

Medical Fee Dispute Resolution Findings and Decision General Information

Requestor Name

Memorial Wellness Pharmacy

Respondent Name

Allmerica Financial Benefit Insurance Co

MFDR Tracking Number

M4-24-1777-01

Carrier's Austin Representative

Box Number 47

Date Received

April 16, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
May 17, 2023	71093-0121-05 Gabapentin Cap 300mg	\$97.40	\$53.88
May 17, 2023	10702-0006-10 Cyclobenzaprine 5mg	\$109.18	\$68.60
	Total	\$206.58	\$122.48

Requestor's Position

"The above claimant received medication as prescribed by the referral provider, however the bill was denied indicating that the date of service occurred after the coverage expired. Bill for date of service **05/17/2023** was created before the date of coverage expiration. Additionally, Memorial has confirmed that claim is still open. Services were rendered by the provider prior to the coverage expiration; therefore, it was still within the timeframe for covered services and the carrier should process payment for the billed services."

Amount in Dispute: \$206.58

Respondent's Position

"Payment of these prescriptions were denied because the claimant had been paced at maximum medical improvement on 11/22/22 by a designated doctor... The file was closed as as [sic] result of the designated doctor report & findings."

Response Submitted by: The Hanover Insurance Group

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).

Background

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.

Denial Reasons

The insurance carrier reduced or 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.
- TERM – Date of Service after Coverage expired.

Issues

1. Is the insurance carrier's denial reason supported?
2. Is the requestor entitled to reimbursement?

Findings

1. The requestor seeks reimbursement for prescribed medication dispensed on May 17, 2023.

The insurance carrier states, "The file was closed as as [sic] result of the designated doctor report & findings."

DWC Rule 28 TAC 133.307 (2)(H) states, "(2) Response. On receipt of the request, the respondent must provide any missing information not provided by the requestor and known to the respondent. The respondent must also provide the following information and records... (H) If the medical fee dispute involves compensability, extent of injury, or liability, the insurance carrier must attach any related Plain Language Notice in accordance with §124.2 of this title (concerning Insurance Carrier Reporting and Notification Requirements).

The insurance carrier did not submit documentation to support the denial of the claim as indicated on the EOBs. No copies of a PLN were provided for review to support their position. As a result, due to the insufficient documentation the DWC will proceed with the audit of the disputed charges.

2. DWC Rule 28 TAC §134.503 (c) states the insurance carrier shall reimburse the health care provider or pharmacy processing agent for prescription drugs the lesser of 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:

- Generic drugs: $((AWP \text{ per unit}) \times (\text{number of units}) \times 1.25) + \$4.00 \text{ dispensing fee per prescription} = \text{reimbursement amount}$

Drug	NDC	Generic (G)	Quantity	AWP /unit	DWC Fee	Billed Amount	Lesser of DWC Fee and Billed Amount
Gabapentin 300 mg	71093012105	G	30	1.33	\$53.88	\$97.40	\$53.88
Cyclobenzaprine 5mg	10702000610	G	30	1.722	\$68.60	\$109.18	\$68.60
TOTAL					\$122.48	\$206.58	\$122.48

The DWC finds that the requestor is entitled to reimbursement, in the amount of \$122.48.

Conclusion

The outcome of each independent medical fee dispute relies on the relevant evidence the requester and respondent present at the time of adjudication. Although all the evidence in this dispute may not have been discussed, it was considered.

The DWC finds the requester has established that reimbursement is due. As a result, the amount ordered is \$122.48.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requester is entitled to additional reimbursement for the disputed services. It is ordered that Allmerica Financial Benefit Insurance Co must remit to the 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

_____	_____	May 9, 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. 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 512-804-4812.