

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 Vista Medical Center Hospital 4301 Vista Rd. Pasadena, TX 77504		MDR Tracking No.:	M4-05-5230-01
		TWCC No.:	
		Injured Employee's Name:	
Respondent's Name and Address ACE Insurance Co. of Texas Box 15 c/o ACE USA/ESIS		Date of Injury:	
		Employer's Name:	OPI International Inc.
		Insurance Carrier's No.:	290C8286366

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
04/02/04	04/18/04	Inpatient Hospitalization	\$41,243.29	\$40,707.04

PART III: REQUESTOR'S POSITION SUMMARY

TWCC Rule 134.401 provides the rules regarding reimbursement for Acute Care In-patient Hospital Fee services. Specifically, reimbursement consists of 75% of remaining charges for the entire admission, after a Carrier audits a bill... This figure is presumptively considered to be "fair and reasonable" in accordance with the preamble of TWCC Rule 134... Further, the TWCC stated that the stop-loss threshold increased hospital reimbursement and will ensure fair and reasonable rates for hospitals and ensure access to quality health care for injured workers...

PART IV: RESPONDENT'S POSITION SUMMARY

The Respondent did not submit a response to the TWCC-60 or additional information.

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©(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 17 days based upon postoperative wound infection in the lumbar area that initial cultures revealed a methicillin resistant Staphylococcus; injured worker also had a transient diabetic condition. Accordingly, the stop-loss method does apply and the reimbursement is to be based on the stop-loss methodology.

According to the UB-92, the total audited charges associated with this admission equals \$130,418.73. This amount multiplied by the stop-loss reimbursement factor (75%) results in a workers' compensation reimbursement amount equal to \$97,814.05. Although the submitted EOBs show an audited charge based on an intracorp nurse review in the amount of \$76,142.68, the Respondent has not submitted any evidence to support the reduction.

The insurance carrier paid the health care provider \$57,107.01. Based on the facts of this situation, the parties' positions, and the application of the provisions of Rule 134.401©, we find that the health care provider is entitled to a reimbursement amount for these services equal to \$40,707.04.

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 \$40,707.04. 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

June 1, 2005

Authorized Signature

Typed Name

Date of Order

Decision by:

Marguerite Foster

June 1, 2005

Authorized 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, 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 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: _____