

## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

MEMORIAL  
COMPOUNDING RX

**Respondent Name**

TPCIGA FOR RELIANCE NATIONAL

**MFDR Tracking Number**

M4-22-2356-01

**Carrier's Austin Representative**

Box Number 50

**DWC Date Received**

July 1, 2022

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
March 11, 2022	Tramadol	\$81.39	\$29.86

### Requestor's Position

The above claimant received medication and the carrier still has not acknowledged receipt of service. The original bill was submitted to carrier on 03/14/2022 ... The above claimant received medication and carrier denied the request indicating that the bill has been returned, as an alternate vendor.

**Amount in Dispute:** \$81.39

### Respondent's Position

Insurance carrier did not respond to the DWC-60 request in dispute.

### 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.

### Denial Reasons

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

- HE75 – Prior authorization required to process this bill
- HEPI – The payment for this procedure should be established following review othe documentation by the insurance carrier

### Issues

1. Did the insurance carrier submit a response to the DWC-60 request?
2. Is the insurance carrier's denial reason supported?
3. Is MEMORIAL COMPOUNDING RX entitled to additional reimbursement?

### Findings

1. The Austin carrier representative for TPCIGA for Reliance National Insurance Co is TPCIGA. TPCIGA was notified of this medical fee dispute on July 6, 2022. Rule §133.307(d)(1) states that if the division does not receive the response within 14 calendar days of the dispute notification, then the division may base its decision on the available information. As of today, no response has been received from the carrier or its representative. We therefore base this decision on the information available as authorized under §133.307(d)(1).
2. The requestor seeks reimbursement for prescribed medication dispensed on March 11, 2022. The insurance carrier denied the disputed medication due to lack of preauthorization. (see denial code above).

28 TAC 134.600 (p)(11) states, "(p) Non-emergency health care requiring preauthorization includes... (11) drugs not included in the applicable division formulary..." The formulary consists of all available Food and Drug Administration (FDA) approved prescription and nonprescription drugs prescribed and dispensed for outpatient use, with the following exclusions:

- drugs identified with a status of "N" in the current edition of the Official Disability Guidelines Treatment in Workers' Comp (ODG) / Appendix A, ODG Workers' Compensation Drug Formulary, and any updates

Review of the Appendix A for March 2022 finds that Tramadol has a "Y" status.

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.

Therefore, insurance carrier is not supported.

3. 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
Tramadol HCL	57664037718	G	\$0.80	30	\$29.86	\$81.39	\$29.86
						Total	\$29.86

The total reimbursement is \$29.86. 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 requestor has established that additional reimbursement of \$29.86 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 TPCIGA FOR RELIANCE NATIONAL must remit to MEMORIAL COMPOUNDING RX \$29.86 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

October 14, 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).