



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

CITY OF HOUSTON

MFDR Tracking Number

M4-20-1710-01

Carrier's Austin Representative

Box 29

MFDR Date Received

MARCH 10, 2020

REQUESTOR'S POSITION SUMMARY

"The above claimant received medication and the carrier still has not acknowledged receipt of service."

Amount in Dispute: \$272.12

RESPONDENT'S POSITION SUMMARY

"A payment of \$204.40 was processed on 1/8/2020. Check number 621710 was paid on 1/10/2020."

Response Submitted by: Injury Management Organization (IMO)

SUMMARY OF FINDINGS

Date of Service	Disputed Services	Amount In Dispute	Amount Due
December 4, 2019	Compound Medication	\$272.12	\$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.

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 reimbursement for compound medications
- The respondent denied/reduced payment for the disputed services based upon the following claim adjustment reason codes:
 - 3-Charge for pharmaceuticals exceed the fees established by the fee schedule..
 - P12-Workers' compensation jurisdictional fee schedule adjustment.
 - 4282-Drugs identified with a status of "Y" in the current edition of the "Official Disability Guidelines Treatment in Workers' Comp" (ODG) Appendix A. "ODG Workers' Compensation Drug Formulary" identify a drug that can dispensed without preauthorization. The allowance has

been determined in according to the pharmacy fee guideline.

- 18-Exact duplicate claim/service.
- 247-A payment or denial has already been recommended for this service.

Findings

The DWC makes the following conclusions based upon the information and documentation presented to the DWC to date. Even though all the evidence was not discussed, it was considered.

1. Did the carrier reimburse Memorial for the disputed services?

Memorial Compounding Rx (Memorial) asserts that the carrier has not paid for the service in dispute. Review of the explanations of benefits provided finds that the carrier issued a payment in the amount of \$204.40 to Memorial on January 10, 2020 with check #621710.

The DWC concludes that Memorial has received payment for the service in dispute.

2. Is additional reimbursement due?

The carrier reduced the billed amount to a total payment of \$204.40. Rule at 28 Texas Administrative Code §134.503(c) applies and states, in pertinent part, that the insurance carrier shall reimburse the lesser of: (1) the fee established by the Division’s applicable formula 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; or (2) the amount billed to the insurance carrier.

Memorial is requesting reimbursement in the amount of \$272.12 for the disputed service. Memorial has the burden to support its request for this amount. In its original position statement, Memorial did not demonstrate how it arrived at the requested amount or whether that amount is consistent with the methodology under 28 TAC §134.503(c). After notification by the DWC’s medical fee dispute resolution program of the carrier’s response and payment, Memorial did not take the opportunity to refute the carrier’s payment calculation. For that reason, the DWC moves to resolve this dispute with the information available and concludes that no additional reimbursement can be recommended

Conclusion

The Division concludes that Memorial has already been paid for the service in dispute. As a result, the amount ordered is \$0.00.

ORDER

Based on the submitted information, and pursuant to Texas Labor Code Section 413.031, the division has determined that the requestor is not entitled to additional reimbursement for the services in dispute.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

04/10/2020

Date

RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, 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 with the Division. **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.