

Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

MEMORIAL
COMPOUNDING RX

Respondent Name

AMERICAN ZURICH INSURANCE CO

MFDR Tracking Number

M4-22-2309-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

June 27, 2022

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
March 24, 2022	Eszopiclone 3 MG, Acetaminophen Codeine and Cyclobenzaprine HCL 5 MG	\$688.88	\$566.07

Requestor's Position

The above claimant received Medication as prescribed by referral provider. Bill for date of service 03/24/2022 still has not been processed by carrier.

Amount in Dispute: \$668.88

Respondent's Position

The subject prescriptions have been denied, as they are prescribed for conditions found non-compensable. See attached EOBs, Decision and Order, and Appeals Panel finality notice ... The entitlement to medical benefits has been denied on the basis the services are not covered, as a result of previous and final extent of injury decision, and inferentially, that the current medical services are unrelated to the compensable injury.

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 Texas Administrative Code §133.240 sets out the requirements for submission of a medical bill.
3. 28 TAC §133.305 sets out the procedures for resolving medical disputes
4. 28 TAC §134.503 sets out the pharmacy fee guideline.

Denial Reasons

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

- Both parties did not provide any explanation of benefits

Issues

1. Is the Insurance Carrier's issue of Compensability in response supported?
2. Is MEMORIAL COMPOUNDING RX entitled to additional reimbursement?

Findings

1. Memorial Compounding RX is requesting reimbursement for medications dispensed on March 24, 2022. The insurance carrier in its response raised the issue of compensability.

28 Texas Administrative Code §133.307 (d)(2)(H) states "If the medical fee dispute involves compensability, extent of injury, or liability, the insurance carrier must attach any related Plain Language Notice in accordance with §124.2 of this title (concerning Insurance Carrier Reporting and Notification Requirements).

- Review of the submitted documentation finds the insurance carrier did not provide a Plain Language form

28 Texas Administrative Code §133.240 (h) states "An insurance carrier shall have filed, or shall concurrently file, the applicable notice required by Labor Code §409.021, and §124.2 and §124.3 of this title (relating to Investigation of an Injury and Notice of Denial/Dispute) if the insurance carrier reduces or denies payment for health care provided based solely on the insurance carrier's belief that:

- (1) the injury is not compensable;
- (2) the insurance carrier is not liable for the injury due to lack of insurance coverage; or
- (3) the condition for which the health care was provided was not related to the compensable injury."

- Review of the submitted documentation provided by the requestor finds no explanation of benefits provided supporting medical bills were denied for compensability, extent of injury or liability for the disputed services in dispute.

Therefore, the issue raised in the insurance carrier response is not supported. Dispute will be reviewed.

2. 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
Eszopiclone	33342030111	G	\$12.16	30	\$456.05	\$422.34	\$422.34
Acetaminophen/Codeine	00093035005	G	\$0.55	30	\$20.69	\$90.61	\$20.69
Cyclobenzaprine	52817033050	G	\$1.64	60	\$123.04	\$155.93	\$123.04
						Total	\$566.07

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 \$566.07 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 AMERICAN ZURICH

INSURANCE CO must remit to MEMORIAL COMPOUNDING RX \$566.07 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

July 28, 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.