



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

EZ Scripts

Respondent Name

State Office of Risk Management

MFDR Tracking Number

M4-24-2256-01

Carrier's Austin Representative

Box Number 45

DWC Date Received

June 12, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
January 16, 2024	NDC 50228-0158-05	\$288.29	\$288.29
January 16, 2024	NDC 52817-0332-00	\$126.85	\$126.79
January 16, 2024	NDC 72205-0013-90	\$636.02	\$636.02
February 12, 2024	NDC 72205-0013-90	\$636.02	\$636.02
March 11, 2024	NDC 72205-0013-90	\$636.02	\$636.02
March 11, 2024	NDC 50228-0158-05	\$288.29	\$288.29
March 11, 2024	NDC 52817-0332-00	\$126.85	\$126.79
April 9, 2024	NDC 72205-0013-90	\$636.02	\$636.02
April 9, 2024	NDC 29300-0415-10	\$126.85	\$126.79
April 9, 2024	NDC 50228-0158-05	\$288.29	\$288.29
Total		\$3,789.50	\$3,789.32

Requestor's Position

"Enclosed are the outstanding pharmacy bills from EZ Scripts, which were submitted to The Texas State Office of Risk Management in a timely manner after each prescription was filled. The carrier refused to issue payment because we did not include the full social security number of the patient on the DWC066. The bills were rejected... We resubmitted all the rejected bills with the patient's social security number. The bills were then denied with the codes below... Additionally, the bill for the date of service 02/12/2024 has since been paid."

Amount in Dispute: \$3,789.50

Respondent's Position

"Upon notification of this dispute, the Office researched the medical billing received from EZ Scripts which determined the Office will maintain our denials for all dates of service in dispute... The Office returned the bills initially for an incomplete DWC 66 by 28 TAC 133.10 as the employer's address and phone number were missing and the social security number was deemed invalid... The Office is maintaining our denial for the date of service 1/16/2024 for timely filing as a complete DWC 66 was not submitted to the carrier within 95 days from the date of service. Furthermore, for dates of service 3/11/2024 and 4/9/2024, there has been no medical documentation to support how the medications filled on 1/16/2024-4/9/2024 were prescribed to treat the compensable injury..."

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 \(TAC\) §133.2](#) provides definitions for the medical billing and processing rules.
2. [28 TAC §133.10](#) sets out the procedures for completing medical bills.
3. [28 TAC §133.200](#) sets out the procedures for receipt of medical bills by insurance carriers.
4. [28 TAC §133.240](#) sets out the procedures for payment or denial of a medical bill.
5. [28 TAC §133.307](#) sets out the procedures for resolving medical fee disputes.
6. [28 TAC §134.502](#) sets out the procedures for pharmaceutical services.
7. [28 TAC §134.503](#) sets out the fee guidelines for pharmaceutical services.

Denial Reasons

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

- 29 - THE TIME LIMIT FOR FILING HAS EXPIRED.
- PER RULE 133.20; A HEALTH CARE PROVIDER SHALL NOT SUBMIT A MEDICAL BILL LATER THAN THE 95TH DAY AFTER THE DATE THE SERVICES ARE PROVIDED. PLEASE RESUBMIT TO INCLUDE DOCUMENTATION THAT SATISFIES THE TWO EXCEPTIONS IN TEXAS LABOR CODE ?408.0272(b)(c) OR (d) TO SUBSTANTIATE THE TIMELY FILING CRITERIA WAS MET.
- P13 – PAYMENT REDUCED OR DENIED BASED ON WORKERS' COMPENSATION JURISDICTIONAL REGULATIONS OR PAYMENT POLICIES.

- Note: "NO MEDICAL TO SUPPORT THE RATIONALE FOR THE USE OF THIS MEDICATION."
- 18 – EXACT DUPLICATE CLAIM/SERVICE.

Issues

1. Did State Office of Risk Management return medical bills in accordance with 28 TAC §133.200?
2. Has the requestor waived their right to medical fee dispute resolution (MFDR) for the disputed date of service January 16, 2024?
3. Did State Office of Risk Management (SORM) request a statement of medical necessity in accordance with 28 TAC §134.502?
4. Is EZ Scripts, LLC entitled to reimbursement for the drugs in question?

Findings

1. Per submitted documentation, the insurance carrier returned some of the submitted medical bills in question based on invalid or missing social security number and missing employer name and address.

28 TAC §133.2(4) defines a "complete medical bill" as "A medical bill that contains all required fields as set forth in the billing instructions for the appropriate form specified in §133.10 of this chapter ..., or as specified for electronic medical bills in §133.500 of this chapter..."

