

No. 2019 6141

**OFFICIAL ORDER**  
*of the*  
**TEXAS COMMISSIONER OF WORKERS' COMPENSATION**

Date: NOV 12 2019

**Subject Considered:**

**AMERICAN MEDICAL RESPONSE AMBULANCE SERVICE, INC.**  
P.O. Box 847343  
Dallas, Texas 75284-7343

**CONSENT ORDER**  
TDI-DWC ENFORCEMENT FILE NOS. 20320, 20910, and 20902

**General remarks and official action taken:**

The commissioner of workers' compensation (commissioner) considers whether disciplinary action should be taken against American Medical Response Ambulance Service, Inc. (American Medical).

**WAIVER**

American Medical acknowledges that the Texas Labor Code and other applicable laws provide certain rights. American Medical waives all of these rights and any other applicable procedural rights in consideration of the entry of this consent order.

**FINDINGS OF FACT**

The commissioner makes the following findings of fact:

1. American Medical is a medical transportation company and health care provider operating within the Texas workers' compensation system.
2. American Medical was not selected to be tiered in the 2007, 2009, 2011, 2013, 2015, or 2017, Performance Based Oversight (PBO) assessments.

**IMPROPERLY PURSUING A PRIVATE CLAIM AGAINST  
AN INJURED EMPLOYEE**

3. In case number 20320, American Medical provided health care services to an injured employee on [REDACTED], in connection with a workers' compensation injury.
4. American Medical sent a bill on [REDACTED], to the injured employee for health care services it provided to the injured employee on [REDACTED].

5. On [REDACTED], American Medical submitted a claim to the injured employee's workers' compensation insurance carrier for health care services it provided to the injured employee on [REDACTED]. The insurance carrier denied the claim.
6. The Texas Department of Insurance, Division of Workers' Compensation (DWC) sent a letter on [REDACTED], informing American Medical that the bill sent to the injured employee was for services related to a workers' compensation claim and that it should immediately cease billing the injured employee and instead bill the insurance carrier.
7. American Medical sent a bill on [REDACTED], to the injured employee for health care services it provided to the injured employee on [REDACTED].
8. American Medical sent a bill on [REDACTED], to the injured employee for health care services it provided on [REDACTED].
9. In case number 20910, American Medical provided health care services to an injured employee on [REDACTED], in connection with a workers' compensation injury.
10. American Medical sent a bill on [REDACTED], to the injured employee for health care services it provided to the injured employee on [REDACTED].
11. On [REDACTED], American Medical submitted a claim to the injured employee's workers' compensation insurance carrier for health care services it provided to the injured employee on [REDACTED]. The insurance carrier denied the claim.
12. The Texas Department of Insurance, Division of Workers' Compensation (DWC) sent a letter on [REDACTED], informing American Medical that the bill sent to the injured employee was for services related to a workers' compensation claim and that it should immediately cease billing the injured employee and instead bill the insurance carrier.
13. American Medical sent a bill on [REDACTED], to the injured employee for health care services it provided on [REDACTED].
14. In case number 20902, American Medical provided health care services to an injured employee on [REDACTED], in connection with a workers' compensation injury.
15. American Medical submitted a claim to the injured employee's workers' compensation insurance carrier for health care services it provided to the injured employee on [REDACTED]. The insurance carrier denied the claim.
16. American Medical sent a bill on [REDACTED], to the injured employee for health care services it provided on [REDACTED].
17. Injury Management Organization, Inc. (IMO), the administrator of the workers' compensation plan for the employer of the injured employee, sent a letter on [REDACTED], informing American Medical that the bill sent to the injured employee was for

services related to a workers' compensation claim and that it should immediately cease billing the injured employee and instead bill the insurance carrier.

18. American Medical sent a bill on [REDACTED], to the injured employee for health care services it provided on [REDACTED].
19. American Medical utilized a third-party vendor, Centrex Revenue Solutions, L.L.C., for billing and collection services during the relevant time period involving the injured employee.
20. No finding had been made determining that the injured employees violated TEX. LAB. CODE § 408.022 in selecting treating doctors, nor had there been a final adjudication that the claims were not compensable.

