TEXAS DEPARTMENT OF INSURANCE
Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)
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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name
Sentrix Pharmacy and Discount, LLC

Respondent Name
New Hampshire Insurance Company

MFDR Tracking Number
M4-17-1698-01

Carrier's Austin Representative
Box Number 19

MFDR Date Received
February 6, 2017

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "… the Pharmacy received an EOB from the carrier with a recommended allowance of $2,289.71, however, no payment was ever received."

Amount in Dispute: $2,289.71

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "It is uncontested that Requestor failed to request preauthorization, and failed to obtain preauthorization from the Carrier or an order from the commissioner.

The Carrier is not liable for those services and items specified unless preauthorization is sought by the claimant or health care provider, and preauthorization is either obtained from the Carrier or is ordered by the commissioner."

Response Submitted by: Flahive, Ogden & Latson

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
March 16, 2016	Pharmacy Service – Compound	$2,289.71	$2,289.71

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. Texas Labor Code §408.027 sets out the requirements for payment of a health care provider.
2. 28 Texas Administrative Code §133.240 sets out the procedures for payment, reduction, or denial of medical bills.
3. 28 Texas Administrative Code §133.250 sets out the procedures for reconsideration requests.
4. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.

5. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
   - 791 – This item is reimbursed as a brand-name prescribed drug.
   - 91 – Dispensing fee adjustment.

Issues

1. Did New Hampshire Insurance Company raise a new defense in its position statement?
2. Is Sentrix entitled to reimbursement for the compound in question?

Findings

1. Sentrix is seeking reimbursement for a compound dispensed on March 16, 2016. In its position statement, Flahive, Ogden & Latson argued on behalf of the insurance carrier, "The Carrier is not liable for those services and items specified unless preauthorization is sought by the claimant or health care provider, and preauthorization is either obtained from the Carrier or is ordered by the commissioner."

   The insurance carrier is required to address only those issues raised before the request for medical fee dispute resolution (MFDR) in its position statement.[1]

   Review of the submitted documentation finds that New Hampshire Insurance Company failed to present a denial based on preauthorization to Sentrix[2] before the date that a request for MFDR was filed.

   The division concludes that this defense presented in the insurance carrier's position statement shall not be considered for review because this assertion constitutes a new defense.

2. The insurance carrier is required to take final action to pay, reduce, deny, or determine to audit a medical bill by the 45th day after it receives a complete medical bill.[3] The evidence submitted supports that the insurance carrier's final action was a determination to reimburse the compound in full. The insurance carrier failed to reduce, deny, or determine to audit bill within 45 days.

   If the health care provider is not satisfied with the insurance carrier's final action, it may request a reconsideration of the bill.[4] Because the insurance carrier indicated full reimbursement as its final action on the bill in question, the requestor was stripped of its right to request reconsideration.

   The requestor asserted that no payment was received for the services deemed reimbursable by the insurance carrier. The insurance carrier did not rebut this assertion of non-payment.

   The division concludes that Sentrix is entitled to the reimbursement of $2,289.71 indicated on the insurance carrier's explanation of benefits dated April 11, 2016.

Conclusion

The outcome of each independent medical fee dispute relies upon the relevant evidence presented by the requestor and the respondent at the time of adjudication. Though all the evidence in this dispute may not have been discussed, it was considered. For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is $2,289.71.

ORDER

Based on the submitted information, pursuant to Texas Labor Code Section 413.031 and 413.019 (if applicable), the division has determined the requestor is entitled to additional reimbursement for the disputed services. The division hereby ORDERS the respondent to remit to the requestor $2,289.71, plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this order.

[1] 28 Texas Administrative Code §133.307(d)(2)(F)
[2] 28 Texas Administrative Code §133.240
[3] Texas Labor Code §408.027(b); 28 Texas Administrative Code §133.240(a)
[4] 28 Texas Administrative Code §133.240(i); 28 Texas Administrative Code §133.250(a)

Authorized Signature

	Laurie Garnes	August 2, 2018
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with Rule §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012**.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.