



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

ProximaRx

Respondent Name

Zurich American Insurance Co

MFDR Tracking Number

M4-24-2999-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

August 30, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
April 5, 2024	NDC # 51660-0333-01	\$68.78	\$11.55
April 5, 2024	NDC # 29300-0419-10	\$66.55	\$15.31
April 5, 2024	NDC # 29300-0415-10	\$90.24	\$44.93
April 5, 2024	NDC # 59651-0362-05	\$98.60	\$55.38
Total		\$324.17	\$127.17

Requestor's Position

"PROXIMA I RX included documentation that it submitted the original bill and then requested the carrier review bill again and never received a response. PROXIMA I RX has attached both correspondences of proof requesting that the carrier provided an explanation of benefits or review."

Amount in Dispute: \$324.17

Respondents' Position

The Austin carrier representative for Zurich American Insurance Company is Flahive, Ogden & Latson. Flahive, Ogden & Latson, was notified of this medical fee dispute on September 5, 2024. Per 28 TAC §133.307(d)(1) if the division does not receive the response within 14-calendar days of the dispute notification, then the division may base its decision on the available information. As of today, no response has been received from the carrier or its representative. We therefore base this decision on the information available as authorized under §133.307(d)(1).

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

Neither party submitted an explanation of benefits for the services in dispute.

Issues

1. What is the insurance carrier's obligation to respond to a medical bill?
2. Did the insurance carrier timely present denial reasons to the provider before the filing of this fee dispute?
3. What is the total reimbursement for the service(s) in dispute?

Findings

1. The requestor seeks reimbursement for medication dispensed on April 5, 2024. Neither party submitted copies of explanation of benefits (EOBs) with the medical fee dispute resolution request. The insurance carrier did not respond to the medical fee dispute resolution request.

The DWC finds that It is the duty of the workers' compensation insurance carrier or an agent acting on the carrier's behalf to pay, reduce, or deny a complete medical bill within 45 days from the date of receipt. A carrier's 45-day deadline to make or deny payment is **not extended** because of an audit under 28 TAC §133.230, or because of a pending request for additional documentation. Further, the insurance carrier **shall** notify the health care provider of its final action by issuing an explanation of benefits (EOB) and shall include on its EOB any bill reductions, denial reasons, and defenses in the form and manner required by 28 TAC §133.240.

- The DWC finds that the requestor, ProximaRx, presented sufficient documentation to support its requested payment from Zurich American Insurance Company for medications provided to a covered injured employee. The insurance carrier did not pay, reduce, or deny the complete medical bill in 45 days. Due to the insurance carrier's failure to take final action and timely issue an EOB, the provider then asked for reconsideration and requested an EOB as required. Zurich American Insurance Company did not respond to the request for reconsideration. The provider then filed for medical fee dispute resolution (MFDR).

No evidence was presented by Zurich American Insurance Company or its agent to support that it responded to the complete medical bill within 45 days; nor did Zurich American Insurance Co or its agent present any evidence to support that it responded to the request for reconsideration and request for an EOB. Zurich American Insurance Company failed to respond to the medical fee dispute resolution request and has therefore failed to present any denial reasons or defenses to the provider before the filing of this medical fee dispute.

Zurich American Insurance Company failed to present any defenses that conform with the requirements of 28 TAC §133.240 and 133.250 discussed above. Absent any evidence that Zurich American Insurance Company or an agent acting on Zurich American Insurance Company's behalf timely presented any defenses to the provider that conform with the requirements of Title 28, Part 2, Chapter 133, Subchapter C, the DWC finds that the medications are eligible for reimbursement.

- Rule 28 TAC §134.503 applies to the reimbursement for medications. The medications in dispute are listed on the bill separately.

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.

The calculation of the total allowable amount is as follows:

Drug	NDC	Generic(G) /Brand(B)	Price/ Unit	Units Billed	AWP Formula	Billed Amount	Lesser of AWP and Billed
Acetaminophen ER	51660033301	G	0.067	90	\$11.55	\$68.78	\$11.55
Amitriptyline HCl	29300041910	G	0.301	30	\$15.31	\$66.55	\$15.31
Cyclobenzaprine HCl	29300041510	G	1.091	30	\$44.93	\$90.24	\$44.93
Ibuprofen	59651036205	G	0.685	60	\$55.38	\$98.60	\$55.38
Total					\$127.17	\$324.17	\$127.17

The total reimbursement is therefore \$127.17. This amount is recommended.

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.

DWC finds the requester has established that reimbursement is due. As a result, the amount ordered is \$127.17.

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 the Respondent must submit to the Requester \$127.17 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

_____	_____	November 8, 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.