



MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

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| Type of Requestor: (x) Health Care Provider () Injured Employee () Insurance Carrier | |
| Requestor's Name and Address: Baylor All Saints Medical 2001 Bryan Street, Suite 2600 Dallas, Texas 75021-3005 | MDR Tracking No.: M4-05-B352-01 |
| | Claim No.: |
| | Injured Employee's Name: |
| Respondent's Name and Address: American Casualty Company of Reading PA c/o Burns Anderson Jury & Brenner P O Box 26300 Austin, Texas 78755-0300 Box 47 | Date of Injury: |
| | Employer's Name: IBL LTD, Inc. |
| | Insurance Carrier's No.: 0011844008742WC01 |

PART II: REQUESTOR'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Requestor submitted invoices for the implantables, operative report. No position statement was found in the dispute packet.

PART III: RESPONDENT'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

No position statement was found in the dispute packet.

PART IV: SUMMARY OF DISPUTE AND FINDINGS

| Date of Service | CPT Code(s) or Description | | Part V Reference | Amount Due |
|-------------------|----------------------------|--|------------------|-------------|
| 11/02/04-11/06/04 | Surgical Admission | | | \$26,550.00 |
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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 posterior spinal fusion at L3-L4 and L4-S1 was performed. 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 4-day stay in the amount of \$3,167.67.

The requestor billed \$52,153.06 for the implantables.

The requestor submitted invoices indicating the cost for the implantables were \$26,215.00.

Therefore, reimbursement based on per diem is \$4,472.00(4 x \$1,118.00) and reimbursement for the implantables at cost plus ten percent

is \$28,836.50 (\$26,215.00 x 110%). Per diem for the 4-day stay is \$4,472.00(4 x \$1,118.000) + \$28,836.50 for the implantables = \$33,308.50 - \$3,167.67 already paid = \$30,140.83 in additional reimbursement recommended. However, the requestor indicated on their TWCC-60 Table of Disputed Services that the amount in dispute is \$26,550.00. Therefore, this additional amount is 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 Administration 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 \$26,550.00. 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:

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 in español acerca de ésta correspondencia, favor de llamar a 512-804-4812.