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
Granite State Insurance Company

MFDR Tracking Number
M4-18-3076-01

Carrier's Austin Representative
Box Number 19

MFDR Date Received
April 24, 2018

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "The carrier has received the attached bill and has not processed according to Texas Labor Code 408.027."

Amount in Dispute: $342.39

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "It is the Carrier's position that the 10/30/17 medications compounded by Memorial Compounding Pharmacy were correctly denied based on the 10/28/16 Peer Review…"

Response Submitted by: AIG

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
October 30, 2017	Cyclobenzaprine 10 mg Tablets	$149.23	$118.66
October 30, 2017	Meloxicam 15 mg Tablets	$192.16	$173.58
	Total	$342.39	$292.24

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 (DWC).

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 fee guidelines for pharmaceutical services.

Issues

1. Is the insurance carrier's argument for denial of payment supported?
2. Is Memorial Compounding Rx (Memorial) entitled to reimbursement?

Findings

1. Memorial is seeking reimbursement for drugs dispensed on October 30, 2017. Memorial argued that it had not received an explanation of benefits or payment.

   In its response, AIG, on behalf of the insurance carrier, submitted an explanation of benefits dated January 12, 2018, showing payment of $292.24. However, in its position statement, AIG did not argue that the indicated payment had been made to Memorial. Instead, AIG stated that the "medications compounded by Memorial Compounding Pharmacy were **correctly denied** based on the 10/28/16 Peer Review." [emphasis added]

   The response from the insurance carrier is required to address only the denial reasons presented to the health care provider before to the request for medical fee dispute resolution (MFDR) was filed with the DWC. Any new denial reasons or defenses raised shall not be considered in this review.[1]

   The evidence provided did not sufficiently support that a denial based on medical necessity was given to Memorial before this request for MFDR was filed. AIG response also did not argue or include documentation to support that the payment approved in the explanation of benefits was sent to Memorial.

2. Because the insurance carrier failed to support any denial or payment of the drugs in dispute, Memorial is entitled to reimbursement.

   The reimbursement considered in this dispute is calculated as follows[2]:

   - Cyclobenzaprine 10 mg tablets: (1.092 x 84 x 1.25) + $4.00 = $118.66
   - Meloxicam 15 mg tablets: (4.84 x 28 x 1.25) + $4.00 = $173.58

   The total allowable reimbursement is $292.24. This amount is recommended.

Conclusion

For the reasons stated above, the DWC finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is $292.24.

ORDER

Based on the submitted information, pursuant to Texas Labor Code Section 413.031 and 413.019 (if applicable), the DWC has determined the requestor is entitled to additional reimbursement for the disputed services. The DWC hereby ORDERS the respondent to remit to the requestor $292.24, plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this order.

Authorized Signature

Signature	Laurie Garnes Medical Fee Dispute Resolution Officer	March 9, 2020 Date

[1] 28 TAC §133.307 (d)(2)(F)
[2] 28 TAC §134.503 (c)

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 DWC within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the DWC 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.