



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

Injured Workers Pharmacy LLC

Respondent Name

Texas Public School WC Project School

MFDR Tracking Number

M4-25-2008-01

Carrier's Austin Representative

Box Number 18

DWC Date Received

April 28, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
June 11, 2024	68382080705 Trazodone 150	\$286.65	\$286.64
July 9, 2024	75907006901 Nortriptyline HCL	\$31.92	\$31.92
July 9, 2024	16714066202 Gabapentin 300	\$89.57	\$89.56
July 9, 2024	55111061901 Eszopiclone 2	\$441.81	\$441.81
July 9, 2024	69367029820 Magnesium Oxide	\$8.06	\$8.06
July 9, 2024	54629009501 Vitamin B-2	\$11.98	\$11.98
August 5, 2024	69367029820 Magnesium Oxide	\$8.06	\$8.06
August 5, 2024	00093081001 Nortriptyline	\$31.54	\$31.54
August 5, 2024	551110610901	\$441.81	\$441.81

	Eszopiclone		
August 5, 2024	16714066202 Gabapentin	\$11.98	\$11.98
August 6, 2024	54629009501 Vitamin B2	\$11.98	\$11.98
August 30, 2024	00603020922 Magnesium Oxide	\$4.03	\$4.03
August 30, 2024	55111061901 Eszopiclone	\$441.81	\$441.81
August 30, 2024	00093081005 Nortriptyline	\$28.37	\$28.37
August 30, 2024	16714066202 Gabapentin	\$14.13	\$14.13
August 30, 2024	10135078801 Vitamin B2	\$14.13	\$14.13
August 30, 2024	6838280610 Trazodone	\$887.31	\$250.62
August 30, 2024	27241009990 Duloxetine	\$887.31	\$625.36
		\$3168.79 [sic] \$3,652.65	\$2,753.79

Requestor's Position

"Carrier denied for needing updated medicals. Medicals were received for the exact dates in question. Medicals were sent with the bill as an appeal, but no additional payment was recommended. At this point, there was not court order on extent. Please also see an email from the adjuster from January 2025 which confirmed there was a hearing in November 2024, where the judge issued an interim opinion indicating that [redacted] is compensable. So, at the time these medications were prescribed, there we [sic] no extent issues preventing them from being paid."

Amount in Dispute: \$3168.79

Respondent's Position

"In light of the lack of supporting medical documentation, billing inaccuracies, and the administrative determination of non-compensable conditions, payment for the disputed medications is not warranted."

Response submitted by: Creative Risk Funding

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.
3. [28 TAC §133.240](#) sets out the requirements of medical payments and denials.
4. [TLC §19.2010](#) sets out requirements of utilization of review.
5. [28 TAC §124.2](#) sets out the requirements of insurance carrier notices
6. [28 TAC §134.530](#) sets out the pharmacy benefits for closed formulary not subject to certified networks.

Denial Reasons

- 150 – Payer deems the information submitted does not support this level of service.
- 216 – Based on the findings of a review organization.
- 219 – Based on extent of injury.
- P12 – Workers compensation jurisdictional fee schedule adjustment.
- W3 – Reconsideration/Appeal
- 193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.
- 197 – Payment denied/reduced for absence of precertification/authorization
- 16 – Claim/service lacks information or has submission/billing error(s)
- 18 – Exact duplicate claim/service.
- Note: Medical documentation has not been received to support charges.

Issues

1. What services are in dispute?
2. Did the insurance carrier follow the appropriate administrative process to address denial of no medical support?
3. Did the insurance carrier support the extent of injury denial?
4. Was prior authorization required?
5. What rule is applicable to reimbursement?
6. Is the requestor entitled to reimbursement?

