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: Vista Hospital of Dallas 4301 Vista Pasadena, Texas 77504	MDR Tracking No.: M4-05-B084-01 Claim No.: Injured Employee's Name:
Respondent's Name and Address: Highlands Insurance Company P O Box 42307 Houston, Texas 77242-2307 Box 01	Date of Injury: Employer's Name: American Terrazzo Company Insurance Carrier's No.: 9303C612469

PART II: REQUESTOR'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Requestor submitted an operative report, invoices and discharge summary. The requestor indicates in their position statement that, "As discussed in this decision, there is no evidence or denials presented by the Carrier that the prices billed were not Provider's usual and customary charges (which the Hospital must bill under Commission's rules), that the price markup was not consistent with the geographical or other hospital billing practices, or that the final price was not fair and reasonable."

PART III: RESPONDENT'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Carrier indicates in their position statement: "The provider has not shown that the hospitalization of the claimant for the dates of service involved unusually costly or extensive services. There is nothing in these documents to indicate the claimant's admission was anything more than a routine spinal surgery. Nor do these documents show that the claimant had any complications that would require unusually costly or extensive services. As such, the hospital is not entitled to be paid pursuant to the stop-loss provision of the Acute Care Inpatient Hospital Fee Guidelines."

PART IV: SUMMARY OF DISPUTE AND FINDINGS

Date(s) of Service	CPT Code(s) or Description	Part V Reference	Additional Amount Due (if any)
09/17/04-09/20/04	Surgical Admission		$9,634.90

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 re-do fusion posterolaterally at L4-L5 fusion and a two-level re-do laminectomy/decompression was performed and the patient left the OR in good 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 methodology described in the same rule.

The carrier made reimbursement for the 3-day stay in the amount of $3,354.00.

The requestor billed $33,416.00 for the implantables per their submitted UB-92 revenue code 278.

The Requestor submitted invoices that totaled $8,759.00.

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 $9,634.90 ($8,759.00 x 110%). Per diem for the 3-day stay is $3,354.00(3 x $1,118.000) + $9,634.90 for the implantables = $12,988.90 - $3,354.00 already paid = $9,634.90 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 $9,634.90. 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.