



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Memorial Compounding Rx

Respondent Name

XL Specialty Insurance Co.

MFDR Tracking Number

M4-22-1987-01

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 14, 2022	Arthritis Pain Reliever 1% Gel	\$90.48	\$45.23
	Pain Relief 500 mg Tablets	\$61.06	\$7.88
	Total	\$151.54	\$53.11

Requestor's Position

After reviewing the explanation of benefits, it indicates that carrier paid \$266.13 and not the full amount of \$418.74.

Amount in Dispute: \$151.54

Respondent's Position

Upon reconsideration, the Carrier has paid the extra strength aspirin in the amount of \$4.46, plus interest, and the diclofenac sodium gel 1% at \$41.23, plus interest. The Carrier will supplement this response upon issuance of the payment and EOB.

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 TAC §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 TAC §134.503 sets out the fee guidelines for pharmaceutical services.

Denial Reasons

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

- 881 – Payment is denied because the service was performed by provider outside the client's MPN network.
- 242 – Services not provided by network/primary care providers.

Issues

1. Did XL Specialty Insurance Co. maintain its denial of payment for the drugs in question?
2. Is Memorial Compounding Rx (Memorial) entitled to reimbursement for the drugs in question?

Findings

1. Memorial is seeking reimbursement for drugs dispensed on February 14, 2022. In its position statement, Flahive, Ogden & Latson stated on behalf of XL Specialty Insurance Co. that the charges were being paid plus interest. DWC concludes that the insurance carrier did not maintain its denial of payment.
2. Because the insurance carrier did not maintain its dispute, Memorial is entitled to reimbursement of the drugs in question. XL Specialty Insurance Co. failed to provide any evidence of payment, however, so reimbursement is considered by DWC.

The reimbursement considered in this dispute is calculated according to 28 TAC §134.503 (c):

- Diclofenac Sodium Gel 1%: $(0.1649 \times 200 \times 1.25) + \$4.00 = \$45.23$
- Amitriptyline 50 mg tablets: $(0.0297 \times 120 \times 1.25) + \$4.00 = \$7.88$

The total allowable reimbursement is \$53.11. 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 \$53.11 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 \$53.11 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

_____	_____	October 12, 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 1-800-252-7031, opción 3 o correo electrónico CompConnection@tdi.texas.gov.