 900000273

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
03-03-04	03-10-04	Surgical Admission	$7,158.15	$7,131.15

PART III: REQUESTOR'S POSITION SUMMARY

"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".

PART IV: RESPONDENT'S POSITION SUMMARY

"This is a medical fee dispute arising from an inpatient hospital surgical admission, dates of service 03-03-2004 through 03-10-2004. Requestor billed a total of $68,913.72. The Requestor asserts it is entitled to reimbursement in the amount of $51,685.29, which is 75% of the total charges. Requestor has not shown entitlement to this alternative, exceptional method of calculating reimbursement and has not otherwise properly calculated the audited charges".

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 additional 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 the provider, primary procedure of left lumbar revision hemilaminectoy, foraminotomy and nerve decompression L5-S1 and right lumbar hemilaminectomy at L5-S1, with a small dural tear with intact arachnoid noted which required 1 suture across the tear to prevent any further progression of an arachnoid cyst and postoperative fever, it **does** appear that this particular admission involved "unusually extensive services." Accordingly, the stop-loss method does apply and the reimbursement is to be based on the stop-loss threshold. Using the stop-loss methodology the total allowable WCRA is $51,658.29 ($68,913.72 total audited charges minus proper audit reductions of $36.00 = $68,877.72 X 75%).

The carrier has reimbursed the provider $44,527.14.

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 an additional reimbursement for these services equal to $7,131.15 (total allowable WCRA of $51,658.29 minus carrier payment of $44,527.14).

PART VI: COMMISSION DECISION

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 $7,131.15. 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 this Order.

Ordered by:

		04-08-05
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, 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 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 and Order in the Austin Representative's box.

Signature of Insurance Carrier: _____ Date: _____