



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: Renaissance Hospital P O Box 11586 Houston, Texas 77293	MDR Tracking No.: M4-05-A978-01
	Claim No.:
	Injured Employee's Name:
Respondent's Name and Address: Ace American Insurance Company 4044 W William Drive, Suite P-170 Austin, Texas 78749-1524 Box 15	Date of Injury:
	Employer's Name: Steak & Ale Club
	Insurance Carrier's No.: C290C6143225

PART II: REQUESTOR'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Requestor submitted operative report and a position statement. The requestor indicates in their position statement; "Enclosed are copies of EOBs from other carrier's, which show a higher rate of reimbursement, consistent to our usual and customary. We are requesting that the Insurance Carrier pay our claims at the usual and customary." The provider is seeking additional reimbursement in the amount of \$59,158.50.

PART III: RESPONDENT'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

No response found in the dispute packet.

PART IV: SUMMARY OF DISPUTE AND FINDINGS

Date(s) of Service	CPT Code(s) or Description	Part V Reference	Additional Amount Due (if any)
10/08/04-10/11/04	Surgical Admission		

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 total left knee arthroplasty was performed, patient tolerated the procedure well, was discharged in stable condition to the post anesthesia unit 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 \$10,949.50.

The requestor billed \$24,422.00 for the implantables.

The requestor submitted invoices indicating the cost for the implantables were \$6,905.00.

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 \$7,595.50 (\$6,905.00 x 110%). Per diem for the 3-day stay is \$3,354.00(3 x \$1,118.000) + \$7,595.50 for the implantables = \$10,949.50, 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: 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

09/20/05

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.