



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

EZ Scripts, LLC

Respondent Name

Texas Public School WC Project School Co.

MFDR Tracking Number

M4-24-2812-01

Carrier's Austin Representative

Box Number 18

DWC Date Received

August 20, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
January 2, 2024	Acetaminophen/Codeine NDC: 00406-0484-01	\$27.48	\$16.85
January 2, 2024	Diclofenac Potassium NDC: 72888-0073-01	\$287.31	\$241.77
Total		\$314.79	\$258.62

Requestor's Position

"The carrier issued a payment of \$26.46 for Acetaminophen-Codeine 300-30 MG. Redbook prices the AWP per unit at \$1.42670. The carrier issued a payment of \$27.08 for Diclofenac Potassium 50 MG. Redbook prices the AWP per unit at \$2.75930."

Amount in Dispute: \$314.79

Respondent's Position

"CRF contends that it reimbursed EZ Scripts for prescription drugs dispensed 1/2/2024 in accordance with DWC rule 134.503(c)(1) ... Consequently, EZ Scripts LLC is not entitled to additional reimbursement for the medications dispensed in this claim."

Response Submitted by: Creative Risk Funding, Inc.

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 Texas Administrative Code \(TAC\) §133.307](#) sets out the procedures for resolving medical fee disputes.
2. [28 TAC §133.20](#) sets out requirements of medical bill submission by health care providers.
3. [28 TAC §134.503](#) sets out the fee guidelines for pharmaceutical services.

Adjustment Reasons

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

- 150 - Payer deems the information submitted does not support this level of service.
- Charge exceeds Fee Schedule allowance.
- P12 - Workers' compensation jurisdictional fee schedule adjustment.
- Notes: MEDICAL DOCUMENTATION HAS NOT BEEN RECEIVED TO SUPPORT CHARGES.
- W3 – Reconsideration/Appeal

Issues

1. What amount of reimbursement has the insurance carrier allowed for the disputed drugs as of the date of this review?
2. Did the insurance carrier support its reimbursement amount for the drugs in dispute?
3. Is the requestor entitled to additional reimbursement for the drugs in dispute?

Findings

1. A review of the submitted documentation finds that the insurance carrier initially allowed reimbursement in the following amounts for the drugs dispensed on the disputed date of service:
 - For Acetaminophen/Codeine x 28 units, reimbursement in the amount of \$26.46 was allowed.

- For Diclofenac Potassium x 90 units, reimbursement in the amount of \$27.08 was allowed per each disputed date that the drug was dispensed.

The review of submitted documentation further finds that after the request for medical fee dispute resolution was submitted, the insurance carrier allowed additional reimbursement in the following amounts:

- For Acetaminophen/Codeine x 28 units, additional reimbursement in the amount of \$10.62 was allowed.
- For Diclofenac Potassium x 90 units, additional reimbursement in the amount of \$45.57 was allowed.

DWC finds that as of the date of this review, the insurance carrier has reimbursed in the amounts of \$37.08 for Acetaminophen/Codeine x 28 units and \$72.65 for Diclofenac Potassium x 90 units, for a total reimbursement amount of \$109.73 for the drugs in dispute.

2. In support of its reimbursement amount of the drugs in dispute, the insurance carrier submitted data from the Official Disability Guideline (ODG) Formulary. DWC's review of this source finds that the pricing quoted does not account for number of units dispensed nor dosages. A review of calculations provided by the Respondent finds that the insurance carrier's calculations for reimbursement do not include the number of units dispensed for each disputed drug.

DWC finds that the insurance carrier did not support its reimbursement amount for the drugs in dispute.

3. The requestor is seeking additional reimbursement in the total amount of \$314.79 for disputed drugs dispensed on January 2, 2024.

DWC finds that 28 TAC §134.503(c) applies to the reimbursement of the drugs in dispute, which states, "(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: $((\text{AWP per unit}) \times (\text{number of units}) \times 1.25) + \4.00 dispensing fee per prescription = reimbursement amount;

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

DWC finds that for the generic drug Acetaminophen/Codeine 300mg, dispensed on January 2, 2024: AWP per unit = 1.4267; units dispensed = 28.

The maximum allowable reimbursement (MAR) is calculated according to 28 TAC §134.503 (c) using the formula above:

- Acetaminophen/Codeine 300mg: $(1.4267 \text{ AWP} \times 28 \text{ units} \times 1.25) + \$4.00 = \$53.93 \text{ MAR}$

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