FLAHIVE, OGDEN & LATSON

Advisory No. 19

TOPIC: Medical Bills

FO&L has recently received notice from the Commission that a mailing to all health care providers (HCP) has been made concerning "submission of medical bills and initial medical report (TWCC-61)". The mailing was an attempt to inform all HCP of the information required by the Texas Workers' Compensation Commission (TWCC) in the completion of the new law medical bills submitted for compensable services to the insurance carriers. Key points of the information was:

- 1) HCP are being informed by the TWCC that bills submitted <u>prior to May 20, 1991</u>, but not on the form TWCC-67 or 68, may be resubmitted if clearly marked <u>rebill</u>.
- 2) TWCC-61, Initial Medical Report is to be sent to the TWCC by the HCP, so it is not necessary for the carrier to submit another copy.
- 3) Copies of subsequent or additional medical reports <u>are not to be submitted</u> to the TWCC, except by specific request.
- 4) TWCC-62, Notice of Medical Payment Dispute, is submitted from the carrier to the HCP at the time payment is submitted <u>do not</u> submit this form to the TWCC.

The Commission continues to make public statements that Form TWCC-62, Notice of Medical Payment Dispute, is to be submitted to the health care provider (unless requested by TWCC). Carriers are, of course, required to place reduction codes on the completed HCFA-1500 when they return it to the Commission, following final payment. The Commission takes the position that the reduction codes noted on the HCFA-1500 constitute notice of medical payment dispute to the Commission. Therefore, there is absolutely no reason to submit a copy of TWCC-62 to the Commission since it merely duplicates the information already provided on the HCFA-1500.

Additionally, the Commission is emphasizing a total change in the philosophy of medical report sharing under the new law. Under the old law, the carrier had the responsibility to obtain all medical reports and then distribute those reports to the Commission and the claimant or his representative. Under the new law, the duty to provide and share medical reports is on the health care provider, rather of 3

than the carrier. It is the health care provider that is now required to send medical reports to the Commission, the carrier and the claimant or his representative. The carrier should never submit medical reports to the Commission, unless specifically requested. Once again, this is a total change in handling from the old law system. While it puts an increased burden on the health

care provider to provide reports to all parties in the system, it should significantly reduce the burden that the carrier bore under the old law system. While the carrier must continue to provide reports on old law claims, that burden will begin to lift as old law claims are closed and new law claims begin to predominate.

The Texas Workers' Compensation Commission continues to conduct Medical Review Educational Seminars that provide additional information on medical bills and reports. For the latest schedule on seminars, call Julie Shank in the Medical Review Division at (512) 440-3813.