



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

EZ Scripts LLC

Respondent Name

American Zurich Insurance Co

MFDR Tracking Number

M4-24-1689-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

April 5, 2024

Summary of Findings

| Dates of Service | Disputed Services | Amount in Dispute | Amount Due |
|------------------|-----------------------------------|-------------------|------------|
| August 18, 2023 | 72205-0014-90 Pregabalin 100mg | \$952.04 | \$882.32 |
| October 25, 2023 | 00406-0484-01 Acetamin/Cod | \$165.54 | \$0.00 |
| | | \$935.86 | \$882.32 |

Requestor's Position

"The carrier is refusing to issue payment at the fee schedule for the medication Acetaminophen Codeine 300-30 MG. Pregabalin 100 MG filled on 08/18/2023, was initially submitted with an incorrect billed amount. The bill was updated with the correct price of \$952.04 and submitted to the carrier within 95 days from the date of service as a reconsideration. Sedgwick and CMS did not process the appeal. The insurance carrier issued a partial payment for each disputed date of service."

Amount in Dispute: \$935.86

Respondent's Position

The Austin carrier representative for American Zurich Insurance Co is Flahive Ogden & Latson. The representative was notified of this medical fee dispute on April 10, 2024.

Per 28 Texas Administrative Code §133.307(d)(1), if the DWC does not receive the response within 14 calendar days of the dispute notification, then the 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.

Response submitted by: N/A

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

- 60 (B13) – The provider has billed for the exact services on a previous bill.
- E1 (P12) – The provider does not appear to have a valid Drug Enforcement Agency (DEA) as a federally controlled substance. It is recommended the
- ZR (P12) – The provider or a different provider has billed for the exact service on a previous bill where no allowance was originally recommended.
- N3 (B20) – A reduction was made because a different provider has billed for the exact services on a previous bill.
- D3 (P12) – Duplicate Paid/Captured Claim

Issues

1. What rule(s) apply to disputed services?

Findings

1. The requestor is seeking reimbursement for oral medication dispensed in August and October of 2023. The insurance carrier reduced the services as duplicate. The insurance carrier did not submit a position statement to support this reduction.

The service in dispute will be reviewed per applicable fee guideline.

2. DWC Rule 28 Texas Administrative Code §134.503 (c)(1)(A)(B) states in pertinent part (c) 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: $((AWP \text{ per unit}) \times (\text{number of units}) \times 1.25) + \4.00 dispensing fee per prescription = reimbursement amount;

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

| Drug | NDC | Generic(G) /Brand(B) | Price /Unit | Units Billed | AWP Formula | Billed Amt | Lesser of AWP and Billed |
|------------------------|-------------|----------------------|-------------|--------------|-------------|------------|--------------------------|
| Pregabalin | 72205001490 | G | 8.427 | 90 | \$952.07 | \$952.04 | \$952.04 |
| Acetaminophen/ Codeine | 00406048401 | G | 0.951 | 90 | \$111.00 | \$164.54 | \$111.00 |
| | | | | | | \$1,116.58 | \$1,063.04 |

The total reimbursement is \$1,063.04. The insurance carrier paid \$180.72. The balance of \$882.32 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 requester has established that additional reimbursement 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 American Zurich Insurance Co must remit to EZ Scripts \$882.32 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

June 5, 2024

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