



Medical Fee Dispute Resolution Findings and Decision

General Information

Requestor Name

EZ Scripts LLC

Respondent Name

Insurance Co of the State of PA

MFDR Tracking Number

M4-25-2049-01

Carrier's Austin Representative

Rep Box 19

DWC Date Received

May 1, 2025

Summary of Findings

Dates of Service	Disputed Services	Amount in Dispute	Amount Due
August 14, 2024	NDC # 71093-0111-05 Gabapentin	\$571.00	\$571.00
August 14, 2024	NDC # 00406-0125-10 Hydrocodone Acetaminophen	\$125.93	\$125.93
February 4, 2025	NDC # 31722-0166-05 Gabapentin	\$242.16	\$242.16
March 4, 2025	NDC # 31722-0166-05 Gabapentin	\$228.94	\$228.94
Total		\$1,168.03	\$1,168.03

Requestor's Position

"The initial bill for Gabapentin and Hydrocodone filled on 08/ 14/ 2024 has not been processed. Cadance RX bill review said the bill was received but has not been processed because the status of the invoice was 'in dispute.' EZ Scripts reached out to the adjuster with no response. The bill remains unprocessed. ... EZ Scripts does not have a contract with Triton Healthcare Partners or any network partner. We seek additional payment for the date of service."

Amount in Dispute: \$1,168.03

Respondent's Position

"Our bill audit company has determined no further payment is due. The rationale for this determination is found below... Rationale: Dispute will be sent by EZ Scripts to Triton for the paid EOB for 08/14/24 as well as reduced payments for DOS 02/04/25 and 03/04/25."

Response Submitted by: Gallagher Bassett

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.

Denial Reasons

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

- 193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.
- A1 – Claim/service denied. Need medical report.
- P24 - This bill has been reviewed with state certified databases including WHA information center and /or FairHealth, or proprietary charge and reimbursement data.

Issues

1. Did the insurance carrier support the denial of P24?
2. Did the insurance carrier support the denial "A1."
3. Is the requester entitled to additional reimbursement?

Findings

1. The requestor is seeking reimbursement in the amount of \$1,168.03 for medications dispensed on August 14, 2024, February 4, 2025, and March 4, 2025. The insurance carrier is denying payment for medications dispensed on August 14, 2024, and reducing reimbursement for medications dispensed on February 4, 2025, and March 4, 2025, due to the denial reason code "P24 - This bill has been reviewed with state certified databases including WHA information center and /or Fair Health, or proprietary charge and reimbursement data."

Prescription medication may not, directly or through a contract, be delivered through a workers' compensation health care network. Texas Insurance Code §1305.101 (c) states, "(c) Notwithstanding any other provision of this chapter, prescription medication or services, as defined by Section 401.011(19)(E), Labor Code, may not, directly or through a contract, be delivered through a workers' compensation health care network. Prescription medication and services shall be reimbursed as provided by Section 408.0281, Labor Code, other provisions of the Texas Workers' Compensation Act, and applicable rules of the commissioner of workers' compensation."

The DWC concludes that the disputed prescription medication dispensed by the provider is not subject to the provisions of a workers' compensation health care network. Because the insurance carrier failed to support its denial of payment, the requestor is entitled to reimbursement for the disputed medication.

2. A review of the medical documentation finds that the insurance carrier also denied the disputed medications with denial reduction code, "A1 – Claim/service denied. Need medical report."

28 TAC §133.210 states, (d) Any request by the insurance carrier for additional documentation to process a medical bill shall: (1) be in writing;

- (2) be specific to the bill or the bill's related episode of care;
- (3) describe with specificity the clinical and other information to be included in the response;
- (4) be relevant and necessary for the resolution of the bill;
- (5) be for information that is contained in or in the process of being incorporated into the injured employee's medical or billing record maintained by the health care provider;
- (6) indicate the specific reason for which the insurance carrier is requesting the information; and
- (7) include a copy of the medical bill for which the insurance carrier is requesting additional documentation.

A review of the documentation indicates that the insurance carrier did not provide adequate support for the denial reason "A1." Accordingly, the medications dispensed on August 14, 2024, February 4, 2025, and March 4, 2025, are reviewed in accordance with the applicable fee guidelines.

3. 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;

Date	Drug	NDC	Generic (G) / Brand (B)	Price / Unit	Units Billed	AWP Formula	Billed Amt	Lesser of AWP and Billed Amt
8/14/24	Gabapentin	71093-0111-05	G	2.52000	180	\$571.00	\$571.00	\$571.00
8/14/24	Hydrocodone Acetaminophen	00406-0125-10	G	0.92921	105	\$125.96	\$125.93	\$125.93
2/4/25	Gabapentin	31722-0166-05	G	2.52620	180	\$572.40	\$572.35	\$572.35
3/4/25	Gabapentin	31722-0166-05	G	2.52620	180	\$572.40	\$572.35	\$572.35
TOTAL						\$1,841.76	\$1,841.63	\$1,841.63

The total reimbursement is \$1,841.63. The carrier paid \$330.19 for date of service February 4, 2025, and \$343.41 for date of service, March 4, 2025 for a total of \$673.60; therefore, the requester is entitled to an additional payment amount of \$1,168.03.

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 \$1,168.03 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 \$1,168.03 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

June 6, 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.