Per 28 TAC §133.200(a)(1), "Insurance carriers shall not return medical bills that are complete, unless the bill is a duplicate bill." Additionally, DWC notes that 28 TAC §133.200(a)(2)(A) (i – iv) allows the insurance carrier the option to complete certain information on the medical bill that is known to the insurance carrier, stating "(2) Within 30 days after the day it receives a medical bill that is not complete as defined in §133.2 of this chapter, an insurance carrier must:

(A) complete the bill by adding missing information already known to the insurance carrier, except for the following: (i) dates of service;

(ii) procedure or modifier codes;

(iii) number of units; and

(iv) charges; **or**

(B) return the bill to the sender, in accordance with subsection (c) of this section."

28 TAC §133.10(f)(3)(J) requires a social security number in field 10. Submitted evidence indicates that bills were submitted for each date of service in question with a number in this field. The employer's name and address are required in field 8, per 28 TAC §133.10(f)(3)(H). Submitted documentation finds that the medical bills submitted included the employer's name in field 8 and that all resubmitted medical bills included the employer's name and address in this field. Per information known to DWC, both the injured employee's social security number and the employer's name and address were previously known by the insurance carrier.

DWC finds that the medical bills submitted to the insurance carrier were complete. Therefore, the bills returned by the insurance carrier for this reason were not returned in accordance with 28 TAC §133.200(a)(1).

2. A review of the submitted explanation of benefits (EOB) finds that the insurance carrier denied the disputed date of service January 16, 2024, for untimely filing of the medical bill.

28 TAC §133.20, which 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."

A review of the submitted documentation finds that the first letter from SORM notifying the requestor of returned bills was generated on January 18, 2024, indicating receipt of the original medical bill prior to January 18, 2024, less than 95 days from the disputed date of service of January 16, 2024.

Because it was found that the medical bills were not returned in accordance with 28 TAC §133.200(a)(1), DWC finds that the requestor submitted the original complete medical bill for the disputed date of service in a timely manner in accordance with 28 TAC §133.20. DWC finds that the requestor is eligible for a medical fee dispute resolution review.

3. Per explanations of benefits submitted, the insurance carrier denied payment for some of the drugs dispensed on dates of service February 12, 2024, March 11, 2024, and April 9, 2024, in part due to "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 drug 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.

4. Because the insurance carrier failed to support its denial of payment for the services in question, the requestor 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:

$((\text{AWP per unit}) \times (\text{number of units}) \times 1.25) + \$4.00 \text{ dispensing fee per prescription} = \text{reimbursement amount.}$

Date	Drug	NDC	Generic (G)/ Brand (B)	Price/Unit	Units Billed	AWP Formula	Billed Amount	Lesser of AWP and Billed Amount
01/16/2024	Celecoxib 200mg	50228-0158-05	G	\$7.58136	30	\$288.30	\$288.29	\$288.29
01/16/2024	Cyclobenzaprine HCL 10mg	52817-0332-00	G	\$1.09150	90	\$126.79	\$126.85	\$126.79
01/16/2024	Pregabalin 75mg	72205-0013-90	G	\$8.42733	60	\$636.05	\$636.02	\$636.02
02/12/2024	Pregabalin 75mg	72205-0013-90	G	\$8.42733	60	\$636.05	\$636.02	\$636.02
03/11/2024	Pregabalin 75mg	72205-0013-90	G	\$8.42733	60	\$636.05	\$636.02	\$636.02
03/11/2024	Celecoxib 200mg	50228-0158-05	G	\$7.58136	30	\$288.30	\$288.29	\$288.29
03/11/2024	Cyclobenzaprine HCL 10mg	52817-0332-00	G	\$1.09150	90	\$126.79	\$126.85	\$126.79
04/09/2024	Pregabalin 75mg	72205-0013-90	G	\$8.42733	60	\$636.05	\$636.02	\$636.02
04/09/2024	Cyclobenzaprine HCL 10mg	29300-0415-10	G	\$1.09150	90	\$126.79	\$126.85	\$126.79
04/09/2024	Celecoxib 200mg	50228-0158-05	G	\$7.58136	30	\$288.30	\$288.29	\$288.29

The total maximum allowable reimbursement for the drugs in question is \$3,789.32. 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 \$3,789.32 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 EZ Scripts, LLC \$3,789.32 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

July 17, 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, 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 electrónico CompConnection@tdi.texas.gov.