

Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

MEMORIAL
COMPOUNDING RX

Respondent Name

AMERICAN ZURICH INSURANCE CO

MFDR Tracking Number

M4-22-1691-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

April 5, 2022

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
December 28, 2021	Eszopiclone 3 MG Tablet	\$691.97	\$615.63
	Acetaminophen/Codeine # 4 Tablet		
	Cyclobenzaprine 5 MG Tablet		

Requestor's Position

Memorial Compounding Pharmacy has not received any correspondence with explanation of review or benefits.

Amount in Dispute: \$691.97

Respondent's Position

Due to a system error, this bill was not fully reviewed. The bill is in the process of being re-reviewed and will be paid under fee guideline. The Carrier will supplement this response upon completion of that task.

Response submitted by: Flahive Ogden & Latson

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 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 TAC §134.503 sets out the pharmacy fee guideline.

Denial Reasons

The insurance carrier or denied the payment for the disputed services with the following claim adjustment codes:

- HEA1 – Claim/ Service denied
- XD (P12) This bill was submitted after the billing timeliness guidelines provided

Issues

1. Is insurance carrier denial of XD (P12) supported?
2. Is MEMORIAL COMPOUNDING RX entitled to reimbursement?

Findings

1. The requestor billed for Eszopiclone, Cyclobenzaprine HCL and Acetaminophen/Codeine on December 28, 2021. Insurance carrier denied the service with denial code of XD (P12) (see denial reason above). Review of requestor documentation provided is proof of bill submission to the carrier on January 3, 2022 and February 16, 2022. Therefore, insurance carrier denial reason is not supported.
2. MEMORIAL COMPOUNDING RX is requesting reimbursement for Eszopiclone 3 MG tablet, Cyclobenzaprine 5 MG tablet and Acetaminophen/Codeine #4 tablet dispensed on December 28, 2021.

DWC Rule 28 Texas Administrative Code §134.503(c)(1)(A)states

The insurance carrier shall reimburse the health care provider or pharmacy processing agent for prescription drugs the lesser of:

- (1) 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:

(A) 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
Eszopiclone 3 MG Tablet	33342030111	G	\$12.16	30	\$456.05	\$422.34	\$422.34
Acetaminophen/Codeine	00406048505	G	\$0.94	60	\$70.25	\$113.70	\$70.25
Cyclobenzaprine 5 MG tablet	52817033050	G	\$1.64	60	\$123.04	\$155.93	\$123.04
						Total	\$615.63

The total reimbursement is \$615.63. 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 requestor has established that additional reimbursement of \$615.63 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 American Zurich Insurance Co must remit to MEMORIAL COMPOUNDING RX \$615.63 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature



Signature



Medical Fee Dispute Resolution Officer

July 1, 2022

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 electrónico CompConnection@tdi.texas.gov.