



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

PA Manufacturers Assn Ins Co

MFDR Tracking Number

M4-19-3691-01

Carrier's Austin Representative

Box Number 19

MFDR Date Received

April 3, 2019

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "The carrier denied the reconsideration based on NOT APPROVED PROVIDER ... Memorial Compounding is an approved provider and should be reimbursed accordingly."

Amount in Dispute: \$284.91

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: Submitted documentation does not include a position statement from the respondent. Accordingly, this decision is based on the information available at the time of adjudication.

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
November 16, 2018	Celecoxib 200 mg Capsules	\$284.91	\$284.91

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

- 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 guidelines for pharmaceutical services.
- Texas Insurance Code §1305 sets out the requirements for health care provider networks.
- The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
 - 05 – M/I service provider number
 - 242 – Services not provided by network/primary care providers.

Issues

1. Did the insurance carrier respond to the medical fee dispute?
2. Did the insurance carrier support its denial of payment based on network status?
3. Did the insurance carrier support its denial of payment based on missing provider number?
4. Is Memorial Compounding Pharmacy (Memorial) entitled to reimbursement for the drug in question?

Findings

1. The Austin carrier representative for PA Manufacturers Assn Ins Co is Flahive Ogden & Latson. Flahive Ogden & Latson acknowledged receipt of the copy of this medical fee dispute on April 10, 2019. Rule §133.307(d)(1) states that if the DWC does not receive the response within 14 calendar days of the dispute notification, then the DWC may base its decision on the available information.

As of today, no response has been received from the insurance carrier or its representative. We therefore base this decision on the information available as authorized under 28 TAC §133.307(d)(1).

2. Memorial is seeking reimbursement for Celecoxib 200 mg capsules dispensed on November 16, 2018. The insurance carrier denied the drug, in part, based on network status.

Texas Insurance Code §1305.101(c) states

Notwithstanding any other provision of this chapter, prescription medication or services, as defined by Section 401.011(19)(E), Labor Code, may not, directly or through a contract, be delivered through a workers' compensation health care network. Prescription medication and services shall be reimbursed as provided by Section 408.0281, Labor Code, other provisions of the Texas Workers' Compensation Act, and applicable rules of the commissioner of workers' compensation.

The division concludes that the disputed prescription medication dispensed by the provider in this case – Memorial Compounding Pharmacy – is not subject to the provisions of a workers' compensation health care network. Therefore, the insurance carrier's denial for this reason is not supported.

3. The insurance carrier also denied reimbursement of the disputed drug based on missing provider number. The submitted documentation does not support that required billing information was missing. This denial reason is not supported.
4. Because the insurance carrier failed to support its denial of payment for the disputed drugs, Memorial is entitled to reimbursement.

The reimbursement considered in this dispute is calculated as follows¹:

- Celecoxib 200 mg capsules: $(7.5804 \times 30 \times 1.25) + \$4.00 = \$288.27$

Memorial is seeking \$284.91. 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 \$284.91.

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 \$284.91, plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this order.

¹ 28 Texas Administrative Code §134.503(c)

Authorized Signature

Signature

Laurie Garnes

Medical Fee Dispute Resolution Officer

October 25, 2019

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 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.