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 CO

MFDR Tracking Number
M4-20-2618-01

Carrier's Austin Representative
Box Number 54

MFDR Date Received
June 30, 2020

REQUESTOR'S POSITION SUMMARY

"… Memorial Compounding Pharmacy has met the requirements to receive reimbursement."

Amount in Dispute: $400.46

RESPONDENT'S POSITION SUMMARY

"… audit staff review the bill and claim file history and determined there was no medical records and/or prescription submitted with the bill on file from the prescribing doctor to support continued use of the medication."

Response Submitted by: Texas Mutual Insurance Company

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
April 20, 2020	Naproxen 375 mg Tablets	$121.10	$83.50
April 20, 2020	Omeprazole DR 40 mg Capsules	$279.36	$279.36
	Total	$400.46	$362.86

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 §133.10 sets up the requirements for submitting medical bills.
2. 28 Texas Administrative Code §133.210 sets up the procedures for submitting 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 or billing error(s) which is needed for adjudication.
   - 859 – Documentation does not support the continued use of the medication for this patient.
   - CAC-193 – Original payment decision 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 Memorial Compounding Pharmacy (Memorial) entitled to reimbursement for the drugs in question?

Findings

1. Memorial is seeking reimbursement for drugs dispensed on April 20, 2020. The Texas Mutual Insurance Company denied payment based, in part, on billing errors. The DWC found no evidence that the billing submitted contained errors. This denial reason is not supported.

2. The insurance carrier also denied services due to lack of supporting documentation. Documentation is not required to be submitted with pharmacy bills.[1] When an insurance carrier needs more information to process the bill, it is required to send a request to the health care provider that must:

   (1) be in writing;
   (2) be specific to the bill;
   (3) specifically describe the information to be included in the response;
   (4) be relevant and necessary for the resolution of the bill;
   (5) be for information that the health care provider has;
   (6) indicate the specific reason that the insurance carrier needs the information; and
   (7) include a copy of the bill that the insurance carrier is requesting the additional documentation for.[2]

   The insurance carrier failed to submit evidence that it made an appropriate request for additional documentation with the required specificity. The insurance carrier's denial for this reason is not supported.

3. Because Texas Mutual Insurance Company failed to support its denial reasons for the drugs in this dispute, the DWC finds that Memorial is entitled to reimbursement.

   The reimbursement considered in this dispute is calculated as follows[3]:

   - Naproxen 375 mg tablets: (1.06 x 60 x 1.25) + $4.00 = $83.50
   - Omeprazole DR 40 mg Capsules: (7.3953 x 30 x 1.25) + $4.00 = $281.32
     Memorial is seeking $279.36 for this drug. No additional reimbursement can be recommended.

   The total allowable reimbursement is $362.86. 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 $362.86.

[1] 28 TAC §133.210
[2] §133.210 (d)
[3] 28 TAC §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 $362.86, plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this order.

Authorized Signature

		August 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.