

Texas Department of Insurance, Division of Workers' Compensation

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1609

MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

| PART I: GENERAL INFORMATION | | |
|--|--------------------------|---|
| Type of Requestor: (x) Health Care Provider () Injured Employee | () Insurance Carrier | |
| Requestor's Name and Address: West Houston Medical Center | MDR Tracking No.: | M4-05-8366-01 |
| c/o Hollaway & Gumbert 3701 Kirby Drive, Suite 1288 Houston, Texas 77098 | Claim No.: | |
| | Injured Employee's Name: | |
| Respondent's Name and Address: ACE/USA c/o Law Offices of John Pringle The Vaughn Building, 807 Brazos, Suite 603 Austin, Texas 78701 Box 15 | Date of Injury: | |
| | Employer's Name: | Mustang Securities & Investigations, Inc. |
| | Insurance Carrier's No.: | C290C0220055 |

PART II: REQUESTOR'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Requestor submitted operative report, discharge summary and a position statement. The requestor indicates in their position statement that, "It is our position that reimbursement was improperly determined pursuant to the acute care inpatient fee guidelines of the Texas Workers' Compensation Commission (TWCC)."

PART III: RESPONDENT'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Carrier indicates in their position statement; "Requestor has failed to establish that the billed for services were 'unusually extensive' and unusually costly'."

PART IV: SUMMARY OF DISPUTE AND FINDINGS Date(s) of Service CPT Code(s) or Description Part V Reference Additional Amount Due 05/20/04-05/29/04 Surgical Admission \$7,677.12

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** appear that this particular admission involved "unusually extensive services." The provider submitted a consultation summary indicating that the patient had medical treatment relating to urosepsis, septic shock, respiratory failure, right lung pneumonia, urinary tract infection, acute renal failure, hyperkalemia and hypokalemia. According to the medical records the patient's condition worsened and subsequently passed away. Accordingly, the stop-loss method does apply and the reimbursement is to be based on the methodology described in the same rule.

Using the stop-loss methodology the total allowable WCRA is \$91,412.85.

The carrier has reimbursed the provider \$60,882.52.

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 \$7,677.12 (total allowable WCRA \$91,412.85 x 75% = \$68,559.64 - \$60,882.52 already paid = \$7,677.12.

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 entitled to additional reimbursement.

PART VI: GENERAL PAYMENT POLICIES/REFERENCES IMPACTING DECISION

28 Texas Administrative Code Sec. 134.401 (c)(6).

PART VII: DIVISION DECISION AND ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code, Sec. 413.031, the Division has determined that the requestor **is** entitled to additional reimbursement in the amount of <u>\$7,677.12</u>. 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 30-days of receipt of this Order.

Ordered by:

| Michael Bucklin 0 | 09/20/0 |) |
|-------------------|---------|---|
|-------------------|---------|---|

Authorized Signature

Typed Name

Date of Order

PART VIII: YOUR RIGHT TO REQUEST JUDICIAL REVIEW

Appeals of medical dispute resolution decisions and 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. The Division is not considered a party to the appeal.

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.