

APPLICATIONS FOR DIRECT PAYMENT

2009 Missouri Workers' Compensation Institute
Columbia, Missouri -- May 29, 2009

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- I. Scenario 1: Explicit authorization -- simple, but less common case.
 1. Employee is injured;
 2. Employer/insurer assumes liability;
 3. Employee sees the doctor that the Employer/insurer designates; and
 4. No one pays the health care provider's bill.
 5. Usually this comes up in the midst of a coverage dispute between the Employer and Insurer, or in the context of co-employers.


- II. Scenario 2: Disputed authorization -- more legally complicated, but more common case
 1. Employee is injured and
 2. Employer denies the case;
 3. Employee arranges for health care coverage (often to be paid through health insurance);
 4. Employee has an unpaid balance at the health care provider;
 5. Health care provider sends a bill;
 6. Health care provider receives a letter from Employee's lawyer citing Mo. Rev. Stat. § 287.140.13(1) which forbids a health care provider from trying to collect while the workers compensation case is pending;

III. Legal Authority to File Application for Direct Payment

1. Applications for Direct Payment are authorized by Mo. Rev. Stat. § 287.140.13(6) which requires that the services “have been authorized in advance . . .”

(6) A hospital, physician or other health care provider whose services have been authorized in advance by the employer or insurer may give notice to the division of any claim for fees or other charges for services provided for a work-related injury that is covered by this chapter, with copies of the notice to the employee, employer and the employer's insurer. Where such notice has been filed, the administrative law judge may order direct payment from the proceeds of any settlement or award to the hospital, physician or other health care provider for such fees as are determined by the division. The notice shall be on a form prescribed by the division.

2. The Division’s form allows the health care provider to indicate that “Authorization in Dispute.” See Attached form WC-MD-01.



MISSOURI DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF WORKERS' COMPENSATION

3315 West Truman Blvd., P.O. Box 38
Jefferson City, MO 65102-0038

APPLICATION FOR DIRECT PAYMENT

Please check the appropriate box.

Authorization potentially in dispute
 Authorization has been provided

Original Amended

W.C. Injury Number

Medical Fee Dispute No.

Use this form only if you are a hospital, physician or other health care provider that has provided services to an employee, which have been authorized in advance by the employer or insurer or where the authorization is potentially in dispute.

Please note that pursuant to § 287.140.13 (6) RSMo, the services provided must relate to a work-related injury under the workers' compensation law.

1. Health Care Provider Name	Address (Street, City & County)	State	Zip Code	Telephone No.
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3. “Authorized” means **endorse, empower, justify, or permit.** See Curry v. Ozarks Elec. Corp., 39 S.W.3d 494, 496-97 (Mo. 2001):

Application of section 287.140.13(6) to these facts turns on the meaning of the term "authorized." HN5Because chapter 287 does not define "authorized," this Court will rely on the plain and ordinary meaning of the word, as derived from the dictionary. See Hemeyer v. KRCG-TV, 6 S.W.3d 880, 881 (Mo. banc 1999). "Authorize" means "to endorse, empower, justify, or permit by or as if by some recognized or proper authority (as custom, evidence, personal right, or regulating power)." WEBSTER'S THIRD NEW INTERNATIONAL DICTIONARY 146 (1986). The fact that Mr. Frizzell, as Ozarks' president, directed Cox to send Curry's medical bills to Continental and to him so that he would know what treatment Curry received is alone sufficient to establish that Ozarks "endorsed" or "permitted" Cox's services. Furthermore, there is no evidence to the contrary. Ozarks claims that it did not authorize Cox's services because neither Mr. Frizzell nor Continental promised or guaranteed payment for those services, but section 287.140.13(6) does not require an express promise to pay. Based on the record and the plain meaning of the statutory language, the Commission's conclusion that Ozarks authorized Cox's services in advance must be upheld.

IV. Recoupment

1. Most health insurance policies exclude work related injuries;
2. Most health insurance company audit health care provider records to make sure that the medical records match the billing;
3. If the health insurance auditor sees that payments were made for an excluded service (e.g., treatment for a work-related injury) then the health insurance company may “correct” their payment;
4. This may put the bill back on the injured worker.



APPLICATION FOR DIRECT PAYMENT

Please check the appropriate box.

- Authorization potentially in dispute
 Authorization has been provided Original Amended

W.C. Injury Number
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Please note that pursuant to § 287.140.13 (6) RSMo, the services provided must relate to a work-related injury under the workers' compensation law.

1. Health Care Provider Name	Address (Street, City & County)	State	Zip Code	Telephone No.
2. Employee (Patient's) Name	Address (Street, City & County)	State	Zip Code	Date of Accident/Occupational Disease Social Security No.
3. Name of Employer	Address (Street, City & County)	State	Zip Code	Telephone No.
4. Name of Insurer/Third Party Administrator	Address (Street, City & County)	State	Zip Code	Telephone No.

5.	Brief Description of Disputed Services Rendered	Date Services Provided	Name and Title of Person Who Authorized Services	Date Authorization was Given	Amount Billed	Amount Claimed
A.	_____	_____	_____	_____	\$ _____	\$ _____
B.	_____	_____	_____	_____	\$ _____	\$ _____
C.	_____	_____	_____	_____	\$ _____	\$ _____
D.	_____	_____	_____	_____	\$ _____	\$ _____
E.	_____	_____	_____	_____	\$ _____	\$ _____
					Total Amount Claimed	\$ _____

(If needed, attach sheet with additional information.)

6. Signature of Health Care Provider*	Attorney Address	Attorney Telephone No.
7. Health Care Provider's Attorney Signature & Date*	Bar No.	Attorney Fax No.
	Attorney E-mail Address	

CERTIFICATE OF SERVICE

I, the undersigned, certify that a true and accurate copy of this Application for Direct Payment has been mailed or hand delivered to all attorneys and/or all parties of record this

_____ day of _____, 20____.

Attorney's Signature _____ Date _____

Attorney's Name (Printed) _____ Bar No. _____

Address (if different than above) _____

DIVISION USE ONLY

*** Please be advised that corporations and limited liability companies appearing before the Division must be represented by an attorney licensed in the State of Missouri. See Reed v. Labor and Ind. Rel. Commn., 789 S.W.2d 19, 20 (Mo. banc 1990).**

*** If the Health Care Provider is a corporation or a LLC, and this Application is not signed by an attorney, this Application will be rejected.**

DATE STAMP