



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Memorial Wellness Pharmacy

Respondent Name

Standard Fire Insurance Co

MFDR Tracking Number

M4-24-1659-01

Carrier's Austin Representative

Box Number 05

DWC Date Received

April 2, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
September 27, 2023	43598-0977-10	\$77.81	\$21.98
		\$77.81	\$21.98

Requestor's Position

"The carrier denied the bill based on **LACK OF PREAUTHORIZATION**. These medications do not require preauthorization therefore do not need a retrospective review."

Supplement response August 7, 2024

"We don't see anything yet."

Amount in Dispute: \$77.81

Respondent's Position

"The carrier issued a check to the provider in the amount of \$17.98. The check was issued on October 12, 2023. However, the provider never cashed it. Accordingly, stop pay was placed on the check. However, once the stop pay clears, a replacement check will be issued. It is the

carrier's position that the provider is entitled to \$17.98."

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 TAC §133.307](#) sets out the procedures for resolving medical fee disputes.
2. [28 TAC §134.530](#) sets out the requirements of prior authorization.
3. [28 TAC §134.503](#) sets out the fee guidelines for pharmacy services.

Denial Reasons

- 1 – A dispensing fee is not applicable to the allowance or payment of the medication.
- 4362 – Drugs identified with a status of 'Y' in the current edition of the 'Official Disability Guidelines Treatment in Workers' Comp' (ODG) / Appendix A, 'ODG workers' compensation drug formulary' identify a drug that can be dispensed without preauthorization. The allowance has been determined in according to the pharmacy fee guidelines.
- 91 – Dispensing fee adjustment.
- P12 – Workers' compensation jurisdictional fee schedule adjustment.

Issues

1. Did the insurance carrier support payment was made?
2. What rule(s) apply to disputed services?

Findings

1. The requestor is seeking reimbursement for medication dispensed on September 27, 2023. This insurance carrier states in the position statement, "The check was issued on October 12, 2023. However, the provider never cashed it. Accordingly, stop pay was issued on the check. However, once the stop pay clears, a replacement check will be issued."

Review of the submitted documentation does not support a replacement check was issued. The services in dispute will be reviewed per applicable fee 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
Diclofenac Sodium Gel 1%	43598097710	G	.0143	100	\$21.98	\$77.81	\$21.98
						\$77.81	\$21.98

The total reimbursement is \$21.98 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 \$0.00 reimbursement for the disputed services. It is ordered that Standard Fire Insurance Co must remit to Memorial Wellness Pharmacy \$21.98 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

September 9, 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.