



# 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**

Trumbull Insurance Company

**MFDR Tracking Number**

M4-19-3556-01

**Carrier's Austin Representative**

Box Number 47

**MFDR Date Received**

March 25, 2019

#### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "The carrier is required to provide a response of the bill in order for the HealthCare Provider to rebuttal properly. As of today, we still haven't received this check or a proper explanation of denial."

**Amount in Dispute:** \$177.26

#### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** "The Overall Decision on the case is Non-Certified"

**Response Submitted by:** The Hartford

#### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
October 29, 2018	Gabapentin 300 mg Capsules	\$177.26	\$153.70

#### 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**

- 28 Texas Administrative Code §133.305 sets out the procedures for resolving medical disputes.
- 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
- 28 Texas Administrative Code §134.503 sets out the fee schedule for pharmaceutical services.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - 85 – Claim not processed
  - 27 – Expenses incurred after coverage terminated
  - 24 – Workers' Compensation claim adjudicated as non-compensable. This Payer not liable for claim or service/treatment.

**Issues**

1. Is the dispute in question subject to dismissal due to compensability or liability?
2. Did the insurance carrier raise a new defense in its response?
3. Is Memorial Compounding Pharmacy (Memorial) entitled to reimbursement for the compound in question?

**Findings**

1. Memorial is seeking reimbursement for Gabapentin 300 mg capsules dispensed on October 29, 2018. The insurance carrier denied the drug based on compensability or liability. A dispute regarding compensability or liability must be resolved prior to a request for medical fee dispute.<sup>1</sup>

The respondent is required to attach a copy of any related Plain Language Notice (PLN) if the medical fee dispute involves compensability or liability. Review of the submitted documentation finds that the insurance carrier failed to attach a copy of a related PLN to support a denial based on relatedness.

The dispute in question is not subject to dismissal as this denial reason was not sufficiently supported.

2. In its position statement, The Hartford, on behalf of the insurance carrier, argued that “The Overall Decision on the case is Non-Certified.”

The response from the insurance carrier is required to address only the denial reasons presented to the requestor the request for medical fee dispute resolution (MFDR) was filed with the Texas Department of Insurance, Division of Workers’ Compensation (DWC). Any new denial reasons or defenses raised shall not be considered in this review.

The submitted documentation does not support that a denial based on medical necessity was provided to Memorial before this request for MFDR was filed. Therefore, the DWC will not consider this argument in the current dispute review.

3. Because the insurance carrier failed to support its denial, Memorial is entitled to reimbursement for the drugs in question. The calculation of the total allowable amount is as follows:

- Gabapentin 300 mg capsules:  $(1.3307 \times 90 \times 1.25) + \$4.00 = \$153.70$

The total allowable amount is \$153.70. 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 \$153.70.

***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 DWC hereby ORDERS the respondent to remit to the requestor \$153.70, 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

\_\_\_\_\_  
July 16, 2019  
Date

<sup>1</sup> 28 Texas Administrative Codes §§133.305(b) and 133.307(c)(1)(B)(i)

### ***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.**