



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

MEMORIAL  
COMPOUNDING RX

**Respondent Name**

MARKEL INSURANCE CO

**MFDR Tracking Number**

M4-23-1791-01

**Carrier's Austin Representative**

Box Number 17

**DWC Date Received**

March 22, 2023

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
November 21, 2022	Acetaminophen/Codeine #3	\$105.44	\$63.92

### Requestor's Position

"The above claimant received medication, but the carrier denied payment based on PREAUTHORIZAION. The original bill was submitted to carrier on 11/28/2022. The Texas Labor Code 408.027(b) requires that the carrier must pay, reduce, deny or determine to audit the health provider's claim no later than the 45<sup>th</sup> day after the date of receipt by the carrier.

The carrier denied the reconsideration based on lack of preauthorization."

**Amount in Dispute:** \$105.44

### Respondent's Position

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

### Findings and Decision

## Authority

This medical fee dispute is decided according to [Texas Labor Code \(TLC\) §413.031](#) and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation (DWC).

## Statutes and Rules

1. 28 Texas Administrative Code [28 TAC §133.307](#) sets out the procedures for resolving medical fee disputes.
2. [28 TAC §134.530](#) sets out the requirements for use of the closed formulary for claims not subject to certified networks.

## Denial Reasons

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

- 197 – Precertification/authorization/notification absent
- XCS – Precertification/authorization/notification absent

## Issues

1. Did the insurance carrier respond to the DWC-060 request?
2. Was preauthorization required for the disputed service?
3. Is MEMORIAL COMPOUNDING RX entitled to additional reimbursement?

## Findings

1. The Austin carrier representative for Markel Insurance is Downs Stanford PC. Downs Stanford PC was notified of this medical fee dispute on March 28, 2023. 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 is seeking reimbursement for Acetaminophen/Codeine dispensed in November 21, 2022. The insurance carrier denied the medication based on lack of prior authorization. 28 TAC §134.530 (b)(1) states in pertinent part preauthorization is only required for drugs identified with a status of "N" in the current edition of Appendix A Workers Compensation Drug Formulary. Review of the applicable Appendix A found.

Drug Class	Generic Name	Brand Name	Gener Equiv	Status
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Opioids	Codein/Ac etamin	Tyelnol #3 4	Yes	Y
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Review of the submitted documentation found insufficient documentation to support the medication dispensed was one that did not require prior authorization. The insurance carrier's denial is not supported.

- MEMORIAL COMPOUNDING RX is requesting reimbursement for Acetaminophen/Codeine #3 dispensed on November 21, 2022.

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:

- 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:  $((AWP \text{ per unit}) \times (\text{number of units}) \times 1.25) + \$4.00 \text{ dispensing fee per prescription} = \text{reimbursement amount};$

Drug	NDC	Generic(G) /Brand(B)	Price /Unit	Units Billed	AWP Formula	Billed Amt	Lesser of AWP and Billed
Acetaminophen/Codeine	00406048410	G	\$0.80	60	\$63.92	\$105.44	\$63.92
						Total	\$63.92

The total reimbursement is \$63.92. 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 \$63.92 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 MARKEL INSURANCE CO must remit to MEMORIAL COMPOUNDING RX \$63.92 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

### **Authorized Signature**

June 2, 2023

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 electrónico [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov).