

Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

MEMORIAL
COMPOUNDING RX

Respondent Name

XL SPECIALTY INSURANCE CO

MFDR Tracking Number

M4-22-1838-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

April 26, 2022

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
January 26, 2022	Gabapentin, Cyclobenzaprine and Meloxicam	\$451.74	\$111.42

Requestor's Position

The above claimant received Medication as prescribed by referral provider. Bill for date of service 01/26/2022 still has not been processed by carrier.

Amount in Dispute: \$451.74

Respondent's Position

The Carrier is processing the Provider's bill and will be issuing payment based upon the Medical Fee Guidelines.

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.
3. 28 TAC §134.530 sets out the requirements for prior authorization.

Denial Reasons

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

- P12 – The charge for the prescription drug is greater than the maximum reimbursement for a generic drug

Issues

1. Is MEMORIAL COMPOUNDING RX entitled to reimbursement for Meloxicam?
2. Is MEMORIAL COMPOUNDING RX entitled to reimbursement for Gabapentin and Cyclobenzaprine?

Findings

1. The requestor is seeking reimbursement for Meloxicam dispensed on January 26, 2022. Review of the January 2022 Appendix A found:

Drug Class	Generic Name	Brand Name	Gener Equiv	Status
NSAIDs	Meloxicam	Mobic	Yes	Y
NSAIDs	Meloxicam	Vivlodex	No	N

DWC Rule 28 TAC §134.530(b)(1)(A) states in pertinent part preauthorization is required for drugs identified with a status of 'N' in the current edition of the ODG Treatment in Workers' Comp (ODG)/Appendix A ODG Workers' Compensation Drug Formulary and any updates.

The submitted documentation was insufficient to support the dispensed medication did not require prior authorization. No payment is recommended for Meloxicam.

2. MEMORIAL COMPOUNDING RX is requesting reimbursement for Gabapentin and Cyclobenzaprine dispensed on January 26, 2022.

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 \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
Gabapentin	67877022305	G	\$1.33	30	\$49.90	\$97.42	\$49.90
Cyclobenzaprine HCL	52817033050	G	\$1.64	30	\$61.52	\$106.72	\$61.52
						Total	\$111.42

The total reimbursement is \$111.42. 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 \$111.42 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 XL SPECIALTY INSURANCE CO must remit to MEMORIAL COMPOUNDING RX \$111.42 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

August 11, 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.