



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Memorial Wellness Pharmacy

Respondent Name

Pennsylvania Manufacturers Association

MFDR Tracking Number

M4-23-2741-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

June 27, 2023

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
December 29, 2022	31722-0581-60 Duloxetine HCL Dr 20 mg capcam	\$267.20	\$266.13
		\$267.20	\$266.13

Requestor's Position

"The carrier denied the original bill as well as the reconsideration based on CLAIM NOT PROCESSED. The second EOB received by Memorial Wellness Pharmacy reaffirms the original denial reason as well as including additional denial reasons. The additional denial reasons are based on EXPENSES INCURRED AFTER COVERAGE TERMINATED. I have attached the EOB's as well as the documentation to prove that Memorial Wellness Pharmacy has met the requirements to receive reimbursement."

Amount in Dispute: \$267.20

Respondent's Position

"The Carrier has submitted this bill for reconsideration and audit per Fee Guideline, and will supplement this Response upon completion of that process.

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 \(TAC\) §133.307](#) sets out the procedures for resolving medical fee disputes.
2. [28 TAC §134.530](#) sets out the requirements of prior authorization.
3. [28 TAC §134.503](#) sets out the fee guidelines for pharmacy services.

Denial Reasons

- 27 – Expenses incurred after coverage terminated.
- 75 – Prior authorization required
- 70 – Drug not on formulary
- 85 – Claim not processed
- 65 – Patient is not covered
- 77 – Discontinued NDC number

Issues

1. Were the insurance carriers' denials supported?
2. What rule(s) apply to the disputed services?

Findings

1. The requestor is seeking reimbursement for oral medication dispensed on December 29, 2022. The insurance company did not submit documentation to support their denial that coverage had terminated, and the patient was not covered.

DWC Rule 28 §134.530 (b) (1)(A) states in pertinent part, preauthorization is only required for drugs identified with a status “N” in the current edition of the *ODG Treatment in Workers’ Comp* (ODG) / Appendix A.

Review of applicable Appendix A of the ODG Treatment Guidelines found.

- Duloxetine has a “Y” status and does not require prior authorization.

The NDC number 31722-0581-60 was found to be on the formulary. The insurance carrier’s denials are not supported.

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
Duloxetine HCL	31722058160	G	\$6.99	30	\$266.13	\$267.20	\$266.13
						\$267.20	\$266.13

The total reimbursement is \$266.13. 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 reimbursement is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to \$266.13 reimbursement for the disputed services. It is ordered that Pennsylvania Manufacturers Association must remit to Memorial Wellness Pharmacy \$266.13 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

September 29, 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.