#### ASSESSMENT OF SANCTION

21. Improperly billing an injured employee for health care services imposes an undue financial burden on the injured employee and circumvents the Texas workers' compensation system and the roles of its system participants.
22. In assessing the sanction for this case, DWC appropriately and fully considered the following factors set forth in TEX. LAB. CODE § 415.021(c) and 28 TEX. ADMIN. CODE § 180.26(e):
  - the seriousness of the violation, including the nature, circumstances, consequences, extent, and gravity of the prohibited act;
  - the history and extent of previous administrative violations;
  - the demonstrated good faith of the violator, including actions taken to rectify the consequences of the prohibited act;
  - the penalty necessary to deter future violations;
  - whether the administrative violation has negative impact on the delivery of benefits to an injured employee;
  - the history of compliance with electronic data interchange requirements;
  - other matters that justice may require, including but not limited to:
    - PBO assessments;
    - the promptness and earnestness of actions to prevent future violations;
    - self-report of the violation;
    - the size of the company or practice;
    - the effect of a sanction on the availability of health care; and
    - evidence of heightened awareness of the legal duty to comply with the Texas Workers' Compensation Act and DWC rules; and
  - to the extent reasonable, the economic benefit resulting from the prohibited act.
23. In assessing the sanction for this case, DWC found the following factors set forth in TEX. LAB. CODE § 415.021(c) and 28 TEX. ADMIN. CODE § 180.26(e) to be aggravating: the seriousness of the violation, including the nature, circumstances, consequences, extent, and gravity of the prohibited act; the history and extent of previous administrative violations;

the penalty necessary to deter future violations; and other matters that justice may require, including but not limited to, the demonstrated lack of good faith of the violator, including actions taken to rectify the consequences of the prohibited act.

24. In assessing the sanction for this case, DWC found the following factors set forth in TEX. LAB. CODE § 415.021(c) and 28 TEX. ADMIN. CODE § 180.26(e) to be mitigating: the demonstrated good faith of the violator, including actions taken to rectify the consequences of the prohibited act, as the healthcare provider has instituted new billing practices to ensure billing errors do not continue.
25. American Medical acknowledges that it has communicated with DWC regarding the relevant statutes and rules violated; the facts establishing that the administrative violation occurred; and the appropriateness of the proposed sanction, including how DWC considered the factors under TEX. LAB. CODE § 415.021(c) and 28 TEX. ADMIN. CODE § 180.26(e).
26. American Medical acknowledges that, in assessing the sanction, DWC considered the factors set forth in TEX. LAB. CODE § 415.021(c) and 28 TEX. ADMIN. CODE § 180.26(e).

### CONCLUSIONS OF LAW

The commissioner makes the following conclusions of law:

1. The commissioner has jurisdiction over this matter pursuant to TEX. LAB. CODE §§ 402.001, 402.00111, 402.00114, 402.00116, 402.00128, 414.002, 414.003, 415.002, and 415.021.
2. The commissioner has authority to informally dispose of this matter as set forth under TEX. GOV'T CODE § 2001.056, TEX. LAB. CODE § 402.00128(b)(7), and 28 TEX. ADMIN. CODE § 180.26(h).
3. Pursuant to TEX. LAB. CODE § 415.021, the commissioner may assess an administrative penalty against a person who commits an administrative violation.
4. Pursuant to TEX. LAB. CODE § 415.003(6), a health care provider commits an administrative violation if it fails to comply with a provision of the Texas Workers' Compensation Act.
5. Pursuant to TEX. LAB. CODE § 413.042, a health care provider commits an administrative violation if it pursues a private claim against a workers' compensation claimant for all or part of the cost of a health care service provided to the injured employee by the provider unless the injury is finally adjudicated as not compensable or the employee violates TEX. LAB. CODE § 408.022 relating to the selection of a treating doctor.
6. American Medical violated TEX. LAB. CODE §§ 413.042 and 415.003(6), when it improperly billed an injured employee for workers' compensation health care services provided.

**ORDER**

American Medical Response Ambulance Service, Inc. is ORDERED to pay an administrative penalty of \$7,500 within 30 days from the date of this Order.

The administrative penalty must be paid by company check, cashier's check, or money order made payable to the "State of Texas." Mail the administrative penalty to the Texas Department of Insurance, Attn: DWC Enforcement, MC 9999, P.O. Box 149104, Austin, Texas, 78714-9104.



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Cassie Brown *new*  
Commissioner of Workers' Compensation

Approved as to Form and Content:



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Amy Norman  
Staff Attorney, DWC Enforcement  
Texas Department of Insurance

