



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

EZ Scripts, LLC

Respondent Name

Indemnity Insurance Co. of North America

MFDR Tracking Number

M4-24-0454-01

Carrier's Austin Representative

Box Number 15

DWC Date Received

October 24, 2023

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
January 13, 2023	Quetiapine Fumarate 300mg NDC: 67877-0247-60	\$643.80	\$0.00
	Total	\$643.80	\$0.00

Requestor's Position

"The dispensed medication is directly related to the patient's injury and was prescribed as treatment of this patient's worker's compensation claim which has been verified as open and compensable for this treating provider. Documentation has been attached to each bill in support of necessary reimbursement."

Amount in Dispute: \$643.80

Respondent's Position

"Pursuant to pharmaceutical benefits rules 134.500-134.550 of the Texas Administrative Code the prescription drug Quetiapine Fumarate is classified as an N drug on the closed formulary and, as such, requires formal pre-authorization. There is no evidence that pre-authorization was requested or obtained by the provider prior to the medication being filled. This supports our position that the bill was properly denied for lack of pre-authorization."

Response Submitted by: ESIS

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 §134.503](#) sets out the fee guidelines for pharmaceutical services.
3. [28 TAC §§134.530](#) and [134.540](#) set out the preauthorization requirements for pharmaceutical services.

Denial Reasons

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

- 197 – Precertification/authorization/notification absent.
- This service requires prior authorization.
- 18 – Duplicate claim/service.

Issues

1. Is the insurance carrier's denial of payment based on absence of preauthorization supported?
2. Is the requestor entitled to reimbursement?

Findings

1. The requestor is seeking reimbursement for the drug Quetiapine Fumarate dispensed on January 13, 2023. Submitted documentation indicates that the insurance carrier denied the disputed drug based on absence of preauthorization.

Per 28 TAC §134.530 (b)(1) and §134.540 (b), preauthorization is only required for:

- drugs identified with a status of "N" in the current edition of the ODG Appendix A;
- any compound prescribed before July 1, 2018, that contains a drug identified with a status of "N" in the current edition of the ODG Appendix A;
- any prescription drug created through compounding prescribed and dispensed on or after July 1, 2018; and
- any investigational or experimental drug.

DWC finds that the drug in question, Quetiapine Fumarate, is identified with a status of "N" in the applicable edition of the ODG, *Appendix A* for the date of service reviewed in this dispute. For this reason, the drug Quetiapine Fumarate did require preauthorization.

A review of the submitted documentation finds no evidence that a preauthorization was requested or obtained by the pharmacy provider for the drug Quetiapine Fumarate dispensed on January 13, 2023.

DWC concludes that the insurance carrier's denial of payment of the disputed drug, Quetiapine Fumarate, based on absence of preauthorization, is supported for the date of service in question.

2. Because the insurance carrier's denial reason, based on lack of preauthorization, is supported for the service in this dispute, DWC finds that the requestor is not entitled to reimbursement for the drug Quetiapine Fumarate dispensed on January 13, 2023.

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 not established that reimbursement is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to \$0.00 reimbursement for the disputed service.

Authorized Signature

_____	_____	November 3, 2023
Signature	Medical Fee Dispute Resolution Officer	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.