



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Injured Workers Pharmacy

Respondent Name

State Office of Risk Management

MFDR Tracking Number

M4-25-0726-01

Carrier's Austin Representative

Box Number 45

DWC Date Received

November 26, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
May 17, 2024 – August 31, 2024	Pharmaceutical Services	\$1,305.42	\$1,305.42

Requestor's Position

"The bills in question were originally denied because the carrier needed updated medical records from the providing doctor. The medical records were received for the dates of service in question. An appeal was submitted with the medical records, original EOBs, bills in question and an appeal letter. However, the appeal was denied for timely filing ...

"The bills were stamped 'reconsideration', and the original EOBs were attached to the appeal which would be proof of timely filing for the original submission. We were also well within the 10-month mark to send the appeal."

Amount in Dispute: \$1,305.42

Respondent's Position

"Upon notification of this dispute, the Office researched the medical billing received from Injured Worker's Pharmacy which determined there has been no medical documentation to support how the medications filled from 5/17/2024 through 8/31/2024 as listed on the DWC60 were prescribed to treat the compensable injury ...

"The medical evidence submitted with this dispute supports ongoing treatment for conditions that are not related to the compensable injury ...

"In a review of the medications in dispute, the Office will maintain denial at this time as there is medical evidence substantiating what conditions these medications are being prescribed for or that they were being prescribed for off-label use."

Response Submitted by: State Office of Risk Management

Findings and Decision

Authority

This medical fee dispute is decided according to [Texas Labor Code \(TLC\) §413.031](#) and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation (DWC).

Statutes and Rules

1. [28 Texas Administrative Code \(TAC\) §133.210](#) sets out the requirements for documentation.
2. [28 TAC §133.307](#) sets out the procedures for resolving medical fee disputes.
3. [28 TAC §134.502](#) sets out the guidelines for pharmaceutical services.
4. [28 TAC §134.530](#) sets out the fee guidelines for pharmaceutical services.

Denial Reasons

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

- P13 – Payment reduced or denied based on workers' compensation jurisdictional regulations or payment polices, use only if no other code is applicable.
- Notes: "There is no medical to support the rationale for the use of these medications for the treatment for the compensable injury."
- 16 – Claim/service lacks information which is needed for adjudication.
- Notes: "Denied pos for fill for medication noted above due to no current medical to support the use for this medication for the treatment for compensable injury."
- Notes: "NO MEDICAL TO SUPPORT THE RATIONALE FOR THE USE OF THIS MEDICATION."
- Notes: "NO CURRENT MEDICAL TO SUPPORT THE RATIONALE OF THIS MEDICATION TO TREAT THE COMPENSABLE INJURY"

Issues

1. Is the insurance carrier's denial for lack of medical necessity supported?
2. Is the insurance carrier's denial based on lack of information supported?

3. Is Injured Workers Pharmacy entitled to reimbursement for the drugs in question?

Findings

1. Injured Workers Pharmacy is seeking reimbursement for drugs dispensed from May 17, 2024, through August 31, 2024.

Per explanations of benefits submitted, the insurance carrier denied payment for some of the drugs dispensed on dates of service June 18, 2024, through August 31, 2024, in part, stating, "NO MEDICAL TO SUPPORT THE RATIONALE FOR THE USE OF THIS MEDICATION."

28 TAC §134.502(e) states, "The insurance carrier, injured employee, or pharmacist may request a statement of medical necessity from the prescribing doctor. If an insurance carrier requests a statement of medical necessity, the insurance carrier shall provide the sender of the bill a copy of the request at the time the request is made. An insurance carrier shall not request a statement of medical necessity unless in the absence of such a statement the insurance carrier could reasonably support a denial based upon extent of, or relatedness to the compensable injury, or based upon an adverse determination."

A review of the submitted documentation finds no evidence that the insurance carrier submitted a request for a statement of medical necessity to the prescribing doctor for the drugs in question. Therefore, DWC finds that the State Office of Risk Management did not request a statement of medical necessity in accordance with 28 TAC §134.502.

2. Per explanations of benefits dated August 8, 2024, and August 28, 2024 the insurance carrier denied payment for date of service July 12, 2024, and August 6, 2024, in part, based on a lack of information.

Documentation is not required to be submitted with the medical bill for pharmaceutical services according to 28 TAC §133.210. When an insurance carrier needs more information to process the bill, 28 TAC §133.210(d) requires a request to the health care provider that must:

- (1) be in writing;
- (2) be specific to the bill;
- (3) specifically describe the information to be included in the response;
- (4) be relevant and necessary for the resolution of the bill;
- (5) be for information that the health care provider has;
- (6) indicate the specific reason that the insurance carrier needs the information; and
- (7) include a copy of the bill that the insurance carrier is requesting the additional documentation for.

The insurance carrier failed to submit evidence that it made an appropriate request for additional documentation with the required specificity. The insurance carrier's denial for this reason is not supported.

3. Per TLC §408.021(a), "An employee who sustains a compensable injury is entitled to all health care reasonably required by the nature of the injury as and when needed." DWC finds that the insurance carrier failed to provide sufficient evidence to support that these conditions were not

met for the services in question.

Because the insurance carrier failed to support its denial of payment for the services in question, DWC finds that Injured Workers Pharmacy is entitled to reimbursement.

The reimbursement considered in this dispute is calculated according to 28 TAC §134.503(c)(a), with relevant formula for generic drugs: $(AWP \text{ per unit}) \times (\text{number of units}) \times 1.25 + \4.00 dispensing fee per prescription = reimbursement amount.

Date	NDC Number	Drug Name	AWP	Units	DWC Multiplier	Dispense Fee	Total
5/17/2024	16714025702	Amitriptyline HCl 10 mg Tab	0.274	30	1.25	\$4.00	\$14.28
	57237001899	Duloxetine HCl DR mg Cap	7.852	30	1.25	\$4.00	\$298.45
6/18/2024	16714025702	Amitriptyline HCl 10 mg Tab	0.274	30	1.25	\$4.00	\$14.28
	57237001899	Duloxetine HCl DR mg Cap	7.852	60	1.25	\$4.00	\$592.90
	16714066202	Gabapentin 300 mg Cap	0.761	90	1.25	\$4.00	\$89.61
7/12/2024	16714066202	Gabapentin 300 mg Cap	0.761	90	1.25	\$4.00	\$89.61
7/17/2024	51660002944	Omeprazole DR 20 mg Tab	0.621	30	1.25	\$4.00	\$27.29
8/6/2024	16714066202	Gabapentin 300 mg Cap	0.761	90	1.25	\$4.00	\$89.61
8/31/2024	16714066202	Gabapentin 300 mg Cap	0.761	90	1.25	\$4.00	\$89.61
Total							\$1,305.64

The total allowable reimbursement for the drugs in question is \$1,305.64. Injured Workers Pharmacy is seeking \$1,305.42. 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 of \$1,305.42 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 State Office of Risk Management must remit to Injured Workers Pharmacy \$1,305.42 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

February 13, 2025

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 three 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 tres o correo electronico CompConnection@tdi.texas.gov.