



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

EZ Scripts LLC

Respondent Name

Bexar County

MFDR Tracking Number

M4-24-1444-01

Carrier's Austin Representative

Box Number 44

DWC Date Received

March 5, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
March 9, 2023	00185-0676-01	\$7.36	\$0.00
April 6, 2023	00185-0676-01	\$7.18	\$0.00
June 12, 2023	00185-0676-01	\$7.18	\$0.00
July 12, 2023	00185-0676-01	\$7.18	\$0.00
August 10, 2023	00185-0676-01	\$7.36	\$0.00
September 11, 2023	00185-0676-01	\$7.36	\$0.00
October 11, 2023	00185-0676-01	\$7.36	\$0.00
November 9, 2023	00185-0676-01	\$7.36	\$0.00
December 11, 2023	00185-0676-01	\$7.36	\$0.00
January 9, 2024	00185-0676-01	\$7.36	\$0.00
TOTAL		\$80.24	\$0.00

Requestor's Position

"The carrier is refusing to issue payment at the fee schedule the medication Hydroxyzine Pamoate 50 MG. The insurance carrier issued a partial payment for each disputed date of service. EZ Scripts seeks an additional payment of \$7.36 OR \$7.18 for each date of service."

Amount in Dispute: \$80.24

Respondent's Position

"Per DWC rule 134.503(c)(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. The calculates below were based on Redbook, which is nationally recognized.

Per DWC rule 134.503(c)(1)(A), the formula for generic drug reimbursement is: ((AWP per unit) x (number of units) x 1.25) + \$4.99 dispensing fee.

The AWP for NDC 01185067601 is .12580.

$.12580 \times 30 \text{ units} = 3.77$

$3.77 \times 1.25 = 4.72$

$4.72 + \$4.00 \text{ dispensing fee} = \$8.72.$

Wherefore, Respondent seeks a finding that Requestor is denied any reimbursement for the services performed on these dates of service.

Response submitted by: White Espey PLLC

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 TAC §133.307](#) sets out the procedures for resolving medical fee disputes.
2. [28 TAC §134.503](#) sets out the fee guidelines for pharmacy services.

Denial Reasons

- 3 – Charge for pharmaceuticals exceed the fees established by the fee schedule.
- P12 – Workers' compensation jurisdictional fee schedule adjustment.
- 18 – Exact duplicate claim/service.
- 247 – A payment or denial has already been recommended for this service.
- W3 – Bill is a reconsideration or appeal.
- 2005 – No additional reimbursement allowed after review of appeal/reconsideration.

- Note: The recommendation for NDC 00185067601 was accurate. Pricing was made based on Redbook which has an AWP of 0.1258. $AWP\ 0.1258 \times \text{number of units } 30 = \$3.77 \times 1.25 = 4.72 + 4.00 \text{ dispensing fee} = 8.72$.
- Note: No additional due. Bill was recommended based on Pharmacy Fee guideline $AWP \times 2 \text{ units} \times 1.25 + 4 \text{ dispensing fee}$. Redbook $AWP\ 0.1258 \times \text{units } 30 \times 1.25 + \$4 = \$8.72$.
- Note: No additional recommendation is made for Hydroxyzine Pamoate 50mg NDC 00185067601. Recommendation was made according to the Pharmacy Fee Guideline Rule 134.503. $AWP\ 0.1258 \times \text{units } 30 \times 1.25 = \$4.72 + \$4.00 \text{ dispensing fee} = \8.72 . Redbook is the primary pricing data/guide.
- Note: Recommendation was made according to Redbook. $00185067601\ AWP\ 0.1258 \times 30 \text{ qty} \times 125\% \text{ markup} + \$4.00 \text{ dispensing fee} = \8.72 .

Issues

1. Is EZ Scripts, LLC entitled to additional reimbursement for the drug in question?

Findings

1. The requestor is seeking additional reimbursement for oral medication Hydroxyzine Pamoate 50mg (30 units) on the dates of service March 9, 2023, April 6, 2023, June 12, 2023, July 12, 2023, August 10, 2023, September 11, 2023, October 11, 2023, November 9, 2023, December 11, 2023, and January 9, 2024.

The requestor is seeking an additional payment of \$80.24 for the disputed dates of service.

Per 28 TAC §134.503 (c)(1) which states, "(c) The insurance carrier shall reimburse the health care provider or pharmacy processing agent for prescriptions drugs the lesser of: (1) The fees established by the following formulas based on the average wholesale price (AWP) determined by utilizing a nationally recognized pharmaceutical price guide or other publication of pharmaceutical pricing data in effect on the day the prescription drug is dispensed."

The requestor has the burden of supporting its requests how the requested amount of \$7.36 or \$7.18 for each date of service meets DWC Rule TAC §134.503 (c) (1)(A)(B) which states, "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: $((AWP \text{ per unit}) \times (\text{number of units}) \times 1.25) + \$4.00 \text{ dispensing fee per prescription} = \text{reimbursement amount}$;

(B) Brand name drugs: $((AWP \text{ per unit}) \times (\text{number of units}) \times 1.09) + \$4.00 \text{ dispensing fee per prescription} = \text{reimbursement amount}$.

Review of the explanation of benefits, position statements, and other documentation provided by the parties finds that: (1) no contract exists between the parties; and that (2) there are no denial codes or assertions refuting that the amount charged is the usual and customary amount.

Consequently, the MAR in this medical fee dispute is established by determining the lesser of the charged amount and the AWP formula pursuant to 28 TAC §134.503(c)(1).

The DWC finds that the requestor has failed to support it is entitled to additional reimbursement for dates of service March 9, 2023, through January 9, 2024.

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 requester has not established that additional reimbursement is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requestor is entitled to \$0.00 additional reimbursement for the disputed services.

Authorized Signature

_____	_____	April 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, 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 1-800-252-7031, opción 3 o correo electrónico CompConnection@tdi.texas.gov.