



## 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:  
Vista Medical Center Hospital  
4301 Vista  
Pasadena, Texas 77504

MDR Tracking No.: M4-05-A706-01

Claim No.:

Injured Employee's Name:

Respondent's Name and Address:  
Insurance Company of the State of PA  
P O Box 13367  
Austin, Texas 78711-3367  
Box 19

Date of Injury:

Employer's Name: Continental Airlines, Inc.

Insurance Carrier's No.:  
001534076404WC01

### PART II: REQUESTOR'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Requestor submitted a position statement, an operative report, discharge summary and an invoice.

"As discussed in this decision, there is no evidence or denials presented by the Carrier that the prices billed were not Vista's usual and customary charges (which the Hospital must bill under Commission rules), that the price markup was not consistent with the geographical or hospital billing practices, or that the final price was not fair and reasonable. In contrast, the implantables in this instance were billed at Vista's usual and customary charge, all patients are billed the same price for these items, and that the price markup is used to cover various overhead costs. Therefore, the Carrier is required to reimburse Vista pursuant to the stop-loss method reimbursement."

### PART III: RESPONDENT'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Carrier submitted a position statement indicating: "The stop-loss methodology is not applicable in this case. Rule 134.401 (6) states, 'Stop-loss is an independent reimbursement methodology established to ensure fair and reasonable compensation to the hospital for unusually costly services rendered during treatment to an injured worker.' The requestor has not provided documentation that the services were 'unusually costly' or 'unusually extensive'. No additional reimbursement is indicated."

### PART IV: SUMMARY OF DISPUTE AND FINDINGS

Date(s) of Service	CPT Code(s) or Description	Part V Reference	Additional Amount Due (if any)
08/18/04-08/21/04	Surgical Admission	I	\$0.00

### PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

I. 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 both parties, it does **not** appear that this particular admission involved "unusually extensive services." The provider submitted an operative report indicating that an anterior cervical fusion C4-5, C5-6 was performed, the patient tolerated the procedure well 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 3-day stay in the amount of \$17,215.52 per the Table of Disputed Services.

The requestor billed \$24,776.00 for the implantables.

The requestor submitted invoices indicating the cost for the implantables were \$6,774.00.

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 \$7,451.40 (\$6,774.00 x 110%). Per diem amount is \$3,354.00 + \$7,451.40 for the implantables = \$10,805.40, leaving no additional reimbursement recommended.

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: 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 not** entitled to additional reimbursement.

Ordered by:

Michael Bucklin

12/20/05

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.**