

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: Baylor Medical University | MDR Tracking No.: M4-05-B611-01 |
| 2001 Bryan Street, Suite 2600 | Claim No.: |
| Dallas, Texas 75021-3005 | Injured Employee's Name: |
| Respondent's Name and Address: Ace American Insurance Company | Date of Injury: |
| 4044 West William Drive, Suite P-170 | Employer's Name: Tyson Foods, Inc. |
| Austin, Texas 78749-1524 | Insurance Carrier's No.: |
| Box 15 | 0401843 |

PART II: REQUESTOR'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

Requestor submitted an operative report, TWCC-60 and UB-92s. No position statement noted in the case file.

PART III: RESPONDENT'S PRINCIPLE DOCUMENTATION AND POSITION SUMMARY

No response from the carrier noted in the case file.

PART IV: SUMMARY OF DISPUTE AND FINDINGS

| Date(s) of Service | CPT Code(s) or Description | Part V Reference | Additional Amount Due |
|--------------------|----------------------------|---------------------|--------------------------|
| 04/22/04-05/01/04 | Surgical Admission | I | \$5,528.48 |

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). In this particular admission, the principle diagnosis code was 886.1 related to trauma care for an amputated finger. Pursuant to Rule 134.401(c)(5), the reimbursement for the entire admission shall be paid at a fair and reasonable rate (neither the per diem method nor the stop loss method apply to this case).

Determining the "fair and reasonable" reimbursement can be difficult. In this case, it appears that neither the requestor nor the respondent have persuasively shown that their position represents the appropriate amount. Therefore, an alternate approach is needed to determine the reimbursement amount.

Based on data contained in the Commission's medical billing database for dates of service in 2004, trauma admissions were reimbursed, on average, at 48.2% of the total charges (total payments divided by total charges). Applying this same formula to this specific case appears to be a sound method to determine the appropriate fair and reasonable reimbursement.

Accordingly, the health care provider is entitled to an additional reimbursement amount of \$5,528.48. This was calculated by multiplying the total charges of \$56,320.03 by 48.2% = \$27,146.25 - \$21,617.77 already paid by the carrier = \$5,528.48 in additional reimbursement recommended.

| 28 Texas Administrative Code Sec. 134.401 (c)(5). | | | | |
|--|-----------------|---------------|--|--|
| 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 \$5,528.48. 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 | 02/08/06 | | |
| Authorized Signature | Typed Name | Date of Order | | |

PART VIII: YOUR RIGHT TO REQUEST JUDICIAL REVIEW

PART VI: GENERAL PAYMENT POLICIES/REFERENCES IMPACTING DECISION

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.