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
INDEMNITY INSURANCE COMPANY

MFDR Tracking Number
M4-20-0942-01

Carrier's Austin Representative
Box Number 15

MFDR Date Received
December 16, 2019

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "The above claimant received Medication as prescribed by referral provider. Bill for date of service 09/12/2019 still has not been processed by the carrier. All bills are required to be processed within 45 days of receipt by the carrier as per Texas Labor Code 408.027 (b). Memorial Compounding Pharmacy has not received any correspondence with explanation of review or benefits… Please reprocess the bills for RECONSIDERATION and remit payment according to Rule 28 Texas Administrative Code 134.503 @ [sic]."

Amount in Dispute: $88.22

RESPONDENT'S POSITION SUMMARY

The Division placed a copy of the Medical Fee Dispute Resolution request in the insurance carrier's Austin representative box, which was acknowledged received on December 23, 2019. Per 28 Texas Administrative Code §133.307(d)(1), "The response will be deemed timely if received by the division via mail service, personal delivery, or facsimile within 14 calendar days after the date the respondent received the copy of the requestor's dispute. If the division does not receive the response information within 14 calendar days of the dispute notification, then the division may base its decision on the available information." The insurance carrier did not submit a response for consideration in this dispute. Accordingly, this decision is based on the information available at the time of review.

SUMMARY OF FINDINGS

Date(s) of Service	Disputed Service(s)	Amount in Dispute	Amount Due
September 12, 2019	TRAMADOL-ACETAMINOPHEN	$88.22	$42.40

FINDINGS AND DECISION

Texas Labor Code (TCL) §413.031 (c) In resolving disputes over the amount of payment due for medically necessary services for treatment of the compensable injury, the role of the medical fee dispute resolution program is to adjudicate the payment given the relevant statutory provisions and commissioner rules.

Texas Administrative Code (TAC) §133.307 sets out the process for medical fee dispute resolution for non-network care.

Background

1. 28 TAC §133.305 sets out the general Medical Dispute Resolution guidelines.
2. 28 TAC §133.307 sets out the procedures for resolving medical fee disputes.
3. 28 TAC §134.503 sets out the reimbursement for compound medications.

4. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
   - 148 – This procedure on this date was previously reviewed. Please refer to the indicated Original EOR number for the detailed explanation/rationale for each billed CPT code(s)
   - ANSI18 – 18 – Exact duplicate claim/service

Findings

1. *Did the insurance carrier submit a response to the DWC060 request?*

The requestor is seeking reimbursement in the amount of $88.22 for a prescription medication dispensed September 12, 2019. The carrier denied the disputed medication with denial reason code "148 – This procedure on this date was previously reviewed. Please refer to the indicated Original EOR number for the detailed explanation/rationale for each billed CPT code(s)" and "ANSI18 – Exact duplicate claim/service."

28 TAC §133.307 (d)(2)(E)(ii) states in pertinent part, "Responses. Responses to a request for MFDR shall be legible and submitted to the division and to the requestor in the form and manner prescribed by the division. (2) Response. Upon receipt of the request, the respondent shall provide any missing information not provided by the requestor and known to the respondent. The respondent shall also provide the following information and records: (E) a statement of the disputed fee issue(s), which includes: (ii) a position statement of reasons why the disputed medical fees should not be paid."

Because the insurance carrier failed to support its denial of reimbursement for the disputed medication, Memorial is entitled to reimbursement. Therefore, the disputed medication will be reviewed for reimbursement.

2. *What is the total reimbursement for the service in dispute?*

Rule 28 TAC §134.503 applies to the reimbursement for medications. The medications in dispute are listed on the bill separately. [6]

The insurance carrier shall reimburse the health care provider or pharmacy processing agent for prescription drugs the lesser of:

> (1) the fee established by the following formulas based on the average wholesale price (AWP) as reported by a nationally recognized pharmaceutical price guide or other publication of pharmaceutical pricing data in effect on the day the prescription drug is dispensed:
>
> (A) Generic drugs: (AWP per unit) x (number of units) x 1.25) + $4.00 dispensing fee per prescription = reimbursement amount.

[1] 28 TAC §133.240 (a) An insurance carrier shall take final action after conducting bill review on a complete medical bill, or determine to audit the medical bill in accordance with §133.230 of this chapter (relating to Insurance Carrier Audit of a Medical Bill), not later than the 45th day after the date the insurance carrier received a complete medical bill. An insurance carrier's deadline to make or deny payment on a bill is not extended as a result of a pending request for additional documentation

[2] 28 TAC §133.2 (6) Final action on a medical bill-- (A) sending a payment…(B) denying a charge on the medical bill.

[3] 28 TAC §133.240 (e) The insurance carrier shall send the explanation of benefits in accordance with the elements required by §133.500 and §133.501…if the insurance carrier submits the explanation of benefits in the form of an electronic remittance. The insurance carrier shall send an explanation of benefits in accordance with subsection (f) of this section if the insurance carrier submits the explanation of benefits in paper form.

[4] 28 TAC §133.307 (d)(2)(F) The carrier's response shall address only those denial reasons presented to the requestor prior to the date the request for MFDR was filed with the division and the other party. Any new denial reasons or defenses raised shall not be considered in the review.

[5] 28 TAC §133.250

[6] 28 TAC §134.503 (c)

The calculation of the total allowable amount is as follows:

Drug	NDC	Generic(G) /Brand(B)	Price /Unit	Units Billed	AWP Formula	Billed Amount	Lesser of AWP and Billed
Tramadol-Acetaminophen Tab 37.5-325 MG	53746061710	G	$1.02400	30	$42.40	$88.22	$42.40
					Total	$88.22	$42.40

The total reimbursement is therefore $42.40. This amount is recommended.

Decision

For the reasons above, the DWC finds that reimbursement is due. As a result, the amount ordered is $42.40.

DIVISION ORDER

The DWC has determined that the requestor is entitled to additional reimbursement for the disputed services. The DWC hereby ORDERS the respondent to remit to the requestor $42.40, plus applicable accrued interest per 28 TAC §134.130, due within 30 days of receipt of this order.

Authorized Signature

		February 7, 2020
Signature	Medical Fee Dispute Resolution Auditor	Date

RIGHT TO APPEAL

Either party to this medical fee dispute may seek review of this DWC decision. To appeal, submit DWC 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.

The request must be received by the DWC within twenty days (20) of your receipt of this decision. This decision becomes final if the request for review of this decision is not submitted within twenty days (20).

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

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