

## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

League Pharmacy

**Respondent Name**

Indemnity Insurance Co. of North America

**MFDR Tracking Number**

M4-22-2150-01

**Carrier's Austin Representative**

Box Number 15

**DWC Date Received**

June 1, 2022

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
March 21, 2022	Diclofenac Gel 1%	\$232.75	\$0.00
March 30, 2022	Diclofenac Gel 1%	\$222.81	\$0.00
March 30, 2022	Pregabalin 75 mg	\$636.06	\$0.00
		\$1,091.62	\$0.00

### Requestor's Position

Submitted documentation does not include a position statement from the requestor. Accordingly, this decision is based on the information available at the time of adjudication.

**Amount in Dispute:** \$1,091.62

### Respondent's Position

The Carrier has reviewed the documentation and determined the Provider is entitled to reimbursement for the disputed services. Reimbursement for these services is being issued in accordance with the Texas Workers' Compensation Act and adopted Rules of the Division of Workers' Compensation.

**Response Submitted by:** Constitution State Services

## 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 fee guidelines for pharmaceutical services.

### Denial Reasons

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

- 50 – These are non-covered services because this is not deemed a medical necessity by the payer.

### Issues

1. Are the services in dispute subject to dismissal due to denial based on medical necessity?
2. Is League Pharmacy entitled to additional reimbursement?

### Findings

1. League Pharmacy is seeking additional reimbursement for drugs dispensed March 21, 2022, and March 30, 2022. Indemnity Insurance Co. of North America denied payment based on medical necessity.

In its position statement, the insurance carrier did not maintain its denial of payment. Therefore, the services in dispute are not subject to dismissal for this reason.

2. Per explanations of benefits dated September 29, 2022, the insurance carrier reduced the billed amount for Diclofenac Gel 1% dispensed on March 21, 2022, to a total payment of \$198.70 citing the workers' compensation fee schedule as its reason for the reduction.

Per explanations of benefits dated September 29, 2022, the insurance carrier reduced the billed amount for Diclofenac Gel 1% dispensed on March 30, 2022, to a total payment of \$222.81 citing the workers' compensation fee schedule as its reason for the reduction.

Per explanations of benefits dated September 29, 2022, the insurance carrier reduced the billed amount for Pregabalin 75 mg capsules dispensed on March 30, 2022, to a total payment of \$60.00 citing the workers' compensation fee schedule as its reason for the reduction.

28 TAC §134.503 (c) requires the insurance carrier to pay the lesser of the DWC’s pharmacy formulary 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, or the billed amount.

League Pharmacy is requesting reimbursement of \$1,091.62 for the disputed drugs. League Pharmacy has the burden to support its request for this amount. League Pharmacy did not demonstrate how it arrived at the requested amount or whether that amount is consistent with the methodology under 28 TAC §134.503 (c) in its position statement.

After notification by the DWC’s medical fee dispute resolution program of the insurance carrier’s response and payment, Memorial did not take the opportunity to refute the carrier’s payment calculation. The DWC finds that no additional reimbursement can be 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 not established that additional reimbursement is due.

### **Order**

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is not entitled to additional reimbursement for the disputed services.

### **Authorized Signature**

_____	_____	October 26, 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](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 electronico [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov).