



## Medical Fee Dispute Resolution Findings and Decision General Information

**Requestor Name**

Memorial Wellness Pharmacy

**Respondent Name**

University of Texas System

**MFDR Tracking Number**

M4-23-2969-01

**Carrier's Austin Representative**

Box Number 46

**DWC Date Received**

July 24, 2023

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
March 10, 2023	NDC: 21922-0009-09 Diclofenac Sodium 1% Gel	\$115.85	\$76.94
<b>Total</b>		\$115.85	\$76.94

### Requestor's Position

"The carrier denied the original bill as well as the reconsideration based on (NOT APPROVED PROVIDER). Memorial did not receive any additional denial codes for the rejection of this bill from the carrier."

**Amount in Dispute:** \$115.85

### Respondent's Position

"The carrier is participating in the IMO MedSelect 1305 network. The prescribing physician Anibal Rossel MD is not a network provider and was not the treating nor was a referral approved for services by the physician. Therefore, we are requesting the provider withdraw the MDR and/or the division to dismiss the request for MFDR due to payment being completed."

**Response Submitted by:** IMO Managed Care

## 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).

### Background

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. [TLC §408.021](#) establishes entitlement to medical benefits.
4. [Texas Insurance Code \(TIC\) Chapter 1305.101](#) defines the duties of networks to provide medical treatment.

### Denial Reasons

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

- 183 – The referring provider is not eligible to refer the service billed.
- 279 - Services not provided by Preferred network providers.
- 288 - Referral absent.

### Issues

1. Is the insurance carrier's denial reason supported?
2. What rules apply to the disputed service?
3. Is the requestor entitled to reimbursement?

### Findings

1. The requestor, Memorial Wellness Pharmacy, seeks reimbursement for Diclofenac Sodium 1% Gel dispensed on March 10, 2023. The insurance carrier states the drug was denied because it was provided outside the network. Prescription medication may not, directly or through a contract, be delivered through a workers' compensation health care network.

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."

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, Memorial Wellness Pharmacy is entitled to reimbursement for the medication rendered on March 10, 2023.

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

Drug	NDC	Generic (G)/ Brand (B)	Price/Unit	AWP Formula	Billed Amount	Lesser of AWP and Billed Amount
Diclofenac Sodium 1% Gel	21922000909	G	\$0.58350	\$76.94	\$115.85	\$76.94

- The DWC finds that the requestor, Memorial Wellness Pharmacy, is entitled to reimbursement in the amount of \$76.94 for disputed date of service, March, 10, 2023.

Conclusion

The outcome of each independent medical fee dispute relies on the relevant evidence the requester and respondent present at the time of adjudication. Although all the evidence in this dispute may not have been discussed, it was considered.

The DWC finds the requester has established that reimbursement is due in the amount of \$76.94.

**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, University of Texas System, must remit to the Requestor, Memorial Wellness Pharmacy, the amount of \$76.94 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 24, 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](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 512-804-4812.