



Medical Fee Dispute Resolution Findings and Decision General Information

Requester Name

MEMORIAL WELLNESS PHARMACY

Respondent Name

UTICA MUTUAL INSURANCE COMPANY

MFDR Tracking Number

M4-23-2570-01

Carrier's Austin Representative

Box Number 01

MFDR Date Received

June 2, 2023

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
February 9, 2023	Gabapentin CAP 100 mg	\$73.40	\$23.88
	Total	\$73.40	\$23.88

Requester's Position

"Memorial did not receive any correspondence as per Rule 133.250(a) after the submission of the original bill... The Request for Reconsideration was submitted and received by the carrier on 05/04/2023. The carrier denied the bill based on LACK OF PREAUTHORIZATION. These medications do not require preauthorization therefore do not need a retrospective review."

Amount in Dispute: \$73.40

Respondent's Position

"Stephanie was advised this claim falls under a Healthcare Network and Dr. Rossel could not be verified as a participating provider in the network database. . . The DWC did not approve the change of doctor until February 22, 2023, though this was in error since the claim is in a Healthcare Network, the date of service in question precedes this approval. It is the Respondent's position that the provider is not entitled to payment as the prescribing doctor was notified, he was not a network participating doctor, he should not have treated the claimant and the date of service was prior to the Division erroneously approving any change."

Response Submitted by: Utica National Insurance Group

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 \(TAC\) §133.307](#) sets out the procedures for resolving medical fee disputes.
2. 28 TAC §134.503 sets out the fee guidelines for pharmaceutical services.
3. Texas Insurance Code §1305.101, sets out the Workers' Compensation Health Care Networks general provisions for providing or arranging for health care.

Denial Reasons

The insurance carrier reduced or denied the payment for the disputed services with the following claim adjustment code(s):

- 91 – Dispensing fee adjustment.
- P16 – Medical provider not authorized/certified to provide treatment to injured workers in this jurisdiction. To be used for workers' compensation only.

Issues

1. Are the disputed services out-of-network health care?
2. Is the insurance carrier liable for the disputed services?

Findings

1. The requestor, Memorial Wellness Pharmacy, submitted a medical fee dispute, tracking number M4-23-2570-01 to DWC for resolution according to 28 TAC §133.307. The dispute concerns prescribed medication provided to the in-network injured employee by the requestor on February 9, 2023.

The insurance carrier denied the prescribed medications with denial reason code, "P16- Medical provider not authorized/certified to provide treatment to injured workers in this jurisdiction."

Texas Insurance Code §1305.101 (c) states, "(c) Notwithstanding any other provision of this chapter, prescription medication or services, as defined by Section [401.011](#)(19)(E), Labor Code, may not, directly or through a contract, be delivered through a workers' compensation health care network. Prescription medication and services shall be reimbursed as provided by Section [408.0281](#), Labor Code, other provisions of the Texas Workers' Compensation Act, and applicable rules of the commissioner of workers' compensation."

Pursuant to 28 TAC 134.503(a)(1)(A-B), states, "(a) Applicability of this section is as follows:

- (1) This section applies to the reimbursement of prescription drugs and nonprescription drugs or over-the-counter medications as those terms are defined in §134.500 of this title (relating to Definitions) for outpatient use in the Texas workers' compensation system, which includes claims:

(A) subject to a certified workers' compensation health care network as defined in §134.500 of this title;

(B) not subject to a certified workers' compensation health care network..."

The DWC concludes that the disputed prescription medication dispensed by the provider is not subject to the provisions of a workers' compensation health care network. Because the insurance carrier failed to support its denial of payment, the requestor is entitled to reimbursement for the medication rendered on February 9, 2023.

2. The service in dispute will be reviewed per applicable fee guideline. DWC Rule 28 TAC §134.503 (c) 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:

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	AWP Formula	Billed Amount	Lesser of AWP and Billed Amount
Gabapentin CAP 100 mg	71093016105	G	\$0.53000/30	\$23.88	\$73.40	\$23.88

The requestor is therefore entitled to reimbursement in the amount of \$23.88, 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.

The Division concludes that the requestor is entitled to reimbursement in the amount of \$23.88.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requester is entitled to reimbursement for the disputed services. It is ordered that the Respondent must remit to the Requester the amount of \$23.88 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

August 1, 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 three, 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 tres o correo electrónico CompConnection@tdi.texas.gov.