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 RX

Respondent Name
Texas Mutual Insurance Company

MFDR Tracking Number
M4-20-0431-01

Carrier's Austin Representative
Box Number 54

MFDR Date Received
October 18, 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: $162.74

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "After review of the claim file for preauthorization, it was determined that preauthorization was not obtained, therefore the bill was denied."

Response Submitted by: Texas Mutual Insurance Company

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
July 2, 2019	Diclofenac Sodium 1% Gel	$162.74	$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 (DWC).

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Codes §§134.530 and 134.540 set out the preauthorization requirements for pharmaceutical services.
3. The insurance carrier denied payment for the disputed drug with the following claim adjustment codes:
   - A11 – Preauthorization required for "N" drugs in ODG Appendix A per rule 134.503 & 134.504
   - CAC-16 – Claim/service lacks information or has submission/billing error(s) which is needed for adjudication.
   - CAC-197 – Precertification/authorization/notification absent.

- CAC-45 – Charge exceeds recommendations of treatment guidelines (ODG) in accordance to rule 1305.304.
- 874 – Documentation does not support use of the medication in topical form.

Issues

Is Memorial Compounding Rx (Memorial) entitled to reimbursement for the drug in question?

Findings

Memorial is seeking reimbursement for Diclofenac Sodium 1% Gel dispensed on July 2, 2019. Texas Mutual Insurance Company denied the drug, in part, based on lack of preauthorization.

The DWC finds that the topical form of this drug has a status of "N" in the ODG, Appendix A.[1] Drugs with a status of "N" require preauthorization prior to dispense.[2] The submitted documentation did not include any evidence that Memorial obtained preauthorization prior to the dispense of this drug.

The DWC concludes that Memorial is not entitled to reimbursement for this drug.

Conclusion

For the reasons stated above, the DWC finds that the requestor has not established that additional 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 DWC hereby determines the requestor is entitled to $0.00 additional reimbursement for the services in dispute.

Authorized Signature

	Laurie Garnes	December 3, 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 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.

[1] *ODG Treatment in Workers' Comp* (ODG) / Appendix A, *ODG Workers' Compensation Drug Formulary*
[2] 28 Texas Administrative Codes §§134.530 (b) (1) (A) and 134.540 (b) (1)