TDI Division of Workers' Compensation
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Medical Fee Dispute Resolution Findings and Decision

General Information

Requester Name
EZ Scripts, LLC

Respondent Name
Technology Insurance Company

MFDR Tracking Number
M4-25-1634-01

Carrier's Austin Representative
Box Number 17

DWC Date Received
March 23, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
September 11, 2024	NDC No. 50228-0436-05 Naproxen 500 MG Tablet	$89.50	$89.50
September 11, 2024	NDC No. 29300-0415-10 Cyclobenzaprine HCL 10 MG	$17.65	$17.64
	Total	$107.15	$107.14

Requester's Position

"The 09/11/2024 DOS is the only date of service that was denied since 2022. Bills post 09/11/2024 were also paid. When I submitted an appeal, Optum denied the bill as a duplicate. I reached the adjuster on 11/08/2024, 01/13/2025, & 03/05/2025. I never received a call back from the adjuster. These are Y drugs on the ODG drug formulary."

Amount in Dispute: $107.15

Respondent's Position

The Austin carrier representative for Technology Insurance Company, Downs Stanford, PC, was notified of a medical fee dispute on April 2, 2025. As no response has been received, the division will base its decision on available information as authorized under 28 TAC §133.307(d)(1).

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) §133.305 sets out the procedures for resolving medical disputes.
2. 28 TAC §133.307 sets out the procedures for resolving medical fee disputes.
3. 28 TAC §133.20 sets out the medical bill submission procedures for health care providers.
4. The Texas Labor Code (TLC) §408.027 sets out the rules for timely submission of claims by health care providers.
5. TLC §408.0272 sets out the exceptions to the timely filing of a medical bill.
6. Section 406.008 sets out the coverage termination requirements for workers' compensation insurance coverage.
7. 28 TAC §134.503 sets out the notice requirements for cancellation or nonrenewal of coverage by the insurance company.

Denial Reasons

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

- TERM – Date of Service after Coverage expired.
- 60(B13) – The provider has billed for the exact services on a previous bill.
- XD(29) – This bill was submitted after the billing timeliness guidelines provided.
- 29 XD – The time limit for filing has expired.
- ZR(P12) – The provider or a different provider has billed for the exact service on a previous bill where no allowance was originally recommended.
- B13: 60 – Previously paid. Payment for this claim/service may have been provided in previous payment.
- P12: ZR – Workers' compensation jurisdictional fee schedule adjustment.

Issues

1. Did the insurance carrier submit evidence to support that coverage expired post service date?
2. Is the timely filing denial supported?
3. Did the insurance carrier support the claim that the provider or a different provider billed for the exact service on a previous bill?
4. Did the insurance carrier support the claim that the services were previously paid or submit evidence of payment to the requester?
5. Is the requester entitled to reimbursement?

Findings

1. The requester is seeking payment for prescription drugs that were filled on September 11, 2024. The prescriptions were denied by the insurance company on the grounds that the coverage had ended after the date of service. Section 406.008(a) sets out the coverage termination requirements for workers' compensation insurance coverage.

   Section 406.008(a), which refers to cancellation or nonrenewal of workers' compensation insurance coverage by a carrier, provides as follows:

   > (a) an insurance company that cancels a policy of workers' compensation insurance or that does not renew the policy by the anniversary date of the policy shall deliver notice of the cancellation or non-renewal by certified mail or in person to the employer and the commission [Texas Workers' Compensation Commission] not later than:
   >
   > (1) the 30th day before the date on which the cancellation or nonrenewal takes effect; or
   > (2) the 10th day before the date on which the cancellation or nonrenewal takes effect if the insurance company cancels or does not renew because of:
   >
   > (A) fraud in obtaining coverage.
   > (B) misrepresentation of the amount of payroll for purposes of premium calculation.
   > (C) failure to pay a premium when due.
   > (D) an increase in the hazard for which the employer seeks coverage that results from an act or omission of the employer and that would produce an increase in the rate, including an increase because of a failure to comply with:
   >
   > (i) reasonable recommendations for loss control; or
   > (ii) recommendations designed to reduce a hazard under the employer's control within a reasonable period; or
   >
   > (E) a determination made by the commissioner of insurance that the continuation of the policy would place the insurer in violation of the law or would be hazardous to the interest of subscribers, creditors, or the general public.

