



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)
7551 Metro Center Drive, Suite 100, Austin, Texas 78744-1645
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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

Memorial Compounding Pharmacy

Respondent Name

Texas Municipal League Intergovernmental Risk

MFDR Tracking Number

M4-19-2974-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

January 31, 2019

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "The above claimant received compound medication on 08/15/2018 and are being denied by the carrier for lack of preauthorization. The compound medication does not require preauthorization based on the Rule 134.500."

Amount in Dispute: \$555.68

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Failure to Comply with 28 TAC § 134.502(d)(2): This is script for five drugs in a form intended to be compounded. In the past, Memorial has not responded to requests for complete information as required by pharmacy billing conventions and rules adopted by the Division."

Response Submitted by: Texas Mutual Insurance Co

SUMMARY OF FINDINGS

Table with 4 columns: Dates of Service, Disputed Services, Amount In Dispute, Amount Due. Row 1: August 15, 2018, Compound Medication, \$555.68, \$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 §134.540(b)(2) and (3) set out preauthorization requirements for compounds subject to certified health care networks.
2. The insurance carrier denied the compound in question based on preauthorization.

**Issue**

Is reimbursement due for the service in dispute?

**Findings**

Memorial asserts that preauthorization was not required for the compound in dispute . This compound was dispensed on August 15, 2018. Applicable amended Rule at 28 TAC 134.540 (b)(2)(3) states, in pertinent part, that preauthorization is **only** required for any prescription drug created through compounding prescribed and dispensed on or after July 1, 2018.

According to the adoption preamble, new section (b)(2)(3) **DOES NOT APPLY** to prescriptions for compounded drugs written before July 1, 2018, and refills for those prescriptions. Therefore, for compounds dispensed on or after July 1, 2018, a copy of the physician’s initial prescription is necessary for the division to make an informed decision about whether preauthorization is required.

Prior to the filing of this dispute, the division notified Memorial that a copy of the original physician’s prescription must be included with all disputes involving compounds dispensed on or after July 1, 2018. In this case, Memorial failed to include the prescription.

Memorial has failed to provide prescription evidence sufficient to support its assertion that preauthorization was not required. Memorial has therefore failed to meet its burden to prove that reimbursement is due.

**Conclusion**

For the reason stated above, the division finds that the requestor has not established that 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	Medical Fee Dispute Resolution Officer	03/01/2019 Date
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**RIGHT TO APPEAL**

Either party to this medical fee dispute may seek review of this division decision. To appeal, submit form division Form-045M titled **Request to Schedule, Reschedule, or Cancel a Benefit Review Conference to Appeal a Medical Fee Dispute Decision (BRC-MFD)** found at <https://www.tdi.texas.gov/forms/form20numeric.html>.

Follow the instructions on pages 3 and 4. The request must be received by the division within twenty days of your receipt of this decision. This decision becomes final if the request for review of this decision is not timely made.

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.

If you have questions about the division Form-045M, please call CompConnection at 1-800-252-7031, Option 3 or you may email your question to [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov)

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 1-800-252-7031, Option 1.