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
New Hampshire Insurance Company

MFDR Tracking Number
M4-19-3554-01

Carrier's Austin Representative
Box Number 19

MFDR Date Received
March 25, 2019

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "These medications do not require preauthorization therefore do not need a retrospective review."

Amount in Dispute: $293.05

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "Upon Reconsideration, the Carrier denied the bill as non-compliant with the Rule 133.250 requirement that the Reconsideration reference the original bill, including the same billing codes, date(s) of service and dollar amounts."

Response Submitted by: Flahive, Ogden & Latson

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
October 1, 2018	Duloxetine HCl DR 30 mg Capsules	$293.05	$293.05

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 §133.250 sets out the procedures for submitting a request for reconsideration of a medical bill.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
   - 00663
   - 00438
   - 16 – Claim/service lacks information or has submission/billing error(s).

- 197 – Precertification/authorization/notification absent.

Issues

1. Is New Hampshire Insurance Company's denial of payment based on billing errors supported?
2. Is New Hampshire Insurance Company's denial of payment based on preauthorization supported?
3. Is Memorial Compounding Pharmacy (Memorial) entitled to reimbursement for the drug in question?

Findings

1. Memorial is seeking reimbursement for Duloxetine HCl DR 30 mg capsules dispensed on October 1, 2018. The insurance carrier argued that the original bill included the drug in question and Metaxalone, and by submitting a bill for only Duloxetine HCl, Memorial did not meet its obligation for reconsideration of the original bill.

   An explanation of benefits dated October 30, 2018 was presented by both parties with a denial of NDC 68180029503 (Duloxetine HCl DR) and payment for NDC 55111068305 (Ibuprofen). No evidence was presented that supports that Duloxetine HCl was submitted on the same bill as Metaxalone.

   The insurance carrier's denial of payment for this reason is not supported.

2. The insurance carrier also denied the disputed drug based on preauthorization. Preauthorization is only required for:

   - drugs identified with a status of "N" in the current edition of the ODG Appendix A[1];
   - any compound that contains a drug identified with a status of "N" in the current edition of the ODG Appendix A; and
   - any investigational or experimental drug.[2]

   The division finds that the drug in question is not identified with a status of "N" in the applicable edition of the ODG, *Appendix A*. Therefore, this drug does not require preauthorization per 28 TAC §134.530(b)(2)(A).

   The submitted documentation does not support that the drug in question constitutes a compound drug. Therefore, this drug does not require preauthorization per 28 TAC §134.530(b)(2)(B).

   The submitted documentation does not support that the disputed drug is experimental or investigational. Therefore, this drug does not require preauthorization per 28 TAC §134.530(b)(2)(C).

   The division concludes that the insurance carrier's denial of payment of the disputed drug based on preauthorization is not supported.

3. Because the insurance carrier failed to support its denial of payment for the disputed drug, Memorial is entitled to reimbursement.

   The reimbursement considered in this dispute is calculated as follows[3]:

   - Duloxetine HCl DR 30 mg capsules: (7.85151 x 30 x 1.25) + $4.00 = $298.43

   The total reimbursement is therefore $298.43. Memorial is seeking $293.05. 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 $293.05.

[1] *ODG Treatment in Workers' Comp* (ODG) / Appendix A, *ODG Workers' Compensation Drug Formulary*
[2] 28 Texas Administrative Code §134.530(b)(1)
[3] 28 Texas Administrative Code §134.503(c)

ORDER

Based on the submitted information, pursuant to Texas Labor Code Section 413.031 and 413.019 (if applicable), the division has determined the requestor is entitled to additional reimbursement for the disputed services. The division hereby ORDERS the respondent to remit to the requestor $293.05, plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this order.

Authorized Signature

	Laurie Garnes	April 26, 2019
Signature	Medical Fee Dispute Resolution Officer	Date

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.