



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Memorial Wellness Pharmacy

Respondent Name

Sentry Insurance Co

MFDR Tracking Number

M4-24-1655-01

Carrier's Austin Representative

Rep Box 19

DWC Date Received

April 2, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
April 27, 2023	NDC # 27241-0098-09 Duloxetine Cap 30 mg	\$293.05	\$293.05
April 27, 2023	NDC # 50228-0436-05 Naproxen 500 mg	\$125.92	\$89.53
April 27, 2023	NDC # 57896-0104-10 Acetaminophen	\$63.96	\$5.98
Total		\$482.93	\$388.56

Requestor's Position

"The above claim was submitted within the 95-day time frame as described by Rule 133.250. If claims are not processed accordingly, I will submit all correspondence proving receipt of this bill and requesting the Texas Department of Insurance to rule on our behalf."

Amount in Dispute: \$ 482.93

Respondent's Position

"This script has been denied based on extent of injury (relatedness). Per the attached Peer Review, the subject script is treatment unrelated to the compensable injury."

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 \(TAC\) §133.305](#) sets out the general procedures for medical dispute resolution.
2. [28 TAC §133.20](#) sets out requirements of medical bill submission.
3. [28 TAC §124.2](#) details the requirements of plain language notification.
4. [28 TAC §133.307](#) sets out the procedures for resolving medical fee disputes.
5. [28 TAC §134.503](#) sets out the fee guidelines for pharmacy.

Denial Reasons

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

- D3(P12) - The charge for the prescription drug is greater than the maximum reimbursement for a generic drug.
- XD(P12) - This bill was submitted after the billing timeliness guidelines provided.
- VPMI - Med not related to injury.
- P12: D3, XD - Workers' compensation jurisdictional fee schedule adjustment.

Issues

1. Is insurance carrier's denial supported?
2. What rule is applicable to reimbursement?
3. Is requestor entitled to additional reimbursement?

Findings

1. The requestor is seeking reimbursement of medications dispensed in April of 2023. The insurance carrier denied the disputed services based on timeliness of submission and med not related to injury.

DWC Rule 28 TAC §133.20 (b) states in pertinent part, "Except as provided in Labor Code §408.0272(b), (c) or (d), a health care provider shall not submit a medical bill later than the 95th day after the date the services are provided."

The requestor submitted evidence of a successfully faxed transmission on May 1, 2023. The respondent did not address the timeliness issue raised on the EOB. Insufficient evidence was found to support the initial claim was not submitted timely. This denial will not be considered in this review.

DWC Rule 28 TAC §133.307(d)(2)(H) requires that if the medical fee dispute involves compensability, extent of injury, or liability, the insurance carrier shall attach a copy of any related Plain Language Notice in accordance with Rule §124.2 (relating to carrier reporting and notification requirements).

DWC Rule 28 TAC §124.2(h) requires notification to the division and claimant of any dispute of disability or extent of injury using plain language notices with language and content prescribed by the division. Such notices "shall provide a full and complete statement describing the carrier's action and its reason(s) for such action. The statement must contain sufficient claim-specific substantive information to enable the employee/legal beneficiary to understand the carrier's position or action taken on the claim."

Review of the submitted information finds no copies, as required by Rule §133.307(d)(2)(H), of any PLN-11 or PLN 1 notices issued in accordance with Rule §124.2. The insurance carrier's denial reason is therefore not supported. Furthermore, because the respondent failed to meet the requirements of Rule §133.307(d)(2)(H) regarding notice of issues of extent of injury, the respondent has waived the right to raise such issues during dispute resolution. Consequently, the division concludes there are no outstanding issues of compensability, extent, or liability for the injury. The disputed services are therefore reviewed pursuant to the applicable rules and guidelines.

2. DWC Rule 28 Texas Administrative Code §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	27241009809	G	7.85	30	\$298.43	\$293.05	\$293.05
Naproxen	50228043605	G	1.14	60	\$89.53	\$125.92	\$89.53

Acetaminophen	57896010410	G	0.013	120	\$5.98	\$63.96	\$5.98
						\$482.93	\$388.56

3. The total reimbursement is \$388.56. 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 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 Sentry Insurance Co must remit to Memorial Wellness Pharmacy \$388.56 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

June 17, 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 electronico CompConnection@tdi.texas.gov.

