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
Twelve Oaks Medical Center

3701 Kirby Road, Suite 1288

Houston, Texas 77098-3926

MDR Tracking No.:   M4-05-8918-01

TWCC No.:

Injured Employee's Name:

Respondent's Name and Address
TPCIGA for Petrosurance Casualty Company

C/O Stone Loughlin & Swanson

P O Box 30111

Austin, Texas 78755

Box 06

Date of Injury:

Employer's Name: Project Time Construction

Insurance Carrier's No.:

EL282100084001

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	**To**			
05/24/04	**05/27/04**	**Surgical Admission**	**$55,457.51**	**$5,338.27**

PART III: REQUESTOR'S POSITION SUMMARY

"It is our position that reimbursement was improperly determined pursuant to the acute care inpatient hospital fee guidelines of the Texas Workers' Compensation Commission ('TWCC')."

PART IV: RESPONDENT'S POSITION SUMMARY

"Reimbursement in this case should be pursuant to the standard per diem reimbursement method. The stop-loss method for outlier cases does not apply as the audited charges do not exceed $40,000 and the services provided to the claimant were not unusually extensive and costly."

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."

The Requestor submitted invoices for the implantables for the surgery date of 05/24/04 indicating the cost of the implantables, however, only one invoice had the surgery date of 05/24/04, the other invoices had the surgery dates of 04/01/04, 04/08/04 and 04/01/04. Therefore, only the invoice with the surgery date of service 05/24/04 will be reviewed in this dispute.

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 a cervical fusion C3-C7 was performed. The patient was transferred to a bed in recovery room in satisfactory condition and no complications were noted. Accordingly, the stop-loss method does not apply and the reimbursement is to be based on the per diem described in the same rule.

The carrier made reimbursement for the 3-day stay in the amount of $5,085.04.

The requestor billed $41,235.75 for the implantables.

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The requestor submitted an invoice indicating the cost for the implantables were $3,377.55.

Therefore, reimbursement based on per diem is $3,354.00(3 x $1,118.00) and reimbursement for the implantables at cost plus ten percent is $3,715.31 ($3,377.55 x 110%). Per diem for the 3-day stay is $3,354.00(3 x $1,118.000) + $3,715.31 =for the implantables = $10,423.31 - $5,085.04 already paid by the carrier = $5,338.27 in 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 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** entitled to additional reimbursement in the amount of <u>$5,338.27</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 20 days of this Order.

Ordered by:

	Michael Bucklin	08/29/05
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: _____