



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

Memorial Wellness Pharmacy

**Respondent Name**

Indemnity Insurance Co of North America

**MFDR Tracking Number**

M4-23-3330-01

**Carrier's Austin Representative**

Box Number 15

**DWC Date Received**

August 29, 2023

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
June 5, 2023	31722-0533-05 Methocarbamol 500 mg	\$64.74	\$13.05
		\$64.74	\$13.05

### Requestor's Position

"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:** \$64.74

### Respondent's Position

"Our initial response to the above reference medical fee dispute resolution is as follows: we have escalated the bills in question for manual review to determine if additional monies are owed."

**Response submitted by:** Gallagher Bassett

### 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

- 197 – Precertification/authorization/notification/pre-treatment absent.
- 88 - DUR

## Issues

1. Is the insurance carrier's denial supported by the applicable DWC Rule?
2. What rule(s) apply to the disputed services?

## **Findings**

1. The requestor is seeking reimbursement for oral medication dispensed on June 5, 2023. The insurance carrier denied the medication as not having been preauthorized.  
DWC Rule 28 TAC §134.530 (b)(1)(A) states in pertinent part, "Preauthorization is only required for drugs identified with a status of 'N' in the current edition of the *ODG Treatment in Workers' Comp* (ODG) / Appendix A." A review of the applicable Appendix A for the date of service in dispute found the medication, Methocarbamol has a "Y" indicator. The insurance carrier's denial is not supported. The service in dispute will be reviewed per the applicable fee guidelines.
2. DWC Rule 28 TAC §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: ((AWP per unit) x (number of units) x 1.25) + \$4.00 dispensing fee per

prescription = reimbursement amount;

(B) Brand name drugs: ((AWP per unit) x (number of units) x 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
Methocarbamol 500 mg	31722053305	G	0.482	15	\$13.05	\$64.74	\$13.05
						\$64.74	\$13.05

The total reimbursement is \$13.05. 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 reimbursement for the disputed services. It is ordered that Indemnity Insurance Co of North America must remit to Memorial Wellness Pharmacy \$13.05 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

\_\_\_\_\_  
November 30, 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 1-800-252-7031, opción 3 o correo electrónico [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov).