



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Memorial Wellness Pharmacy

Respondent Name

Old Republic Insurance Co

MFDR Tracking Number

M4-23-2852-01

Carrier's Austin Representative

Box Number 44

DWC Date Received

July 12, 2023

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
May 8, 2023	68462-0397-90 Omeprazole Cap 40 mg	\$279.36	\$279.36
May 8, 2023	50228-0177-05 Gabapentin 600 mg	\$133.08	\$98.48
		\$412.44	\$377.84

Requestor's Position

"The above claimant received medication as prescribed by the referral provider, however the bill was denied indicating that the date of service occurred after the coverage expired. Bill for date of service 05/08/2023 was created before the date of coverage expiration. Additionally, Memorial has confirmed the claim is still open. Services were rendered by the provider prior to the coverage expiration; therefore, it was still within the timeframe for covered services and the carrier should process payment for the billed services."

Amount in Dispute: \$412.44

Respondent's Position

The Austin carrier representative for Old Republic Ins Co is White Espey PLLC. The representative was notified of this medical fee dispute on July 18, 2023.

Per 28 Texas Administrative Code §133.307(d)(1), if the DWC does not receive the response within 14 calendar days of the dispute notification, then the DWC may base its decision on the available information.

As of today, no response has been received from the insurance carrier or its representative. We will base this decision on the information available.

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 §134.530](#) sets out the requirements of prior authorization.
3. [28 TAC §134.503](#) sets out the fee guidelines for pharmacy services.

Denial Reasons

- 5521 – Claim is closed and patient has reached MMI.
- TXP12 – Workers' compensation jurisdictional fee schedule adjustment.
- 5521 – Claim is closed and patient has reached MMI.
- 42892 – Drugs identified with a status of "Y" in the current edition of the "Official Disability Guidelines Treatment in Workers' Comp" (ODG)/Appendix A, "ODG Workers Compensation Drug Formulary" identify a drug that can dispensed without preauthorization the

Issues

1. Did the respondent support their denial of the disputed services?
2. What rule(s) apply to disputed services?

Findings

1. The requestor is seeking reimbursement for oral medication dispensed on May 8, 2023. The insurance company did not support their claim denial as "Claim is closed and patient has reached MMI." This denial will not be considered in this review. Additionally, the insurance carrier denial code 42892 has an incomplete description but mentions Appendix A of the ODG Treatment Guidelines.

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

- Gabapentin has a "Y" status and does not require prior authorization.
- Omeprazole has a "Y" status and does not require prior authorization.

The service in dispute will be reviewed per applicable fee guideline.

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
Omeprazole Cap	68462-0397-05	G	7.395	30	\$281.31	\$279.36	\$279.36
Gabapentin	50228-0177-05	G	2.519	30	\$98.48	\$133.08	\$98.48
						\$412.44	\$377.84

The total reimbursement is \$377.64. 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 \$377.84 reimbursement for the disputed services. It is ordered that Old Republic Insurance Co must remit to Memorial Wellness Pharmacy \$377.84 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 31, 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.