

## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

Memorial Compounding Rx

**Respondent Name**

New Hampshire Insurance Co.

**MFDR Tracking Number**

M4-18-3648-01

**Carrier's Austin Representative**

Box Number 19

**DWC Date Received**

May 29, 2018

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
November 30, 2017	Cyclobenzaprine 10 mg Tablets	\$155.78	\$126.85
	Gabapentin 300 mg Capsules	\$177.20	\$153.63
	Total	\$332.98	\$280.48

### Requestor's Position

Memorial Compounding Pharmacy has met the requirements to receive reimbursement.

**Amount in Dispute:** \$332.98

### Respondent's Position

The Requestor did not request and receive preauthorization for this investigational or experimental compound formulation.

**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 §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, effective January 17, 2011, set out the preauthorization requirements for pharmaceutical services provided on the date of service in question.

### Denial Reasons

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

- 197 – Precertification/authorization/notification absent.

### Issues

1. Is the insurance carrier's denial of payment based on preauthorization supported?
2. Is Memorial Compounding Rx (Memorial) entitled to additional reimbursement?

### Findings

1. Memorial is seeking reimbursement for Cyclobenzaprine and Gabapentin dispensed on November 30, 2017.

Submitted documentation indicates that the insurance carrier denied the disputed drugs based on preauthorization. Per 28 TAC §134.530(b)(1) and §134.540(b), effective January 17, 2011, 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, ODG Workers' Compensation Drug Formulary, and any updates;
- any compound that contains a drug identified with a status of "N" in the current edition of the ODG Treatment in Workers' Comp (ODG) / Appendix A, ODG Workers' Compensation Drug Formulary, and any updates; and
- any investigational or experimental drug for which there is early, developing scientific or clinical evidence demonstrating the potential efficacy of the treatment,

but which is not yet broadly accepted as the prevailing standard of care as defined in Labor Code §413.014(a).

The DWC finds that the drugs in question are not identified with a status of "N" in the applicable edition of the ODG, *Appendix A*. Therefore, these drugs do not require preauthorization for this reason.

The submitted documentation does not support that the disputed drugs are a compound. Therefore, these drugs do not require preauthorization for this reason.

The submitted documentation does not support that the disputed drugs are experimental or investigational. Therefore, these drugs do not require preauthorization for this reason.

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

2. Because New Hampshire Insurance Co. failed to support its denial reason for the service in this dispute, DWC finds that Memorial is entitled to reimbursement.

The reimbursement considered in this dispute is calculated according to 28 TAC §134.503(c).

- Cyclobenzaprine 10 mg tablets:  $(1.092 \times 90 \times 1.25) + \$4.00 = \$126.85$
- Gabapentin 300 mg capsules:  $(1.33 \times 90 \times 1.25) + \$4.00 = \$153.63$

The total allowable reimbursement is \$280.48. 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 \$280.48 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 New Hampshire Insurance Co. must remit to Memorial Compounding Rx \$280.48 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

\_\_\_\_\_  
July 22, 2022

\_\_\_\_\_  
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).