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: HCA Conroe Regional Medical Center 3701 Kirby Drive, Suite 1288 Houston, Texas 77098-3926	MDR Tracking No.: M4-05-A332-01 Claim No.: Injured Employee's Name:
Respondent's Name and Address: Gray Insurance Company 1717 E. Loop N, Suite 333 Portway Plaza Office Bldg. Houston, Texas 77029-4060 Box 19	Date of Injury: Employer's Name: Edde Drilling Company, Inc. Insurance Carrier's No.: 2002001785

PART II: REQUESTOR'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Requestor submitted an operative report, discharge summary and position statement. Requestor indicates in their position statement; "Our client does not agree with the position of the insurance carrier and is seeking assistance form the Medical Dispute Resolution for the disposition of this fee reimbursement dispute in question." Requestor is seeking an additional reimbursement in the amount of $62,221.25.

PART III: RESPONDENT'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Carrier submitted a review of services by Senior Medical Director and a position statement. Carrier indicates, "…The Requestor asserts it is entitled to reimbursement in the amount of $62,017.25, 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 IV: SUMMARY OF DISPUTE AND FINDINGS

Date(s) of Service	CPT Code(s) or Description	Part V Reference	Additional Amount Due
07/14/04-07/19/04	Surgical Admission		$62,221.25

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 an operative report indicating that a posterior and anterior fusion at L4-L5 was performed; the patient tolerated the procedures well and no complications were noted. 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 $88,023.00.

The carrier has reimbursed the provider $3,796.00.

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 $62,221.25 (total allowable WCRA $88,023.00 x 75% = $66,017.25 - $3,796.00 already paid = $62,221.25.

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 $62,221.25. 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:

	Allen McDonald	01/03/06
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.