



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

Memorial Wellness Pharmacy

**Respondent Name**

Allmerica Financial Benefit Insurance Co.

**MFDR Tracking Number**

M4-24-1776-01

**Carrier's Austin Representative**

Box Number 47

**DWC Date Received**

April 16, 2024

### Summary of Findings

<b>Dates of Service</b>	<b>Disputed Services</b>	<b>Amount in Dispute</b>	<b>Amount Due</b>
April 20, 2023	Gabapentin caps 300mg NDC: 71093-0121-05	\$97.40	\$53.88
April 20, 2023	Cyclobenzaprine 5 mg tabs NDC: 10702-0006-10	\$109.18	\$68.60
<b>Total</b>		\$206.58	\$122.48

## Requestor's Position

"...the bill was denied indicating that the date of service occurred after the coverage expired. Bill for date of service 04/20/2023 was created before the date of coverage expiration. Additionally, Memorial has confirmed that claim is still open."

**Amount in Dispute:** \$206.58

## Respondent's Position

The Austin carrier representative for Allmerica Financial Benefit Insurance Co. is Burns Anderson Jury & Brenner, LP. The representative was notified of this medical fee dispute on April 23, 2024. Per 28 Texas Administrative Code §133.307 (d)(1), if the DWC does not receive the response within 14 calendar days of the dispute notification, then the DWC may base its decision on the available information. As of today, no response has been received from the insurance carrier or its representative. We will base this decision on the information available.

## 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 §134.503](#) sets out the fee guidelines for pharmaceutical services.

### Adjustment Reasons

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

- TERM – Date of Service after Coverage expired.
- D3 (P12) - The charge for the prescription drug is greater than the maximum reimbursement for a generic drug.

### Issues

1. Is the insurance carrier's denial reason(s) supported?
2. Is the requestor entitled to reimbursement for the drugs in dispute?

## Findings

1. The requestor, Memorial Wellness Pharmacy, billed the insurance carrier in the total amount of \$206.58 for drugs dispensed on the disputed date of service, April 20, 2023.

Per the submitted explanation of benefits (EOB), the insurance carrier denied the disputed charges based on expiration of insurance coverage.

A review of the submitted documentation finds no evidence to support that coverage of this workers' compensation claim in question has expired.

Information known to DWC finds that the respondent, Allmerica Financial Benefit Insurance Co., is the insurance carrier responsible for this claim.

Therefore, DWC finds that the insurance carrier's denial reason based on expiration of insurance coverage, is not supported.

2. The requestor is seeking reimbursement in the total amount of \$206.58 for Gabapentin 300mg x 30 units and for Cyclobenzaprine 5mg x 30 units, dispensed on April 20, 2023. Because the insurance carrier failed to support its denial of reimbursement, the drugs in dispute will be adjudicated for reimbursement.

DWC finds that 28 TAC §134.503(c) applies to the reimbursement of the drugs in dispute, which states, "(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; ..."

In accordance with 28 TAC §134.503(c) DWC finds that the following reimbursement calculations apply:

For the generic drug Gabapentin 300mg x 30 units, dispensed on April 20, 2023:

- AWP per unit = 1.33000; units dispensed = 30
- The maximum allowable reimbursement (MAR) is calculated according to 28 TAC §134.503 (c) using the generic drug formula above:  
Gabapentin 300mg:  $(1.33000 \text{ AWP} \times 30 \text{ units} \times 1.25) + \$4.00 = \$53.88 \text{ MAR}$
- DWC finds that the requestor is entitled to reimbursement in the amount of \$53.88 for 30 units of Gabapentin 300mg, dispensed on April 20, 2023.

For the generic drug Cyclobenzaprine 5mg x 30 units, dispensed on April 20, 2023:

- AWP per unit = 1.72260; units dispensed = 30
- The MAR is calculated according to 28 TAC §134.503 (c) using the generic drug formula above:  
Cyclobenzaprine 5mg:  $(1.72260 \text{ AWP} \times 30 \text{ units} \times 1.25) + \$4.00 = \$68.60 \text{ MAR}$

- DWC finds that the requestor is entitled to reimbursement in the amount of \$68.60 for 30 units of Cyclobenzaprine HCL 5mg, dispensed on April 20, 2023.

DWC finds that the requestor is entitled to reimbursement in the total amount of \$122.48 for the disputed drugs dispensed on April 20, 2023.

### 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 that the requestor has established that reimbursement in the total amount of \$122.48 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 Allmerica Financial Benefit Insurance Co. must remit to Memorial Wellness Pharmacy \$122.48 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

### **Authorized Signature**

June 12, 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, 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)