

## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

MEMORIAL  
COMPOUNDING RX

**Respondent Name**

MANUFACTURERS ALLIANCE INSURANCE

**MFDR Tracking Number**

M4-22-1986-01

**Carrier's Austin Representative**

Box Number 19

**DWC Date Received**

May 12, 2022

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
February 28, 2022	Gabapentin	\$73.47	\$19.97
	Baclofen	\$125.37	\$0.00

### Requestor's Position

The above claimant received medication as prescribed by referral provider. Bill for date of service 02/28/2022 was denied for unresolved issues of extent of injury. A call was placed to carrier to confirm patient demographics as well as compensability. We were not notified of any disputes or PLN11 filed.

**Amount in Dispute:** \$198.84

### Respondent's Position

The Carrier has placed this bill back into the reconsideration process and will supplement this response upon completion of that evaluation and review.

**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 of prior authorization.
4. 28 TAC §133.240 sets out the requirements for submission of a medical bill.

### Denial Reasons

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

- P12 – Workers compensation jurisdictional fee schedule adjustment
- 197 – Precertification/authorization/notification/ pre-treatment absent
- P2 – Not a work related injury/illness and thus not the liability of the workers compensation carrier

### Issues

1. Is Memorial Compounding RX entitled to reimbursement for Baclofen?
2. Is Memorial Compounding RX entitled to reimbursement for Gabapentin?

### Findings

1. The requestor is seeking reimbursement for Baclofen dispensed on February 28, 2022. Review of the February 2022 Appendix A found:

Drug Class	Generic Name	Brand Name	Gener Equiv	Status
Muscle relaxants	Baclofen	Lioresal	Yes	<b>Y</b>
Muscle relaxants	Baclofen	Ozobax	Yes	<b>N</b>

DWC Rule 28 TAC §134.530(b)(1)(A) states in pertinent part preauthorization is required for drugs identified with status "N" in Appendix A, ODG Workers' Compensation Drug Formulary.

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

2. MEMORIAL COMPOUNDING RX is requesting reimbursement for Gabapentin dispensed on February 28, 2022.

The insurance carrier denied the disputed medication of Gabapentin with denial reason:

- P2 – Not a work related injury/illness and thus not the liability of the workers compensation carrier

Per 28 TAC §133.307 (d)(2)(H) the insurance carrier did not provide a Plain Language Notice to the division to support the denial code of P2. Therefore, the denial code is not supported.

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:  $((\text{AWP per unit}) \times (\text{number of units}) \times 1.25) + \$4.00$  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
Gabapentin	69097081307	G	\$0.53	30	\$19.97	\$73.47	\$19.97
						Total	\$19.97

The total reimbursement is \$19.97. 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 of \$19.97 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 MANUFACTURERS ALLIANCE INSURANCE must remit to MEMORIAL COMPOUNDING RX \$19.97 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 10, 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](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).