The insurance company did not respond to the request for a medical fee dispute resolution. There was no supporting documentation for the assertion that the coverage expired prior to the service date. The division finds that the insurance carrier's denial is not supported. The disputed services are therefore reviewed in compliance with the applicable rules and guidelines.

2. The requester is seeking payment for the prescription medications filled on September 11, 2024. The insurance carrier denied the prescriptions due to the 95-day filing requirements.

   With a few exceptions, 28 TAC §133.20 (b) and Texas Labor Code (TLC) Sec. §408.027(a) requires the submission of medical bills not later than 95 days from the date of service. TLC §408.0272 (b) provided the exceptions to this requirement, which include:

   - The health care provider filed the bill to
     - an insurer that issues a policy of group accident and health insurance under which the injured employee is a covered insured
     - a health maintenance organization that issues evidence of coverage under which the injured employee is a covered enrollee; or
     - a workers' compensation insurance carrier other than the insurance carrier liable for the payment of benefits under this title; or
   - The commissioner determines that the failure resulted from a catastrophic event that substantially interfered with the normal business operations of the provider.

   TLC §408.0272 (d) also states that the period for submitting a claim for payment may be extended by the agreement of the parties.

   The requester submitted a copy of an Explanation of Benefits (EOB) dated September 26, 2024 for disputed services; Naproxen and Cyclobenzaprine, billed under NDC No. 50228-0436-05, and 29300-0415-10, dispensed on September 11, 2024.

   The division finds that the insurance carrier failed to respond to the medical fee dispute resolution request and provided no evidence that the requester submitted the medical bill after 95 days of disputed services. As a result, the denial of untimely filing is not supported.

3. The insurance carrier denied the prescription medications, asserting they were billed for the same service on a previous bill. However, a review of the submitted documentation does not support this claim. The insurance carrier's denial is unsupported, and the disputed services are reviewed in accordance with Division rules and fee guidelines.

4. The insurance carrier asserted on the EOB that the prescription medication was paid or may have been provided in a previous payment. However, a review of medical records found no evidence supporting partial or full payment, in support of the carrier's denial. The division finds that the requester is entitled to reimbursement for Naproxen and Cyclobenzaprine, billed under NDC No. 502280436-05, and 29300-0415-10, dispensed on September 11, 2024.

5. The requester is seeking reimbursement for prescription medications dispensed on September 11, 2024. A review of the medical documentation finds insufficient evidence to support the insurance carriers' denials, as a result, the requester is entitled to reimbursement.

   Rule 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: ((AWP per unit) x (number of units) x 1.25) + $4.00 dispensing fee per prescription = reimbursement amount.

The calculation of the total allowable amount is as follows:

Drug	NDC	Generic(G) Brand(B)	Price/ Unit	Units Billed	AWP Formula	Billed Amount	Lesser of AWP and Billed
Naproxen 500 mg	50228-0436-05	G	1.14034	60	$89.53	$89.50	$89.50
Cyclobenzaprine HCL 10 mg	29300-0415-10	G	1.09150	10	$17.64	$17.65	$17.64
					Total	$107.15	$107.14

The DWC has determined that the requester is entitled to a reimbursement of $107.14, and therefore, this amount is recommended.

Conclusion

The resolution of this medical fee dispute is based on evidence from both the requester and respondent during the adjudication process. While not all evidence may have been discussed, all relevant information was considered in reaching a decision.

The DWC finds, the requester has established that reimbursement is due.

Order

Under Texas Labor Code §§413.031 and 413.019, DWC has determined the requester is entitled to reimbursement for the disputed services. It is ordered that the respondent must remit to the requester $107.14 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 10, 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 electronico CompConnection@tdi.texas.gov.