



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

MEMORIAL COMPOUNDING RX

Respondent Name

Indemnity Insurance Co of North America

MFDR Tracking Number

M4-18-0947-01

Carrier's Austin Representative

Box 15

MFDR Date Received

December 6, 2017

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "The carrier denied the reconsideration based on a LACK OF PREAUTHORIZATION-COMPOUND."

Amount in Dispute: \$569.93

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The Carrier has issued payment for the date of service listed on the Table of Disputed Services. Please see the attached EOB which documents the payment was made on 11/27/17 via EFT."

Response Submitted by: Downs Stanford Pc

SUMMARY OF FINDINGS

Table with 4 columns: Date of Service, Disputed Services, Amount In Dispute, Amount Due. Row 1: July 27, 2017, Compound Medication, \$569.93, \$0.00

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. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes
2. 28 Texas Administrative Code §134.503 sets out the reimbursement for compound medications
3. Explanation of Benefits:
Issued September 29, 2017
• HE 7S – Prior authorization required
Issued November 27, 2017
• P12 – Workers' Compensation Jurisdictional Fee Schedule Adjustment.
• 790 – This charge was reimbursed in accordance to the Texas Medical Fee Guideline.

Findings

The Division makes the following conclusions based upon the information and documentation presented to the Division to date. Even though all the evidence was not discussed, it was considered.

1. Did the carrier reimburse Memorial for the disputed services?

Memorial Compounding Rx (Memorial) states that the carrier denied payment based upon lack preauthorization. Review of the explanations of benefits provided finds that the carrier did not maintain its preauthorization denial and decided to issue a payment in the amount of \$569.91 to Memorial on November 27, 2017 via electronic funds transfer numbered 80342125.

The Division concludes that the carrier changed its original final action and decided to reimburse Memorial for the services.

2. Is additional reimbursement due?

The carrier reduced the billed amount to a total payment of \$569.91 citing the workers’ compensation fee schedule as its reason for the reduction. Rule at 28 Texas Administrative Code §134.503(c) applies and states, in pertinent part, that the insurance carrier shall reimburse the lesser of: (1) the fee established by the Division’s applicable formula based on the average wholesale price (AWP) as reported by a nationally recognized pharmaceutical price guide or other publication of pharmaceutical pricing data in effect on the day the prescription drug is dispensed; or (2) the amount billed to the insurance carrier.

Memorial has requested reimbursement in the amount of \$569.93. Memorial has the burden to support its request for this amount. In its original position statement, Memorial did not demonstrate how it arrived at the disputed amount. After Memorial was notified by the Division’s medical fee dispute resolution program of the carrier’s response, it did not take the opportunity to refute the carrier’s payment calculation or the carrier’s explanation of payment. For those reasons, the Division moves to resolve this dispute with the information available and concludes that no additional reimbursement can be recommended.

Conclusion

The Division concludes that Memorial has already been paid for the service in dispute. As a result, the amount ordered is \$0.00.

ORDER

Based on the submitted information, and pursuant to Texas Labor Code Section 413.031, the division has determined that the requestor is not entitled to additional reimbursement for the services in dispute.

Authorized Signature

		February 5, 2018
Signature	Medical Fee Dispute Resolution Director	Date

RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, 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 with the Division. **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.