



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

EZ Scripts LLC

Respondent Name

Sentry Insurance Co

MFDR Tracking Number

M4-25-0582-01

Carrier's Austin Representative

Box Number 19

DWC Date Received

November 7, 2024

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
October 24, 2023	00406-0523-05	\$669.81	\$0.00
November 20, 2023	42858-0493-40	\$487.21	\$0.00
January 15, 2024	42858-0493-40	\$487.21	\$0.00
February 22, 2024	42858-0493-40	\$487.21	\$0.00
March 13, 2024	45802-0578-84	\$28.00	\$28.00
April 19, 2024	69238-1203-02	\$487.21	\$0.00
		\$2,646.65	\$28.00

Requestor's Position

"EZ Scripts seeks an additional payment for the medication Naloxone Hydrochlorothiazide 4 MG/0.1 ML Spray filled on 03/13/2024. The carrier issued a payment of \$96.00 As you can see from the attached image from Redbook, the carrier should have issued a payment of \$124.00. ...The buprenorphine 100 MCG/H Patches filled on 11/20/2023, 1/15/2024, 02/22/2024, and 04/19/2024 was an N drug on the ODG formulary each time it was filled. The medication was preauthorized and approved before each fill."

Supplemental response received March 7, 2025

"I received payment on all dates of service except for 03/13/2024 and 04/19/2024."

Amount in Dispute: \$2,646.65

Respondents' Position

"We received the attached dispute from the provider. DOS 10/24/2024 for NDC 00406-0523-05 was incorrectly denied as a duplicate and we have instructed Optum to reprocess for payment... DOS 11/20/2024, 01/15/2024, 02/22/2024 for NDC 42858-0493-40 and 4/19/2024 for NDC 69238-1203-02 were denied for prior authorization however a Genex UR was requested and certified. Therefore, we have instructed Optum to reprocess for payment... For DOS 3/13/2024 for NDC 45802-0578-84, the provider is disputing \$28.00. We have confirmed with Optum that this medication priced correctly per TX fee schedule guidelines and was reduced stating 'The charge for the over-the-counter medication exceeds the retail price.' This was paid on check #2610334 dated 4/11/2024."

Supplemental response submitted January 9, 2025

"...Optum has now issued the payments for all requested dates. Copies of the EOB's are attached, and check information is below.

10.24.2023: Paid on check 2647508, dated 1.9.2025

11.20.2023: Paid on check 2643521, dated 12.12.2024

1.15.2024: Paid on check 2643521, dated 12.12.2024

2.22.2024: Paid on check 2643521, dated 12.12.2024

4.19.2024: Paid on check 2645523, dated 1.2.2025

Supplemental response submitted January 10, 2025

"For date of service 3/13/2024, it was determined no additional payment was owed as it processed correctly per TX fee schedule... For the date of service 4/19/2024, Optum had issued payment to the providers office on 1/9/2025 on check 2647508. I confirmed with Optum that check had cleared on 1/16/2025..."

Response submitted by: Sentry

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

- HE83 – Duplicate paid/captured claim.
- 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) ID on file.
- E3(P12) – The provider dispensed a drug item classified by the Drug Enforcement Agency (DEA) as a federally controlled substance with a DEA Class of CI, CII or CV. The Controlled Substances Act monitors these classes of drugs due to the high abuse potential.
- 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.
- 9D (P12) – The charge for the Closed Formulary Drug requires Prior Authorization as defined within Texas Administrative Code Chapter 134. Section 134.530 and 134.540. If Prior Authorization was obtained, please resubmit with a copy of the required information.
- N3(B20) – A reduction was made because a different provider has billed for the exact services on a previous bill.
- D3(P12) – The charge for the prescription drug is greater than the maximum reimbursement for a generic drug.
- HE75 – Prior authorization required to process this bill.
- D2(P12) – The charge for the over-the-counter medication exceeds the retail price.
- @F (W3) – Additional payment made on appeal/reconsideration.

Issues

1. Was the disputed date of service submitted to MFDR timely?
2. Did the insurance carrier issue payments for the services in dispute?
3. What rule is applicable to reimbursement?
4. Is the requestor entitled to additional reimbursement for the date of service March 13, 2024?

Findings

1. The requester submitted the Medical Fee Dispute Resolution dispute for date of service October 24, 2023. DWC Rule 28 TAC §133.307(c)(1) states:
“(c) Requests. Requests for MFDR must be legible and filed in the form and manner prescribed by the division.
(1) Timeliness. A requestor shall timely file with the Division's MDR Section or waive the right to MDR. The division will deem a request to be filed on the date the division receives the request.
(A) A request for medical fee dispute resolution that does not involve issues identified in subparagraph (B) of this paragraph shall be filed no later than one year after the

date(s) of service in dispute.

(B) A request may be filed later than one year after the date(s) of service if:

- (i) a related compensability, extent of injury, or liability dispute under Labor Code Chapter 410 has been filed, the medical fee dispute shall be filed not later than 60 days after the date the requestor receives the final decision, inclusive of all appeals, on compensability, extent of injury, or liability;
- (ii) a medical dispute regarding medical necessity has been filed, the medical fee dispute must be filed not later than 60 days after the date the requestor received the final decision on medical necessity, inclusive of all appeals, related to the health care in dispute and for which the insurance carrier previously denied payment based on medical necessity; or
- (iii) the dispute relates to a refund notice issued pursuant to a division audit or review; the medical fee dispute must be filed not later than 60 days after the date of the receipt of a refund notice.

The date of the service in dispute is October 24, 2023. The request for medical dispute resolution was received at the Division on November 7, 2024. The requestor has waived their right to MFDR for this date of service.

Review of the submitted documentation found insufficient evidence to support an exception as detailed above. The requestor has waived their right to MFDR for dates of service in dispute.

2. The requestor seeks reimbursement for multiple dates of service for a medication that was previously denied as duplicates and no authorization. Upon reconsideration the insurance carrier issued payments as follows.
 - Buprenorphine 11-20-2023. Requestor billed \$487.21. Carrier paid \$487.21. No additional reimbursement recommended.
 - Buprenorphine 01-15-2024. Requestor billed \$487.21. Carrier paid \$487.21. No additional reimbursement recommended.
 - Buprenorphine February 22, 2024. Requestor billed \$487.21. Carrier paid \$487.21. No additional reimbursement recommended.
 - Buprenorphine April 19, 2024. Requestor billed \$487.21. Carrier paid \$487.21. No additional reimbursement recommended.

The remaining disputed medical bill is for date of service March 13, 2024, for NDC 45802-0578-84. The requestor billed \$124.00 the insurance carrier paid \$96.00. The insurance carrier states in their response, "For DOS 3/13/2024 for NDC 45802-0578084, the provider is disputing \$28.00. We have confirmed with Optum that this medication priced correctly per TX fee schedule..."

3. The requestor seeks reimbursement for Naloxone Hydrochloride dispensed on March 13, 2024. 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: $((\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;

Drug	NDC	Generic(G) Brand(B)	Price /Unit	Units Billed	AWP Formula	Billed Amt	Lesser of AWP and Billed
Naloxone Hydrochloride	45802057884	G	48.00	2	124.00	124.00	\$124.00

4. The total reimbursement is \$124.00. The insurance carrier paid \$96.00. A payment of \$28.00 is due to the requestor.

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 Sentry Insurance Co must remit to EZ Scripts \$28.00 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

March 26, 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, 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.