

## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**Memorial Compounding  
Pharmacy**Respondent Name**

Amguard Insurance

**MFDR Tracking Number**

M4-22-0660-01

**Carrier's Austin Representative**

Box Number 12

**DWC Date Received**

December 3, 2021

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
August 11, 2021	21922-0009-09	\$174.20	\$0.00
August 11, 2021	67877-0320-05	\$103.88	\$61.97
<b>Total</b>		<b>\$278.08</b>	<b>\$61.97</b>

### Requestor's Position

After reviewing the explanation of benefits it indicates that carrier paid \$44.93 and not the full amount of \$368.33. This claim should be processed with the full amount billed as per Administrative Labor Code.

**Amount in Dispute:** \$278.08

### Respondent's Position

The Austin carrier representative for Amguard Ins Co is Shanley Price LLP. The representative was notified of this medical fee dispute on December 7, 2021.

Per 28 Texas Administrative Code §133.307(d)(1), if the DWC does not receive the response within 14 calendar days of the dispute notification, then the DWC may base its decision on the available

information.

As of today, no response has been received from the insurance carrier or its representative. We will base this decision on the information available.

## **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 requirements of prior authorization.

### Denial Reasons

The explanation of benefits included the following reduction codes:

- 91 - Dispensing fee adjustment
- CO1 – This item was priced as a generic prescribed drug

### Issues

1. Did the requestor provide sufficient evidence to support whether the dispensed medication requires prior authorization?
2. What rule(s) apply to disputed services?

### **Findings**

1. The requestor is seeking reimbursement for oral medication dispensed in August 2021. One of the disputed medications was Diclofenac sodium. DWC Rule 134.530 (b)(1) states in pertinent part that prior authorization is required for medication with a "N" status. Review of the DWC Appendix A found,

<b>Drug Class</b>	<b>Generic Name</b>	<b>Brand Name</b>	<b>Gener Equiv</b>	<b>Status</b>
NSAIDs	Diclofenac sodium	Dyloject	No	N
NSAIDs	Diclofenac sodium	Voltaren ®	Yes	Y
NSAIDs	Diclofenac sodium ER	Voltaren-XR ®	Yes	N
NSAIDs	Diclofenac sodium topical	Pennsaid ®	Yes	N

Review of the submitted documentation found insufficient evidence to support whether the dispensed medication was one that required prior authorization or not. No payment is recommended.

2. The insurance company provided insufficient evidence to support adjudication of the remaining medication in dispute (Ibuprofen). The service 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:  $((\text{AWP per unit}) \times (\text{number of units}) \times 1.25) + \$4.00$  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
Ibuprofen 600 mg	67877-0320-05	G	0.515	90	\$61.97	\$103.88	\$61.97

The total reimbursement is \$61.97 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 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 Amguard Insurance must remit to Memorial Compounding pharmacy \$61.97 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.}

### **Authorized Signature**

_____	_____	March 8, 2022
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](http://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](mailto: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 electrónico [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov).