

Medical Fee Dispute Resolution Findings and Decision General Information

Requestor Name

INJURED WORKERS PHARMACY LLC

Respondent Name

STARR INDEMNITY & LIABILITY COMPANY

MFDR Tracking Number

M4-22-1716-02

Carrier's Austin Representative

Box Number 19

DWC Date Received

April 8, 2022

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
April 5, 2021 through November 20, 2021	Prescribed Medication	\$3,130.21	\$1,413.70
Total		\$3,130.21	\$1,413.70

Requestor's Position

"A Medical Fee Dispute Resolution request has been submitted for invoices that were denied by Sedgwick Insurance. According to the EOBs, the medications denied for "prior authorization". However, the medications billed were all "Y" status drugs that would not require authorization prior to shipping. Appeals were submitted with no payment recommended."

Amount in Dispute: \$3,130.21

Respondent's Position

The Austin carrier representative for Starr Indemnity & Liability Company is Flahive Ogden & Latson. Flahive Ogden & Latson was notified of this medical fee dispute on April 12, 2022. 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).

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).

Background

1. 28 Texas Administrative Code (TAC) §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 TAC §134.502 sets out the guidelines for pharmaceutical services.
3. 28 TAC §134.503 sets out the fee guidelines for pharmaceutical services.
4. 28 TAC §§134.530 and 134.540 set out the preauthorization requirements for pharmaceutical services

Denial Reasons

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

- HE75 – Prior authorization required to process this bill.

Issues

1. Did the requestor waive the right to dispute resolution for date of service April 5, 2021?
2. Are dates of service October 14, 2021, October 21, 2021, November 13, 2021, and November 20, 2021 eligible for MFDR review?
3. Are the insurance carrier's denial reasons supported for April 9, 2021 through September 27, 2021?
4. Is the requestor entitled to reimbursement?

Findings

1. The requestor seeks reimbursement for medical services rendered on April 5, 2021 through November 20, 2021.

28 TAC §133.307(c) (1) states in pertinent part, "Timeliness. A requestor shall timely file the request with the division's MFDR Section or waive the right to MFDR. The division shall deem a request to be filed on the date the MFDR Section receives the request. A decision by the MFDR Section that a request was not timely filed is not a dismissal and may be appealed pursuant to subsection (g) of this section. (A) A request for MFDR that does not involve issues identified in subparagraph (B) of this paragraph shall be filed no later than one year after the date(s) of service in dispute."

The dates of the service in dispute are April 5, 2021 through November 20, 2021. The request for medical fee dispute resolution was received in the Medical Fee Dispute Resolution (MFDR) Section on April 8, 2022. Review of the submitted documentation finds that the disputed services do not involve issues identified in 28 TAC §133.307(c) (1) (B). The Division concludes that the requestor has failed to timely file date of service April 5, 2021 with the DWC's MFDR Section; consequently, the requestor has waived the right to medical fee dispute resolution for date of service April 5, 2021. The DWC finds that dates of service April 9, 2021 through November 20, 2021 were submitted timely and are eligible for review.

2. The requestor seeks reimbursement for prescribed medication dispensed on October 14, 2021, October, 21, 2021, November 13, 2021 and November 20, 2021.

28 TAC §133.307(c)(2)(J) states, "(c) Requests. Requests for MFDR must be legible and filed in the form and manner prescribed by the division... (J) a copy of all medical bills related to the dispute, as described in §133.10 of this chapter (concerning Required Billing Forms/Formats) or §133.500 (concerning Electronic Formats for Electronic Medical Bill Processing) as originally submitted to the insurance carrier in accordance with this chapter, and a copy of all medical bills submitted to the insurance carrier for an appeal in accordance with §133.250 of this chapter (concerning Reconsideration for Payment of Medical Bills)."

The DWC finds that the requestor did not include copies of the DWC066 for the dates of service indicated above as a result these dates of service are not eligible for review.

3. The requestor seeks reimbursement for prescribed medications dispensed on April 9, 2021 through November 20, 2021. Submitted documentation indicates that the insurance carrier denied the disputed drugs based on preauthorization. Per 28 TAC §134.530(b)(1) and §134.540(b), preauthorization is only required for:

- drugs identified with a status of "N" in the current edition of the ODG Appendix A;

The DWC finds the following:

Date of service	Drug	NDC Number	Status N or Y	Preauthorization Required Y or N
4/9/2021	Acetaminophen 500 mg	00904672040	Y	N
	Cyclobenzaprine 10 mg	52817033200	Y	N
4/13/2021	Amitriptyline HCl 50 mg	16714044802	Y	N
5/10/2021	Acetaminophen 500 mg	00904672040	Y	N
	Cyclobenzaprine 10 mg	52817033200	Y	N
5/12/2021	Amitriptyline HCl 50 mg	16714044802	Y	N
5/17/2021	Acetaminophen 500 mg	00904672040	Y	N
6/9/2021	Cyclobenzaprine 10 mg	52817033200	Y	N
6/10/2021	Acetaminophen 500 mg	00904672040	Y	N
6/14/2021	Amitriptyline HCl 50 mg	16714044802	Y	N
7/3/2021	Cyclobenzaprine 10 mg	52817033200	Y	N
	Duloxetine HCL DR 60 mg	27241009990	Y	N
7/27/2021	Duloxetine HCL DR 60 mg	27241009990	Y	N
8/9/2021	Amitriptyline HCl 50 mg	16714044802	Y	N
	Ibuprofen 800 mg	65162046650	Y	N
9/20/2021	Amitriptyline HCl 50 mg	16714044802	Y	N
	Cyclobenzaprine 10 mg	52817033200	Y	N
9/27/2021	Duloxetine HCL DR 60 mg	27241009990	Y	N

The DWC finds that the drugs identified above do not require preauthorization. The DWC concludes that the insurance carrier's denial of payment of the disputed drug based on preauthorization is not supported and the requestor is therefore entitled to reimbursement for the medications identified above.

4. 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: $((AWP \text{ per unit}) \times (\text{number of units}) \times 1.25) + \4.00 dispensing fee per prescription = reimbursement amount;

Date of Service	Drug	NDC	Generic (G)	Price/Unit	AWP Formula	Billed Amount	Lesser of AWP and Billed Amount
4/9/2021	Acetaminophen 500 mg	00904672040	G	\$0.01082 #60	\$4.81	\$4.81	\$4.81
	Cyclobenzaprine 10 mg	52817033200	G	\$1.09150 #30	\$44.93	\$44.93	\$44.93
4/13/2021	Amitriptyline hcl 50 mg	16714044802	G	\$1.01486 #30	\$42.06	\$42.06	\$42.06
5/10/2021	Acetaminophen 500 mg	00904672040	G	\$0.01082 #60	\$4.81	\$4.81	\$4.81
	Cyclobenzaprine 10 mg	52817033200	G	\$1.09150 #30	\$44.93	\$44.93	\$44.93
5/12/2021	Amitriptyline hcl 50 mg	16714044802	G	\$1.01486 #30	\$42.06	\$42.06	\$42.06
5/17/2021	Acetaminophen 500 mg	00904672040	G	\$0.01082 #60	\$4.81	\$4.81	\$4.81
6/9/2021	Cyclobenzaprine 10 mg	52817033200	G	\$1.09150 #30	\$44.93	\$44.93	\$44.93
6/10/2021	Acetaminophen 500 mg	00904672040	G	\$0.01082 #60	\$4.81	\$4.81	\$4.81
6/14/2021	Amitriptyline hcl 50 mg	16714044802	G	\$1.01486 #30	\$42.06	\$42.06	\$42.06
7/3/2021	Cyclobenzaprine 10 mg	52817033200	G	\$1.09150 #30	\$44.93	\$44.93	\$44.93
	Duloxetine hcl dr 60 mg	27241009990	G	\$7.85160 #30	\$298.44	\$298.44	\$298.44
7/27/2021	Duloxetine hcl dr 60 mg	27241009990	G	\$7.85160 #30	\$298.44	\$298.44	\$298.44
8/9/2021	Amitriptyline hcl 50 mg	16714044802	G	\$1.01486 #30	\$42.06	\$42.06	\$42.06
	Ibuprofen 800 mg	65162046650	G	\$0.80250 #60	\$64.19	\$64.19	\$64.19
9/20/2021	Amitriptyline hcl 50 mg	16714044802	G	\$1.01486 #30	\$42.06	\$42.06	\$42.06
	Cyclobenzaprine 10 mg	52817033200	G	\$1.09150 #30	\$44.93	\$44.93	\$44.93
9/27/2021	Duloxetine hcl dr 60 mg	27241009990	G	\$7.85160 #30	\$298.44	\$298.44	\$298.44
TOTALS					\$1,413.70	\$1,413.70	\$1,413.70

The DWC finds that the requestor is therefore, entitled to reimbursement in the amount of \$1,413.70, this amount is therefore recommended.

Conclusion

The outcome of each independent medical fee dispute relies on the relevant evidence the requester and respondent present at the time of adjudication. Although all the evidence in this dispute may not have been discussed, it was considered.

The DWC finds the requester has established that reimbursement is due. As a result, the amount ordered is \$1,413.70.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requester is entitled to reimbursement for the disputed services. It is ordered that the Respondent must remit to the Requester the amount of \$1,413.70 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

_____	_____	July 7, 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. 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 512-804-4812.