TEXAS DEPARTMENT OF INSURANCE
Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)
7551 Metro Center Drive, Suite 100, Austin, Texas 78744-1645
(512) 804-4000 | F: (512) 804-4811 | (800) 252-7031 | TDI.texas.gov | @TexasTDI

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name
INJURED WORKERS PHARMACY LLC

Respondent Name
Texas Mutual Insurance Company

MFDR Tracking Number
M4-20-1680-01

Carrier's Austin Representative
Box Number 54

MFDR Date Received
March 6, 2020

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Despite the explanation detailing why oral medications were discontinued and changed to topical, Texas Mutual maintained their denial, speaking to the same reason as before."

Amount in Dispute: $1,478.33

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "IWP submitted billing with NDC #68462035594, per documentation in the DWC60 packet NDC # on the prescription was 00115148361. Research of both NDC numbers conclude that both are listed as Y drugs per ODG, however when you click on the generic name, ODG suggests Diclofenac gel is 1%, not 3%."

Response Submitted by: Texas Mutual Insurance Company

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
September 26, 2019	Diclofenac Sodium 3% Gel	$1,478.33	$1,478.33

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. 22 Texas Administrative Code §309.3 provides regulations for drug substitution by a pharmacy.
2. 28 Texas Administrative Code §133.210 sets out the requirements for medical documentation.
3. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
4. 28 Texas Administrative Code §134.503 sets out the fee guidelines for pharmaceutical services.

5. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
   - CAC-16 – Claim/service lacks information or has submission/billing error(s) which is needed for adjudication.
   - 874 – Documentation does not support use of the medication in topical form, dosage or application area.
   - CAC – Original payment is being maintained. Upon review, it was determined that this claim was processed properly.
   - 891 – No additional payment after reconsideration

Issues

1. Is the insurance carrier's denial of payment based on billing errors supported?
2. Is the insurance carrier's denial of payment based on lack of documentation supported?
3. Is Injured Workers' Pharmacy, LLC entitled to additional reimbursement?

Findings

1. Injured Workers' Pharmacy, LLC is seeking reimbursement for Diclofenac Sodium 3% Gel dispensed on September 29, 2019. Texas Mutual Insurance Company denied the drug, in part, based on billing errors. The documentation submitted does not support the insurance carrier's denial of payment for this reason.

2. Texas Mutual Insurance Company also denied the disputed drug based on a lack of documentation. The DWC does not require documentation to be submitted with pharmaceutical services. If an insurance carrier needs additional information to process a medical bill, it may submit a request to the health care provider. The request must:[1]

   - Be in writing,
   - Be specific to the bill or the bill's related episode of care,
   - Describe with specificity the information to be included in the response,
   - Be relevant and necessary for the resolution of the bill,
   - Be for information that is contained in or in the process of being incorporated into the injured employee's medical or billing record maintained by the health care provider,
   - the specific reason for the insurance carrier's request for the information, and
   - include a copy of the medical bill in question.

   The DWC did not receive evidence that the insurance carrier submitted a request for additional documentation as described above. Texas Mutual Insurance Company's denial of payment for this reason is not supported.

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

   The reimbursement considered in this dispute is calculated as follows[2]:

   - Diclofenac Sodium 3% Gel: (11.7946 x 100 x 1.25) + $4.00 = $1,478.33

   The total allowable reimbursement is $1,478.33. 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 $1,478.33.

[1] 28 TAC §133.210(d)
[2] 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 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 $1,478.33, plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this order.

Authorized Signature

		April 3, 2020
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.