



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

7551 Metro Center Drive, Suite 100, Austin, Texas 78744-1645

(512) 804-4000 | F: (512) 804-4811 | (800) 252-7031 | TDI.texas.gov | @TexasTDI

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

MEMORIAL COMPOUNDING RX

Respondent Name

OLD REPUBLIC INSURANCE CO

MFDR Tracking Number

M4-19-0044-01

Carrier's Austin Representative

Box 44

MFDR Date Received

SEPTEMBER 4, 2018

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "The above claimant received medication and the carrier still has not acknowledged receipt of service."

Amount in Dispute: \$477.50

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Payment in the amount of \$219.36 was issued on 9/28/18. Attached are copies of the EOR and payment screens."

Response Submitted by: ESIS

SUMMARY OF FINDINGS

Table with 4 columns: Date of Service, Disputed Services, Amount In Dispute, Amount Due. Row 1: December 11, 2017, Compound Medication, \$477.50, \$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 dated January 11, 2018:
- 50-These are non-covered services because this is not deemed a 'medical necessity' by the payer.

Explanation of Benefits dated September 24, 2018

- P12 - Workers' Compensation Jurisdictional Fee Schedule Adjustment.

- Previous gross recommended payment amount
- 387-Brand name drug replaced with generic equivalent based on Fee Schedule guidelines.
- 173-The billed amount for drug or supply exceeds fair and reasonable/fee schedule allowance.
- 341-The billed amount for drug or supply exceeds Medispan allowance.
- 388-The NDC code billed for an Over the Counter (OTC) drug and as such does not warrant a dispensing fee.
- RX01-RX Chemical for Compound Drug Product.
- W3-Additional payment made on appeal/reconsideration.
- 948-Re-Reviewed at providers request with additional information and documentation additional payment suggested.

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) asserts that the carrier has not paid for the service in dispute. Review of the explanations of benefits provided finds that the carrier initially denied payment due to lack of medical necessity. Upon reconsideration, the carrier did not maintain its original denial and decided to issue a payment in the amount of \$219.36 to Memorial on September 28, 2018 via electronic funds transfer numbered DA80431279.

The Division concludes that Memorial has received payment for the service in dispute.

2. Is additional reimbursement due?

The carrier reduced the billed amount to a total payment of \$219.36 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 is requesting reimbursement in the amount of \$477.50 for the disputed service. 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 requested amount or whether that amount is consistent with the methodology under 28 TAC §134.503(c). After notification by the Division's medical fee dispute resolution program of the carrier's response and payment, Memorial did not take the opportunity to refute the carrier's payment calculation. For that reason, 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

Signature

Medical Fee Dispute Resolution Officer

Date

10/24/2018

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.