MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: (x) HCP ( ) IE ( ) IC	**Response Timely Filed?** (x) Yes () No
Requestor's Name and Address HCA Valley Regional Medical Center C/O Hollaway & Gumbert 3701 Kirby Drive, Suite 1288 Houston, Texas 77098	MDR Tracking No.: M4-05-8042-01 TWCC No.: Injured Employee's Name:
Respondent's Name and Address The Intergovernmental Risk Pool 1821 Rutherford Lane, Suite 100 Austin, Texas 78754-5163 Box 19	Date of Injury: Employer's Name: City of Brownsville Insurance Carrier's No.: T120200071741

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
05/29/04	06/03/04	Surgical Admission	$52,466.33	$0.00

PART III: REQUESTOR'S POSITION SUMMARY

"Our client does not agree with the position of the insurance carrier and is seeking assistance from Medical Dispute Resolution for the disposition of this fee reimbursement dispute in question."

PART IV: RESPONDENT'S POSITION SUMMARY

"This is a medical fee dispute arising from an inpatient hospital surgical admission, dates of service 05/29/05 to 06/03/04. Requestor billed a total of $86,427.10. The Requestor asserts it is entitled to reimbursement in the amount of $64,820.33, 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 information provided by the provider, it does **not** appear that this particular admission involved "unusually extensive services." The provider submitted an operative report indicating that a posterolateral lumbar fusion L5-S1 was performed and no complications were noted. Accordingly, the stop-loss method does not apply and the reimbursement is to be based on the per diem plus carve-out methodology described in the same rule.

The carrier made reimbursement for the 5-day stay in the amount of $12,354.00.

The requestor billed $18,854.00 for the implantables.

The requestor submitted invoices indicating the cost for the implantables were $5,460.00.

Therefore, reimbursement based on per diem is $5,590.00(5 x $1,118.00) and reimbursement for the implantables at cost plus ten percent is $6,006.00 ($5,460.00 x 110%). Per diem for the 5-day stay is $5,590.00 + $6,006.00 for the implantables = $11,596.00 total

reimbursement, leaving no additional reimbursement recommended.

Therefore, 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 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.

Ordered by:

	Michael Bucklin	08/23/05
Authorized Signature	Typed Name	Date of Order

PART VII: YOUR RIGHT TO REQUEST A HEARING

If you are unhappy with all or part of this decision, you have the right to appeal the decision. Those who wish to appeal decisions that were issued during the month of August 2005, should be aware of changes to the appeals process which take effect September 1, 2005.

House Bill 7, recently enacted by the 79th Texas Legislature, provides that an appeal of a medical dispute resolution order that is not pending for a hearing at the State Office of Administrative Hearings (SOAH) on or before August 31, 2005 is not entitled to a SOAH hearing. This means that the usual 20-day window to appeal to SOAH, found in Commission Rule 148.3, will be shortened for some parties during this transition phase. If you wish to seek an appeal of this medical dispute resolution order to SOAH, you are encouraged to have your request for a hearing to the Commission as early as possible to allow sufficient time for the Commission to submit your request to SOAH for docketing. A request for a SOAH 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.

Beginning September 1, 2005, appeals of medical dispute resolution orders are procedurally made directly to a district court in Travis County [see Texas Labor Code, Sec. 413.031(k), as amended and effective Sept. 1, 2005). An appeal to District Court must be filed not later than 30 days after the date on which the decision that is the subject of the appeal is final and appealable.

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: _____