



# Medical Fee Dispute Resolution Findings and Decision

## General Information

**Requestor Name**  
ProximaRX

**Respondent Name**  
Arch Insurance Co.

**MFDR Tracking Number**  
M4-25-0361-01

**Carrier's Austin Representative**  
Box Number 19

**DWC Date Received**  
October 14, 2024

## Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
May 10, 2024	Acetaminophen 500mg NDC: 58602-0773-21	\$64.72	\$6.86
May 10, 2024	Pantoprazole NDC: 31722-0713-90	\$373.53	\$373.53
May 10, 2024	Sucralfate 1g NDC: 72578-0081-01	\$153.50	\$124.00
		\$591.75	\$504.39

## Requestor's Position

"The original bill was submitted to the carrier on 05/13/2024 VIA FAX CONFIRMATION... The reconsideration was submitted and received by the carrier on 08/18/2024 VIA FAX CONFIRMATION and then denied by the carrier. I have attached proof of submission for the first correspondence. The carrier denied the reconsideration based on TIMELY FILING."

**Amount in Dispute:** \$591.75

## Respondent's Position

The Austin carrier representative for Arch Insurance Co., Flahive, Ogden & Latson. The carrier's representative was notified of this medical fee dispute on October 22, 2024. Per 28 Texas Administrative Code §133.307 (d)(1), if DWC does not receive the response within 14 calendar days of the dispute notification, then 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 \(TAC\) §133.240](#) sets out the procedures for payment or denial of a medical bill.
2. [28 TAC §133.307](#) sets out the procedures for resolving medical fee disputes.
3. [28 TAC §133.20](#) sets out requirements of medical bill submission by health care providers.
4. [28 TAC §134.503](#) sets out the fee guidelines for pharmaceutical services.

### Denial Reasons

- 29 - THE TIME LIMIT FOR FILING HAS EXPIRED.
- 4271 - PER TX LABOR CODE SEC. 408.027, PROVIDERS MUST SUBMIT BILLS TO PAYORS WITHIN 95 DAYS OF THE DATE OF SERVICE.

### Issues

1. Is the reason for denial, untimely filing of the medical bill, supported?
2. What rules apply to the reimbursement of the services in dispute?
3. Is ProximaRx entitled to reimbursement for the disputed drugs dispensed on May 10, 2024?

### Findings

1. Per explanation of benefits (EOB) submitted, the drugs in dispute, dispensed on May 10, 2024, were denied reimbursement due to untimely filing of the medical bill.

28 TAC §133.20 sets out requirements of timely medical bill submission, states in pertinent part "(b) 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. In accordance with subsection (c) of the statute, the health care provider shall submit the medical bill to the correct workers' compensation insurance carrier not later than the 95th day after the date the health care provider is notified of the health care provider's erroneous submission of the medical bill. A health care provider who submits a medical bill to the correct workers' compensation insurance carrier shall include a copy of the original medical bill submitted, a copy of the explanation of benefits (EOB) if available, and sufficient documentation to support why one or more of the exceptions for untimely submission of a medical bill under §408.0272 should be applied."

Texas Labor Code §408.0272(b) sets out certain exceptions for untimely submission of a claim, states "(b) Notwithstanding Section 408.027, a health care provider who fails to timely submit a claim for payment to the insurance carrier under Section 408.027(a) does not forfeit the provider's right to reimbursement for that claim for payment solely for failure to submit a timely claim if: (1) the provider submits proof satisfactory to the commissioner that the provider, within the period prescribed by Section 408.027(a), erroneously filed for reimbursement with: (A) an insurer that issues a policy of group accident and health insurance under which the injured employee is a covered insured; (B) a health maintenance organization that issues an evidence of coverage under which the injured employee is a covered enrollee; or (C) a workers' compensation insurance carrier other than the insurance carrier liable for the payment of benefits under this title; or (2) the commissioner determines that the failure resulted from a catastrophic event that substantially interfered with the normal business operations of the provider."

The requestor asserts that the medical bill in dispute was originally submitted to the insurance carrier via fax on May 13, 2024, to which the requestor did not receive a response or an EOB. The requestor states it sent a reconsideration request to the insurance carrier via fax on August 18, 2024, to which the requestor did receive an EOB response denying reimbursement for untimely filing of the pharmacy bill. The requestor submitted evidence to support that both fax transmissions were successfully sent to the same fax number.

According to a review of the submitted documents, the requestor successfully submitted the original pharmacy bill to the insurance carrier on May 13, 2024, via successful fax transmission, as evidenced by fax confirmation document notices.

The drugs in dispute have a date of service May 10, 2024, per the medical bill submitted. Ninety-five days from the date of service May 10, 2024, was August 13, 2024. A review of submitted documentation finds that the first date the medical bill in dispute was successfully submitted to the insurance carrier via fax transmission and confirmation was on May 13, 2024, less than 95 days from the date of service.

DWC finds that the denial reason 29, based on untimely filing of the medical bill, is not supported.

2. Because the insurance carrier’s reason for denial is not supported, the services in dispute will be reviewed per applicable fee guidelines. DWC finds that Rule 28 TAC §134.503(c) applies to the services in dispute and states in pertinent part that 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 per unit) x (number of units) x 1.25) + \$4.00 dispensing fee per prescription = reimbursement amount;

3. The requester is seeking reimbursement in the total amount of \$591.75 for generic drugs billed with date of service May 10, 2024. Because the insurance carrier failed to support its denial reason(s) for payment of these medications, DWC will adjudicate for the maximum allowable reimbursement (MAR) for the disputed medications in accordance with 28 TAC §134.503(c):

Drug	Number Units Dispensed	NDC	Generic (G)/ Brand (B)	AWP Price/Unit	AWP DWC Formula	Billed Amount	Lesser of AWP and Billed Amount
Acetaminophen 500mg	90	58602-0773-21	G	\$0.02540	\$6.86	\$64.72	\$6.86
Pantoprazole 40mg	60	31722-0713-90	G	\$5.26711	\$399.03	\$373.53	\$373.53
Sucralfate 1GM	120	72578-0081-01	G	\$0.8000	\$124.00	\$153.50	\$124.00
<b>Total</b>						<b>\$594.75</b>	<b>\$504.39</b>

DWC finds that in accordance with 28 TAC §134.503(c), the total MAR for the disputed drugs dispensed on May 10, 2024, is \$504.39. 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 requestor has established that reimbursement in the amount of \$504.39 is due.

## Order

Under the Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to reimbursement for the disputed date of service May 10, 2024. It is ordered that the Respondent, Arch Insurance Co., must remit to the Requestor, ProximaRx, \$504.39 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

### Authorized Signature

_____	_____	January 22, 2025
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, please 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).