



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requestor Name**

EZ Scripts, LLC

**Respondent Name**

Hanover Casualty Co.

**MFDR Tracking Number**

M4-25-0605-01

**Carrier's Austin Representative**

Box Number 47

**DWC Date Received**

November 11, 2024

### Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
March 4, 2024	00406048401	\$111.02	\$111.00
April 3, 2024	00406048401	\$111.02	\$111.00
May 3, 2024	00406048401	\$111.02	\$111.00
June 3, 2024	00406048401	\$111.02	\$111.00
July 3, 2024	00406048401	\$111.02	\$111.00
August 5, 2024	00406048401	\$111.02	\$111.00
	50228018010	\$103.90	\$0.00
August 29, 2024	50228018010	\$103.90	\$0.00
	00406048401	\$111.02	\$111.00
September 30, 2024	50228018010	\$103.90	\$0.00
	00406048401	\$111.02	\$111.00
<b>Total</b>		<b>\$1,199.86</b>	<b>\$888.00</b>

### Requestor's Position

"Acetaminophen Codeine 300-30 MG and Gabapentin 300 MG were denied on various dates of service. Optum bill review did not generate EORs for the Acetaminophen for dates 03/04/2024-07/03/2024. Attached is proof that the bill was received and stamped by bill review within the timely filing limits. Acetaminophen and Gabapentin filled on 08/05/24, 08/29/24, and 09/30/24 were denied with the code 'VPEB Denied - Based on entitlement of benefits.' The adjuster previously stated that the bills should be approved for payment."

**Amount in Dispute:** \$1,199.86

## **Respondent's Position**

"The reason that the bills in question were not paid is because the claimant's compensable injury was previously limited ... The medication in question contains codeine, which does not appear to be warranted for the claimant's compensable injuries."

**Response Submitted by:** The Hanover Casualty Company

## **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 \(TAC\) §133.210](#) sets out the requirements for documentation.
2. [28 TAC §133.305](#) sets out the procedures for resolving fee disputes.
3. [28 TAC §133.307](#) sets out the procedures for resolving medical fee disputes.
4. [28 TAC §134.502, effective March 30, 2014, 39 TexReg 2102](#) sets out the procedures for pharmaceutical services.
5. [28 TAC §134.503, effective October 23, 2011, 36 TexReg 6949](#) sets out the fee guidelines for pharmaceutical services.
6. [TLC §408.021](#) defines and injured employee's entitlement to medical benefits.

### Denial Reasons

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

- VPAD – Claim/service lacks information which is needed for adjudication
- N3 (B20) – A bill reduction was made because a different provider has billed for the exact services on a previous bill.
- VPED – Denied – Based on entitlement of benefits

### Issues

1. Is the insurance carrier's denial based on entitlement to benefits supported?
2. Is the insurance carrier's denial based on lack of information supported?
3. Is the insurance carrier's denial based on duplicate billing supported?

4. Is the requestor entitled to reimbursement for the drugs in question?

Findings

1. EZ Scripts, LLC is seeking reimbursement of Acetaminophine/Codeine 300-30 mg tablets, 60 units, and Gabapentin 300 mg capsules, 60 units. Per explanations of benefits dated September 18, 2024, and October 16, 2024, the drugs in question were denied for dates of service August 29, 2024, and September 30, 2024, based on entitlement to benefits.

28 TAC §§133.305(b) and 133.307(c)(1)(B)(i) state that a dispute regarding compensability, extent of injury, or liability must be resolved prior to a request for medical fee dispute.

Per 28 TAC §133.307(d)(2)(H), the respondent is required to attach a copy of any related Plain Language Notice (PLN) if the medical fee dispute involves compensability, extent of injury, or liability. Review of the submitted documentation finds that the insurance carrier failed to provide a copy of a related PLN to its response. Therefore, this denial reason is not supported.

2. Per explanation of benefits dated August 23, 2024, the insurance carrier denied payment for date of service August 5, 2024, based on a lack of information. Documentation is not required to be submitted with the medical bill for pharmaceutical services according to 28 TAC §133.210. When an insurance carrier needs more information to process the bill, 28 TAC §133.210(d) requires a request to the health care provider that must:

- (1) be in writing;
- (2) be specific to the bill;
- (3) specifically describe the information to be included in the response;
- (4) be relevant and necessary for the resolution of the bill;
- (5) be for information that the health care provider has;
- (6) indicate the specific reason that the insurance carrier needs the information; and
- (7) include a copy of the bill that the insurance carrier is requesting the additional documentation for.

The insurance carrier failed to submit evidence that it made an appropriate request for additional documentation with the required specificity. The insurance carrier's denial for this reason is not supported.

3. Per explanation of benefits dated September 17, 2024, the insurance carrier denied payment for Gabapentin dispensed on August 29, 2024, stating, "A reduction was made because a different provider has billed for the exact services on a previous bill," and "Procedure/service was partially orfully [sic] furnished by another provider." DWC finds that the insurance carrier failed to provide evidence of this claim. Therefore, this denial reason is not supported.

4. No explanations of benefits were provided indicating a reason for denial of payment for the following dates of service:

- March 4, 2024;
- April 3, 2024;
- May 3, 2024;

- June 3, 2024; and
- July 3, 2024.

The response from the insurance carrier is required by 28 TAC §133.307(d)(2)(F) to address only the denial reasons presented to the health care provider before to the request for medical fee dispute resolution (MFDR) was filed with DWC.

Per TLC §408.021(a), "An employee who sustains a compensable injury is entitled to all health care reasonably required by the nature of the injury as and when needed." DWC finds that the insurance carrier failed to provide sufficient evidence to support that these conditions were not met for the services in question.

Because the insurance carrier failed to support its denial of payment for the services in question, DWC finds that EZ Scripts, LLC 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: ((AWP per unit) x (number of units) x 1.25) + \$4.00 dispensing fee per prescription = reimbursement amount.

Acetaminophine/Codeine 300-30 mg tablets:  $(1.4267 \times 60 \times 1.25) + \$4.00 = \$1111.00$

DWC finds that the billed NDC number 50228018010 does not apply to Gabapentin 300 mg capsules, 60 units. Therefore, this drug is not payable.

The total allowable reimbursement for the dates of service in question is \$888.00. 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 of \$888.00 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 Hanover Casualty Co. must remit to EZ Scripts, LLC \$888.00 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

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](http://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 three or email [CompConnection@tdi.texas.gov](mailto: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 electronico [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov).