



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Memorial Compounding Pharmacy

Respondent Name

Zurich American Insurance Co

MFDR Tracking Number

M4-22-2711-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

August 25, 2022

Summary of Findings

| Dates of Service | Disputed Services | Amount in Dispute | Amount Due |
|------------------|-------------------|-------------------|------------|
| March 16, 2022 | 67877-0223-05 | \$97.42 | \$53.90 |
| Total | | \$97.42 | \$53.90 |

Requestor's Position

"The original claim was paid on 04/07/2022 on document control number 0002496571. Then on 06/16/2022, document control number 0002507522 on the explanation of benefits states that the payment has not been reversed. There were not any additional code changes or services rendered. Therefore, the alternate vendor cannot change payment decisions. As a provide you have to be able to address the bill properly for continued care."

Amount in Dispute: \$97.42

Respondent's Position

"Payment for this bill has been re-issued, and paid per fee guideline (Check No, 2509923. See attached EOB. The Requestor should reconcile the payment and withdraw this request."

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 oral medications.

Denial Reasons

- Additional payment made on appeal/reconsideration
- P12 – The charge for the prescription drug is greater than the maximum reimbursement for a generic drug

Issues

1. Did the insurance carrier support payment was made?
2. What rule(s) apply to disputed services?

Findings

1. The requestor is seeking reimbursement for the oral medication Gabapentin dispensed on March 16, 2022. In its position statement, Flahive, Ogden & Latson argued on behalf of the insurance carrier that the bill was paid.

Review of the submitted documentation found a payment was recommended on June 13, 2022, but the explanation of benefits indicates the recommended allowance for Gabapentin of \$53.90 was reduced or a negative.

No explanation of this adjustment or reversal was shown. The service in dispute will be reviewed per applicable fee guidelines.

2. DWC Rule 28 Texas Administrative Code §134.503 (c)(1)(A)(B) states in pertinent part (c) 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;

(B) Brand name drugs: $((\text{AWP per unit}) \times (\text{number of units}) \times 1.09) + \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 | 67877022305 | G | 1.33 | 30 | \$53.90 | \$97.42 | \$53.90 |
| | | | | | | \$97.42 | \$53.90 |

The total reimbursement is \$53.90. 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 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 respondent must remit to requestor \$53.90 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 | January 5, 2023 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.