

## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

MEMORIAL WELLNESS  
PHARMACY

**Respondent Name**

SAFETY NATIONAL CASUALTY CORP

**MFDR Tracking Number**

M4-24-0660-01

**Carrier's Austin Representative**

Box Number 19

**DWC Date Received**

November 16, 2023

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
August 8, 2023	Cyclobenzaprine tablets	\$106.72	\$65.52

### Requestor's Position

"The original claim was denied on 09/19/2023 but no denial code was provided. The carrier only paid \$65.11 of the bill totaling \$272.62. An appeal was submitted and received by the carrier on 10/27/2023. See attached 2 denials for processing. In addition, the explanation of benefits states that (PREAUTHORIZATION) is a new denial reason."

**Amount in Dispute:** \$106.72

### Respondent's Position

The respondent did not provide a position statement.

## 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 [§133.307](#) sets out the procedures for resolving medical fee disputes.
2. 28 TAC [§134.503](#) sets out the pharmacy fee guideline.

### Denial Reasons

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

- HE75 – Prior authorization required to process this bill

### Issues

1. Did the respondent respond to the DWC-60 request in dispute?
2. Is the insurance carrier's denial of payment based on preauthorization supported?
3. Is MEMORIAL WELLNESS PHARMACY entitled to reimbursement?

### Findings

1. The Austin carrier representative for Safety National Casualty Corp is Flahive Ogden & Latson. Flahive Ogden & Latson was notified of this medical fee dispute on November 21, 2023. Rule §133.307(d)(1) states that if the division does not receive the response within 14 calendar days of the dispute notification, then the division may base its decision on the available information. As of today, no response has been received from the carrier or its representative. We therefore base this decision on the information available as authorized under §133.307(d)(1).
2. Memorial Wellness Pharmacy is seeking reimbursement for Cyclobenzaprine Tablets dispensed on August 8, 2023. Per explanation of benefits dated August 29, 29, 2023, the insurance carrier denied this disputed drug based on lack 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.

The DWC finds that Cyclobenzaprine is not identified with a status of "N" in the applicable edition of the ODG, *Appendix A*. Therefore, this drug does not require preauthorization.

The submitted documentation does not support the disputed drug is a compound. Therefore, this drug does not require preauthorization.

The submitted documentation does not support that the disputed drug is experimental or investigational. Therefore, this drug does not require preauthorization.

DWC concludes that the insurance carrier's denial of payment for the disputed drug based on preauthorization is not supported.

The requestor is therefore entitled to reimbursement of the disputed service.

3. Memorial Wellness Pharmacy is requesting reimbursement for Cyclobenzaprine dispensed on August 8, 2023.

DWC Rule 28 TAC §134.503(c)(1)(A)states

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;

Drug	NDC	Generic(G) /Brand(B)	Price /Unit	Units Billed	AWP Formula	Billed Amt	Lesser of AWP and Billed
Cyclobenzaprine	16571078310	G	\$1.64	30	\$65.52	\$106.72	\$65.52
						Total	\$65.52

The recommended reimbursement is \$65.52. This amount is recommended.

Conclusion

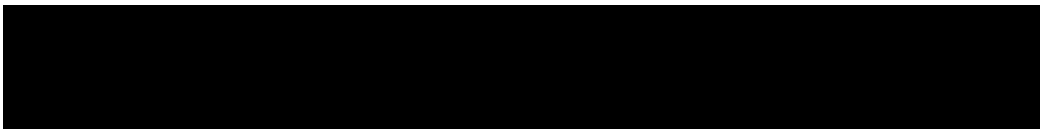
The outcome of this medical fee dispute is based on the evidence presented by the requestor and the respondent at the time of adjudication. Though all evidence may not have been discussed, it was considered.

DWC finds the requester has established that additional reimbursement of \$65.52 is due.

**Order**

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to additional reimbursement for the disputed services. It is ordered that SAFETY NATIONAL CASUALTY CORP must remit to MEMORIAL WELLNESS PHARMACY \$65.52 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

**Authorized Signature**



February 1, 2024

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](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 electronico [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov).