

# 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   |                          |                             |
|---|--------------------------|-----------------------------|
| <b>Type of Requestor:</b> (x) Health Care Provider ( ) Injured Employee | ( ) Insurance Carrier    |                             |
| Requestor's Name and Address:<br>Regency Hospital of Odessa             | MDR Tracking No.:        | M4-05-B055-01               |
| 30000 Mill Creek Avenue, Suite 250                                      | Claim No.:               |                             |
| Alpharetta, Georgia 30022   | Injured Employee's Name: |                             |
| Respondent's Name and Address:<br>Lumbermens Mutual Casualty Company    | Date of Injury:          |                             |
| P O Box 162443<br>Westlake Station                                      | Employer's Name:         | ISAS Healthcare Corporation |
| Austin, Texas 78716   | Insurance Carrier's No.: |                             |
| Box 42  |                          | 4650152078                  |
|   |                          |                             |

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

The Requestor did not submit a position statement or an operative report, along with an admission or discharge summary.

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

No response was found in the dispute packet.

#### PART IV: SUMMARY OF DISPUTE AND FINDINGS

| Date(s) of Service | CPT Code(s) or Description | Part V<br>Reference | Additional Amount<br>Due (if any) |
|--------------------|----------------------------|---------------------|-----------------------------------|
| 11/18/04-12/18/04  | Surgical Admission         | I                   | \$7,440.00                        |
|                    |                            |                     |                                   |
|                    |                            |                     |                                   |
|                    |                            |                     |                                   |

#### 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 did not submit an operative report, discharge summary or an admission record to determine unusually extensive services. Accordingly, the stop-loss method does not apply and the reimbursement is to be based on the per diem methodology described in the same rule.

Requestor billed \$144,936.70 for the 30-day inpatient stay.

The carrier made reimbursement for the 30-day stay in the amount of \$26,100.00.

Therefore, reimbursement based on per diem for the 30-day stay =  $$33,540.00 (30 \times $1,118.00) - $26,100.00$  already paid = \$7,440.00 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: 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 \$7,440.00.

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

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.