

## Medical Fee Dispute Resolution Findings and Decision General Information

**Requestor Name**

ProximaRx

**Respondent Name**

AIU Insurance Company

**MFDR Tracking Number**

M4-25-0878-01

**Carrier's Austin Representative**

Box Number 19

**DWC Date Received**

December 17, 2024

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
June 7, 2024	51991-0746-05 Duloxetine HCl Pellets Cap 20 MG	\$259.05	\$255.94
June 7, 2024	50228-0180-10 Gabapentin Cap 300 MG	\$97.46	\$53.95
June 7, 2024	69584-0612-50 Methocarbamol Tab 750 MG	\$78.18	\$29.85
June 7, 2024	69238-1120-01 Oxaprozin Tab 600 MG	\$521.28	\$521.28
<b>Total</b>		\$955.97	\$861.02

### Requestor's Position

"PROXIMA 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. The Request for Reconsideration was submitted to and received by the carrier on 09/16/2024 via CERTIFIED MAIL."

**Amount in Dispute:** \$955.97

## Respondents' Position

The Austin carrier representative for AIU Insurance Company is Flahive, Ogden & Latson. Flahive, Ogden & Latson, was notified of this medical fee dispute on December 24, 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.
3. [28 TAC §133.240](#) sets out the rules for Medical Payments and Denials.
4. [28 TAC §133.250](#) sets out the rules for Reconsideration for Payment of Medical Bills.

### Denial Reasons

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

### Issues

1. Did the insurance carrier timely present denial reasons to the provider before the filing of this fee dispute?
2. Is the requestor entitled to reimbursement?

### Findings

1. The requestor, ProximaRx seeks reimbursement for medications dispensed on June 7, 2024. The insurance carrier did not respond to the medical fee dispute resolution request. A review of the submitted documentation finds that neither party submitted copies of explanation of benefits (EOBs) for consideration in this review.

28 TAC §133.240(a) 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. 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.

A review of the submitted documentation finds that the requestor presented sufficient documentation to support its request for payment from AIU Insurance Company. 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. AIU 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 AIU Insurance Company or its agent to support that it responded to the complete medical bill within 45 days; nor did AIU Insurance Company or its agent present any evidence to support that it responded to the request for reconsideration and request for an EOB. AIU Insurance Company therefore failed to present any denial reasons or defenses to the provider before the filing of this medical fee dispute.

The division finds that AIU 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 AIU Insurance Company or an agent acting on AIU 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.

2. 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
Duloxetine HCl Enteric Coated Pellets Cap 20 MG	51991-0746-05	G	6.71832	30	\$255.94	\$259.05	\$255.94
Gabapentin Cap 300 MG	50228-0180-10	G	1.33200	30	\$53.95	\$97.46	\$53.95
Methocarbamol Tab 750 MG	69584-0612-50	G	0.68930	30	\$29.85	\$78.18	\$29.85
Oxaprozin Tab 600 MG	69238-1120-01	G	7.72960	60	\$583.72	\$521.28	\$521.28
<b>Total</b>						\$955.97	\$861.02

The total reimbursement is therefore \$861.02. 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 \$861.02.

## **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 \$861.02 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

## **Authorized Signature**

_____	_____	March 19, 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 512-804-4812.