



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 Pharmacy

Respondent Name

Old Republic Insurance Company

MFDR Tracking Number

M4-18-1053-01

Carrier's Austin Representative

Box Number 44

MFDR Date Received

December 11, 2017

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Bill for date of service (4/27/2017) was denied indicating lack of preauthorization. These medication due not require preauthorization therefore do not need a retrospective review."

Amount in Dispute: \$202.82

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: Submitted documentation does not include a position statement from the respondent. Accordingly, this decision is based on the information available at the time of review.

SUMMARY OF FINDINGS

Table with 4 columns: Dates of Service, Disputed Services, Amount In Dispute, Amount Due. Row 1: April 27, 2017, Famotidine 20 mg Tablets, \$202.82, \$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 §134.530 sets out the preauthorization requirements for pharmaceutical services.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
- P13 - Payment reduced or denied based on workers' compensation jurisdictional regulations or payment policies ...
- HE75 - Prior Authorization Required

**Issues**

1. Did Old Republic Insurance Company (Old Republic) respond to the medical fee dispute?
2. Is Memorial Compounding Pharmacy (Memorial) entitled to reimbursement of the drug in question?

**Findings**

1. The Austin carrier representative for Old Republic is White Espey, PLLC. White Espey, PLLC acknowledged receipt of the copy of this medical fee dispute on December 18, 2017. 28 Texas Administrative Code §133.307 states, in relevant part:

- (d) Responses. Responses to a request for MFDR shall be legible and submitted to the division and to the requestor in the form and manner prescribed by the division.
  - (1) Timeliness. The response will be deemed timely if received by the division via mail service, personal delivery, or facsimile **within 14 calendar days after the date the respondent received the copy of the requestor's dispute** [emphasis added]. If the division does not receive the response information within 14 calendar days of the dispute notification, then the division may base its decision on the available information.

Review of the documentation finds that no response has been received on behalf of Old Republic from White Espey, PLLC to date. The division concludes that Old Republic failed to respond within the timeframe required by §133.307(d)(1). For that reason the division will base its decision on the information available.

2. Memorial is seeking reimbursement of Famotidine 20 mg tablets dispensed on April 27, 2017. Old Republic denied the disputed drug with claim adjustment reason code HE – “Prior Authorization Required.”

28 Texas Administrative Code §134.530(b)(2) states that preauthorization is **only** required for:

- drugs identified with a status of “N” in the current edition of the *ODG Treatment in Workers' Comp (ODG) / Appendix A, ODG Workers' Compensation Drug Formulary*, and any updates;
- any compound that contains a drug identified with a status of "N" in the current edition of the *ODG Treatment in Workers' Comp (ODG) / Appendix A, ODG Workers' Compensation Drug Formulary*, and any updates; and
- any investigational or experimental drug for which there is early, developing scientific or clinical evidence demonstrating the potential efficacy of the treatment, but which is not yet broadly accepted as the prevailing standard of care as defined in Labor Code §413.014(a).

The division finds that Famotidine is identified with a status of “N” in the current edition of the ODG, *Appendix A*. The division concludes that Famotidine required preauthorization prior to dispense. Old Republic’s denial for this reason is supported. Submitted documentation does not support that Memorial requested or obtained preauthorization prior to dispensing Famotidine. No reimbursement is recommended for this drug.

**Conclusion**

For the reasons stated above, the Division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

***ORDER***

Based on the submitted information, pursuant to Texas Labor Code Section 413.031, the division hereby determines the requestor is entitled to \$0.00 additional reimbursement for the services in dispute.

**Authorized Signature**

Signature	Laurie Garnes Medical Fee Dispute Resolution Officer	January 25, 2018 Date
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### ***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.**