Findings

1. The requestor seeks reimbursement of the following medications.

- NDC # 68382080705 - Trazodone 150 mg, date of service June 11, 2024, quantity 90, billed amount \$286.65. Insurance carrier denial code 150 / 216 / 219 / P12 / W3
- NDC # 75907006901 Nortriptyline 10mg, date of service July 9, 2024, quantity 30, billed amount \$31.92. Insurance carrier denied 150 / 193 / W3
- NDC # 16714066202 Gabapentin 300 mg, date of service July 9, 2024, quantity 90, billed amount \$89.57. Insurance carrier denied 150 / 193 / W3
- NDC # 55111061901 Eszopiclone 2mg, date of service July 9, 2024, quantity 30, billed amount \$441.81. Insurance carrier denied 150 / 193 / W3
- NDC # 69367029820 Magnesium oxide 400 mg, date of service July 9, 2024, quantity 30, billed amount \$8.06. Insurance carrier denied 150 / 193 / W3
- NDC Name brand 54629009501 Vitamin B-2 100 mg tablet, date of service July 9, 2024 quantity 120, billed amount \$11.98. Insurance carrier denied 150 / 193 / W3
- NDC 69367029820 Magnesium Oxide 400 mg, date of service August 5, 2024, quantity 30, billed amount \$8.06. Insurance carrier denied 150, 197
- NDC 00093081001 Nortriptyline 10mg, date of service August 5, 2024, quantity 30, billed amount \$31.54. Insurance carrier denied 150 / 193 / W3
- NDC 55111061901 Eszopiclone 2mg, date of service August 5, 2024, quantity 30, billed amount \$441.81. Insurance carrier denied 193/ 197 / W3
- NDC 16714066202 Gabapentin 300mg, date of service August 5, 2024, quantity 90, billed amount \$89.57. Insurance carrier denied 150 / 193 / W3
- NDC Name brand 54629009501 Vitamin B-2 100 mg, date of service August 6, 2024, quantity 120, billed amount \$11.98. Insurance carrier denied 150 / 197 / 193 / W3
- NDC 00603020922 Magnesium Oxide 400 mg, date of service August 30, 2024, quantity 30, billed amount \$4.03. Carrier denied 150 / 197 / 193 / W3
- NDC 55111061901 Eszopiclone 2 mg, date of service August 30, 2024, quantity 30, billed amount \$441.81. Carrier denied 150 / 197 / 193 / W3
- NDC 00093081005 Nortriptyline 10 mg, date of service August 30, 2024, quantity 30, billed amount \$28.37. Carrier denied 150 / 193 / W3
- NDC 16714066202 Gabapentin 300 mg, date of service August 30, 2024, quantity 90, billed amount \$89.57. Carrier denied 150 / 193 / W3
- NDC 10135078801 Vitamin B-2 100 mg, date of service August 30, 2024, quantity 120, billed amount \$14.13. Carrier denied 150 / 197 / 193 / W3
- NDC 68382080610 Trazodone 100 mg, date of service August 30, 2024, quantity 180, billed amount \$250.62. Carrier denied 197 / 16 / 19
- NDC 27241009990 Duloxetine 60 mg, date of service August 30, 2024, quantity 90, billed amount \$887.31. Carrier denied P12. Paid \$261.95

2. The insurance carrier denied the disputed charges with several denial codes. Each will be addressed in the following paragraphs. Denial 150 - Payer deems the information submitted does not support this level of service with Note : MEDICAL DOCUMENTATION HAS NOT BEEN

RECEIVED TO SUPPORT CHARGES”, and “216 - findings of a review organization.”

DWC Rule 28 Texas Administrative Code §133.240 (q) states, in relevant part, “When denying payment due to an adverse determination under this section, the insurance carrier shall comply with the requirements of §19.2009 of this title ...

Additionally, in any instance where the insurance carrier is questioning the medical necessity or appropriateness of the health care services, the insurance carrier shall comply with the requirements of §19.2010 of this title ..., including the requirement that prior to issuance of an adverse determination the insurance carrier shall afford the health care provider a reasonable opportunity to discuss the billed health care with a doctor ...”

Submitted documentation does not support that the insurance carrier followed the appropriate procedures for a retrospective review denial of the disputed services outlined in §19.2003 (b)(31) or §133.240 (q).

Therefore, the insurance carrier did not appropriately raise medical necessity for this dispute and this denial reason will not be considered in this review.

3. The medication Trazodone Hydrochloride for date of service June 11, 2024 was denied for 219 - extent of injury and 216 - findings of a review organization. DWC Rule 28 TAC §133.307(d)(2)(H) requires that if the medical fee dispute involves compensability, extent of injury, or liability, the insurance carrier shall attach a copy of any related Plain Language Notice in accordance with Rule §124.2 (relating to carrier reporting and notification requirements).

DWC Rule 28 TAC §124.2(h) requires notification to the division and claimant of any dispute of disability or extent of injury using plain language notices with language and content prescribed by the division. Such notices “shall provide a full and complete statement describing the carrier's action and its reason(s) for such action. The statement must contain sufficient claim-specific substantive information to enable the employee/legal beneficiary to understand the carrier's position or action taken on the claim.”

Review of the submitted information finds no copies, as required by Rule §133.307(d)(2)(H), of any PLN-11 or PLN 1 notices issued in accordance with Rule §124.2. The insurance carrier’s denial reason is therefore not supported. Furthermore, because the respondent failed to meet the requirements of Rule §133.307(d)(2)(H) regarding notice of issues of extent of injury, the respondent has waived the right to raise such issues during dispute resolution. Consequently, the division concludes there are no outstanding issues of compensability, extent, or liability for the injury. The disputed services are therefore reviewed pursuant to the applicable rules and guidelines.

4. The insurance carrier also denied the prescription medications with denial reason code “197- Payment denied/reduced for absence of precertification/authorization.” DWC Rule 28 TAC §134.530 (b) states, “Preauthorization for claims subject to the division's closed formulary.

(1) Preauthorization is only required for:

(A) drugs identified with a status of "N" in the current edition of the ODG Treatment in Workers' Comp (ODG) / Appendix A, ODG Workers' Compensation Drug Formulary, and

any updates;

(B) any prescription drug created through compounding; and

(C) any investigational or experimental drug for which there is early, developing scientific or clinical evidence demonstrating the potential efficacy of the treatment, but that is not yet broadly accepted as the prevailing standard of care as defined in Labor Code §413.014(a).

