



# 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**

Old Republic Insurance Co

**MFDR Tracking Number**

M4-20-1826-01

**Carrier's Austin Representative**

Box Number 44

**MFDR Date Received**

March 30, 2020

### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "The Texas Labor Code Section 408.027(b) requires that the carrier must pay, reduce deny or determine to audit the health provider's claim no later than the 45<sup>th</sup> day after the date of receipt by the carrier. Memorial did not receive any correspondence as per rule..."

**Amount in Dispute:** \$1,228.00

### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** The Austin carrier representative for Ole Republic Insurance Co is White Espey. White Espey **was notified** of this medical fee dispute on April 6, 2020. Rule §133.307(d)(1) states that if the division does not receive the response within 14 calendar days of the dispute notification, then the division may base its decision on the available information

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

### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
December 12, 2019	Oral medications	\$1,228.00	\$1,056.88

### 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.

2. 28 Texas Administrative Code §134.530 sets out the prior authorization requirements for pharmacy services.

**Issues**

Are the services in dispute eligible for reimbursement?

**Findings**

The requestor is seeking reimbursement of \$1,228.00 for oral medications dispensed on December 12, 2019. The insurance carrier provided no evidence of adjudication of this claim. The services in dispute will be reviewed per applicable DWC rules and fee guidelines.

28 TAC §134.530 sets out the requirement for prior authorization of pharmacy services and states in pertinent part, preauthorization is only required for drugs identified with a status of "N" in the current edition of the *ODG Treatment in Workers' Comp (ODG) / Appendix A, ODG Workers' Compensation Drug Formulary*, and any updates.

Review of the applicable Appendix A found the following:

- Alprazolam – identified as a “N” drug. The information found in the documentation was insufficient to support the insurance carrier reviewed and authorized this medication. No reimbursement recommended.
- Trazodone – identified as a “N” drug. The information found in the documentation was insufficient to support the insurance carrier reviewed and authorized this medication. No reimbursement recommended.

The remaining service in dispute was not a “N” drug and the reimbursement is calculated per TAC §134.503 the insurance carrier shall reimburse the health care provider or pharmacy processing agent for prescription drugs the lesser of 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. Generic drugs: ((AWP per unit) x (number of units) x 1.25) + \$4.00 dispensing fee per prescription = reimbursement amount.

Drug	NDC	Generic(G) /Brand(B)	Price /Unit	Units Billed	AWP Formula	Billed Amt	Lesser of AWP and Billed
Rizatriptan	67877026118	G	33.31	30	\$1,249.23	\$1,056.88	\$1,056.88

The allowed amount is \$1,056.88. This amount is recommended.

**Conclusion**

In resolving disputes over reimbursement for medically necessary health care to treat a compensable injury, the role of DWC is to adjudicate payment following Texas laws and DWC rules. The findings in this decision are based on the evidence available at the time of review. Even though not all the evidence was discussed, it was considered.

***ORDER***

In accordance with Texas Labor Code Section 413.031 and 413.019 (if applicable) and based on the submitted information, DWC finds the requestor is entitled to additional reimbursement. DWC hereby ORDERS the respondent to remit to the requestor \$1,056.88, plus accrued interest per Rule §134.130, due within 30 days of receipt of this order.

**Authorized Signature**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Medical Fee Dispute Resolution Officer

\_\_\_\_\_  
May 29, 2020  
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 DWC within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to 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 TAC §141.1(d).

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**