



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

EZ Scripts LLC

Respondent Name

Northside ISD

MFDR Tracking Number

M4-25-0526-01

Carrier's Austin Representative

Rep Box 16

DWC Date Received

October 30, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
November 13, 2023	NDC # 55111-0180-10 / Tizanidine HCL	\$168.81	\$168.81

Requestor's Position

"Tizanidine HCL 4 MG filled on 11/13/2023 was denied with the code 'HE75 Prior Authorization required to process this bill.' This was a Y drug on the formulary in November 2023. EZ Scripts submitted appeals of the determination and have yet to receive payment."

Amount in Dispute: \$168.81

Respondents' Position

The Austin carrier representative for Northside ISD is Adami Shuffield Scheihing & Burns. Adami Shuffield Scheihing & Burns was notified of this medical fee dispute on November 5, 2024. Rule §133.307(d)(1) states that 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).

Statutes and Rules

1. [28 Texas Administrative Code §133.305](#) sets out the general procedures for medical dispute resolution.
2. [28 TAC §133.307](#) sets out the procedures for resolving medical fee disputes.
3. [28 TAC §134.503](#) sets out the fee guidelines for pharmacy.
4. 28 TAC [§§134.530](#) and [134.540](#) sets out the closed formulary requirements, effective January 17, 2011, 35 TexReg 11344.
5. [28 TAC §133.20](#) sets out the medical bill submission procedures for health care providers.
6. [28 TAC §102.4](#) sets out the rules for non-Commission communications.
7. [TLC §408.027](#) sets out the rules for timely submission of claims by health care providers.
8. [TLC §408.0272](#) provides for certain exceptions to the untimely submission of a medical bill.

Denial Reasons

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

- HE75 – Prior authorization required to process this bill.
- SWUI – F005 – Unreadable image ID.
- 60 (B13) – The provider has billed for the exact services on a previous bill.
- XD (P12) – This bill was submitted after the billing timeliness guidelines provided.
- ZR (P12) – The provider or a different provider has billed for the exact service on a previous bill where no allowance was originally recommended.
- P12: ZR – Workers' compensation jurisdictional fee schedule adjustment.
- B13: 60 – Previously paid. Payment for this claim/service may have been provided in a previous payment.

Issues

1. Has the insurance carrier issued payment for the medication in dispute?
2. Is the insurance carrier's denial for untimely billing supported?
3. Is insurance carrier's denial reason for preauthorization supported?
4. Is the requester entitled to additional reimbursement?

Findings

1. The requestor is seeking reimbursement in the amount of \$168.81 for medication dispensed on November 13, 2023. The insurance carrier is denying reimbursement with denial reduction code "B13:60 – Previously paid. Payment for this claim/service may have been provided in a previous payment."

The DWC finds that the insurance carriers has not responded to the MFDR request in support of the denial, "B13:60." Information contained in the dispute did not support a previous payment for the medication in dispute. The denial reason is therefore not supported.

2. The insurance carrier denied Tizanidine Hydrochloride due to untimely billing. A review of the EOBs presented by the requestor finds that the date of service in dispute is November 13, 2023. The first EOB are dated November 22, 2023, December 5, 2023, April 5, 2024 and June 3, 2024.

28 TAC §133.20(b) requires that, except as provided in TLC §408.0272, "a health care provider shall not submit a medical bill later than the 95th day after the date the services are provided."

TLC §408.027(a) states, in pertinent part, that "Failure by the health care provider to timely submit a claim for payment constitutes a forfeiture of the provider's right to reimbursement for that claim for payment

The DWC finds that the medical bill was submitted within 95 days of the service date, according to the paperwork evaluation. The insurance carrier's denial is therefore deemed unsupported by the DWC.

3. A review of the submitted documentation finds that the insurance carrier denied the disputed drug based on preauthorization. Preauthorization is only required for:
 - drugs identified with a status of "N" in the current edition of the ODG Appendix A
 - any compound prescribed before July 1, 2018, that contains a drug identified with a status of "N" in the current edition of the ODG Appendix A
 - any prescription drug created through compounding prescribed and dispensed on or after July 1, 2018; and
 - any investigational or experimental drug.

The DWC finds that the drugs in question are identified with a status of "Y" in the applicable edition of the ODG, Appendix A. Therefore, these drugs do **not** require preauthorization for this reason. The DWC concludes that the insurance carrier's denial of payment of the disputed drug based on preauthorization is not supported.

Based on the documentation provided, DWC finds that the carrier failed to sufficiently support the denial for reimbursement. The requestor is therefore entitled to reimbursement for the medications in dispute.

4. 28 TAC §134.503 (c) states the insurance carrier shall reimburse the health care provider or pharmacy processing agent for prescription drugs the lesser of 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:

- Generic drugs: $((\text{AWP per unit}) \times (\text{number of units}) \times 1.25) + \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 Amt
Tizanidine HCL	55111018010	G	1.46507	90	\$168.82	\$168.81	\$168.81

The total reimbursement is \$168.81. 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 requester has established that reimbursement of \$168.81 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 the respondent must remit to the requestor \$168.81 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

February 13, 2025

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.