Review of Appendix A found the following.

- Trazodone – Listed as “Y” drug prior authorization not required.
- Eszopiclone – Listed as “Y” drug prior authorization not required.
- Nortriptyline – Listed as “Y” drug prior authorization not required.
- Magnesium Oxide – Not listed in Appendix A
- Vitamin B2 – Not listed in Appendix A

DWC Rule 28 TAC §134.600(p)(12) states in pertinent part “(p) Non-emergency health care requiring preauthorization includes: (12) treatments and services that exceed or are not addressed by the commissioner's adopted treatment guidelines or protocols and are not contained in a treatment plan preauthorized by the insurance carrier. This requirement does not apply to drugs prescribed for claims under §§134.506, 134.530 or 134.540 of this title (relating to Pharmaceutical Benefits).”

DWC Rule 28 TAC §137.100 (a) states, in pertinent part, “Health care providers shall provide treatment in accordance with the current edition of the Official Disability Guidelines - Treatment in Workers' Comp...” Health care provided in accordance with the Division treatment guidelines is presumed reasonable as specified in Labor Code §413.017, and is also presumed to be health care reasonably required as defined by Labor Code §401.011(22-a).

DWC Rule 28 TAC §137.100 (e) and (g) Treatment Guidelines states,

(e) An insurance carrier may retrospectively review, and if appropriate, deny payment for treatments and services not preauthorized under subsection (d) of this section when the insurance carrier asserts that health care provided within the Division treatment guidelines is not reasonably required. The assertion must be supported by documentation of evidence-based medicine that outweighs the presumption of reasonableness established by Labor Code §413.017.

(g) The insurance carrier shall not deny treatment solely because the diagnosis or treatment is not specifically addressed by the Division treatment guidelines or Division treatment protocols.

As stated above, the insurance carrier did not support a retrospective review of the disputed services. The medications listed in Appendix A are “Y” drugs and do not require prior authorization. The insurance carrier’s denial for lack of prior authorization is not supported.

5. DWC Rule 28 TAC §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;

Date of Service Drug	NDC	Generic(G) /Brand(B)	Price /Unit	Units Billed	AWP Formula	Billed Amt	Lesser of AWP and Billed
June 11, 2024 Trazodone	68382080705	G	2.512	90	286.64	286.65	\$286.64
July 9, 2024 Nortriptyline	75907006901	G	0.744	30	31.92	31.92	\$31.92
July 9, 2024 Gabapentin	16714066202	G	0.76	90	89.56	89.57	\$89.56
July 9, 2024 Eszopiclone	55111061901	G	11.67	30	441.81	441.81	\$441.81
July 9, 2024 Magnesium Oxide	69367029820	G	0.108	30	8.06	8.06	\$8.06
July 9, 2024 Vitamin B-2	54629009501	B	0.06	120	13.15	11.98	\$11.98
August 5, 2024 Magnesium Oxide	69367029820	G	0.108	30	8.06	8.06	\$8.06
August 5, 2024 Nortriptyline	00093081001	G	0.73	30	31.54	31.54	\$31.54
August 5, 2024 Eszopiclone	55111061901	G	11.67	30	441.81	441.81	\$441.81
August 5, 2024 Gabapentin	16714066202	G	0.76	90	89.56	89.57	\$89.56
August 6, 2024 Vitamin B-2	54629009501	B	0.06	120	13.15	11.98	\$11.98
August 30, 2024 Magnesium Oxide	00603020922	G	0.09	30	7.39	4.03	\$4.03
August 30, 2024 Eszopiclone	55111061901	G	11.67	30	441.81	441.81	\$441.81
August 30, 2024 Nortriptyline	00093081005	G	0.64	30	28.37	28.37	\$28.37
August 30, 2024 Gabapentin	16714066202	G	0.76	90	89.56	89.57	\$89.56
August 30, 2024 Vitamin B-2	10135078801	B	0.06	120	\$14.13	14.13	\$\$14.13
August 30, 2024 Trazodone	68382080610	G	1.09	180	250.62	250.62	\$250.62
August 30, 2024 Duloxetine	27241009990	G	7.85	90	887.31	887.31	\$887.31
						TOTAL	\$3,168.75

6. The total fee calculation allowable is \$3,168.75. The requestor listed disputed amounts less than the MAR amount for several of the medications on the DWC60. The lesser amount listed on the DWC60/MAR is \$3,105.74.

The insurance carrier supported that a payment in the amount of \$261.95 was rendered on October 3, 2024 under Control Number: 284768 for Duloxetine, the requestor is therefore entitled to an additional payment in the amount of \$625.36.

The total recommended payment amount is \$3,105.74 – \$261.95 = \$2,753.79. 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 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 Texas Public School WC Project School must remit to Injured Workers Pharmacy LLC, \$2,753.79 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130.

Authorized Signature

_____	_____	June 5, 2025
Signature	Medical Fee Dispute Resolution Officer	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.