

Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Memorial Compounding
Pharmacy

Respondent Name

Zurich American Insurance Co

MFDR Tracking Number

M4-21-2084-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

July 14, 2021

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
April 5, 2021	Amitriptyline	\$95.60	\$51.63
April 5, 2021	Tizanidine	\$101.45	\$0.00
April 5, 2021	Gabapentin	\$177.25	\$153.70
Total		\$374.31	\$205.33

Requestor's Position

The carrier has received the attached bill and has not processed according to Texas Labor Code 408.027.

Amount in Dispute: \$374.31

Respondent's Position

Our bill audit company has determined that this bill has not been provided for review and has been rushed for review and payment. Once the bill has been reviewed and payment issued, we will submit an amended supplemental response with supporting documentation.

Response Submitted by: Gallagher Bassett

Findings and Decision

Authority

This medical fee dispute is decided according to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation (DWC).

Statutes and Rules

1. 28 TAC §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 TAC §134.503 sets out the fee guidelines for oral medications
3. 28 TAC §134.530 sets out the prior authorization requirements for oral medications.

Denial Reasons

Neither party submitted an explanation of payment or denial.

Issues

1. What rule(s) apply to disputed services?

Findings

1. The requestor is seeking reimbursement for oral medication dispensed in April 2021. Insufficient evidence was found to support the insurance carrier processed these disputed services for payment or denial. The services in dispute will be reviewed per applicable fee guideline.

DWC Rule 28 Texas Administrative Code §134.503 (c) states 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 \text{ per unit}) \times (\text{number of units}) \times 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
Amitriptyline	1672901730	G	1.27	30	\$51.63	\$95.60	\$51.63
Gabapentin	67877022305	G	1.33	90	\$153.70	\$177.26	\$153.70

DWC Rule 28 TAC §134.530 (b) (1) states preauthorization is required for drugs identified with a status of "N". The medication Tizanidine HCL was reviewed per ODG Appendix A for the date of service and found to have status "N". Insufficient evidence was found to support the requestor received prior authorization for this medication. Payment cannot be recommended.

The total reimbursement is \$205.33. This amount is recommended.

Conclusion

The outcome of this medical fee dispute is based on the evidence presented by the requestor and the respondent at the time of adjudication. Though all evidence may not have been discussed, it was considered.

DWC finds the requester has established that additional reimbursement of \$205.33 is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to additional reimbursement for the disputed services. It is ordered that Zurich American Insurance Co must remit to Memorial Compounding Pharmacy \$205.33 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

		November 12 2021
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 under 28 TAC §133.307, which applies to disputes filed on or after **June 1, 2012**.

A party seeking review must submit DWC Form-045M, *Request to Schedule, Reschedule, or Cancel a Benefit Review Conference to Appeal a Medical Fee Dispute Decision (BRC-MFD)* and follow the instructions on the form. You can find the form at www.tdi.texas.gov/forms/form20numeric.html. DWC must receive the request within **20 days** of when you receive this decision. You may fax, mail, or personally deliver your request to DWC using the contact information on the form or the field office handling the claim. If you have questions about DWC Form-045M, please call CompConnection at 1-800-252-7031, option 3 or email CompConnection@tdi.texas.gov.

The party seeking review of the MFDR decision must deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with DWC. **Please include a copy of the Medical Fee Dispute Resolution Findings and Decision** with any other required information listed in 28 TAC §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 1-800-252-7031, opción 3 o correo electronico CompConnection@tdi.texas.gov.

