



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Memorial Wellness Pharmacy

Respondent Name

American Zurich Insurance Co

MFDR Tracking Number

M4-24-0944-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

January 2, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
September 8, 2023	51991-0746-05 Duloxetine Cap 20mg	\$259.05	\$255.94
		\$259.05	\$255.94

Requestor's Position

"The original claim was denied for **PARTIAL PAYMENT**. An **appeal** was submitted to the carrier on **10/16/2023**... The later explanation of benefits processed on 11/30/2023 does not state a denial code. The claim was reversed two times and then **PARTIALLY PAID**. There were not any additional code changes or services rendered. Therefore, the carrier cannot change from the original denial."

Amount in Dispute: \$259.05

Respondent's Position

"The Carrier has denied the subject script (presumably, the duloxetine-an antidepressant) is for the compensable injury. The reconciliations attached by the Requestor are not for duloxetine."

Response submitted by: Flahive, Ogden & Latson

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 §133.240](#) details the requirements of medical payment and denials.
3. [28 TAC §19.2005](#) sets out the requirements of utilization review.

Denial Reasons

- W3 – Additional payment made on appeal / reconsideration.
- D3(P12) – The charge for the prescription drug is greater than the maximum reimbursement for a generic.
- HEMD – These are non-covered services because this is not deemed a 'medical necessity' by the payer.

Issues

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

Findings

1. The requestor is seeking reimbursement for oral medication dispensed on September 8, 2023. The insurance carrier denied the medication as not medically necessary.

The insurance carrier denied payment due to an unresolved medical necessity issue. The insurance carrier notified the requestor of the denial on an explanation of benefits as defined by 28 TAC §133.240 however the insurance carrier did not present supporting documentation as required by 28 TAC §133.307 (d)(2)(I) which requires that the insurance carrier conduct a utilization review and present an adverse determination to Memorial Wellness Pharmacy as required by 28 TAC §19.2005.

The insurance carrier's denial reason is not supported and therefore the disputed medication is 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: $((\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
Duloxetine 20 mg	51991074605	G	\$6.71	30	\$255.94	\$259.05	\$255.94
						\$259.05	\$255.94

The total reimbursement is \$255.94. 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 American Zurich Insurance Co must remit to Memorial Wellness Pharmacy \$255.94 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

February 5, 2024
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.