TDI Division of Workers' Compensation
PO Box 12050 | Austin, TX 78711 | 800-252-7031 | tdi.texas.gov/wc

# Medical Fee Dispute Resolution Findings and Decision

## General Information

**Requester Name**
TrustRX Pharmacy

**Respondent Name**
TASB Risk Fund

**MFDR Tracking Number**
M4-25-3214-01

**Carrier's Austin Representative**
Box Number 19

**DWC Date Received**
August 6, 2025

## Summary of Findings

| Dates of Service | Disputed Services | Amount in Dispute | Amount Due |
|---|---|---|---|
| August 6, 2024 | Left blank | $1433.10 | $1433.10 |
| September 5, 2024 | Left blank | $1433.10 | $1433.10 |
| September 19, 2024 | Left blank | $24.00 | $24.00 |
| October 17, 2024 | Left blank | $24.00 | $24.00 |
| | | $2,914.20 | $2,914.20 |

## Requester's Position

"We are requesting Medical Fee Dispute Resolution regarding the non-payment of the following medications prescribed for the above named patient: …Supporting Documentation Attached: Copy of the approved prior authorization for QUILPTA. Letter of medical necessity (if applicable). Copy of prescription and dispensing record. EOB/Denial from TASB Risk Management. ODG Drug Appendix showing Gabapentin "Y" status. Any correspondence with the carrier."

**Amount in Dispute:** $2,914.20

## Respondent's Position

"…The medication was denied based on extent issues. The medication prescribed is for unrelated

conditions. A copy of the dispute is attached. (PLN11). Per Rule 133.305, all extent of injury issues should be resolved through a BRC prior to going to MDR.."

**Response submitted by:** TASB Risk Fund

## 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 §133.307 sets out the procedures for resolving medical fee disputes.

2. 28 TAC §134.503 sets out the fee guidelines for pharmacy services.

Denial Reasons

- 9D – (P12) – The charge for the Closed Formulary Drug required Prior Authorization as defined withing Texas Administrative Code Chapter 134, Section 134.530 and 134.540.
- VM (B13) – The provider as identified by their National Provider ID (NPI) has billed for the exact services on a previous bill.
- ZR (P12) – The provider or a different provider has billed for the exact services on a previous bill where no allowance was originally recommended.
- HE75 – Prior Authorization required to process this bill.
- We (B20) – A reduction made because a different provider has billed for the exact services on a previous bill.
- @G (W3) – No additional reimbursement allowed after review of appeal/reconsideration.
- TERM – Date of service after coverage terminated.
- HE03 – Duplicate paid/captured claim.

Issues

1. What services are in dispute?
2. Was prior authorization required?
3. Is the denial as duplicate supported?
4. Did the respondent raise a new issue?
5. What rule is applicable to reimbursement?
6. Is the requester entitled to reimbursement?

**Findings**

1. The requester submitted to Medical Fee Dispute Resolution for dates of service August 6, 2024, September 5, 2024 in the amounts of $1433.10 and September 19, 2024 and October 17, 2024 in the amount of $24. The requester neglected to complete the DWC060 section that requires the treatment or services in dispute. DWC will review the submitted pharmacy bills and explanation of benefits related to the dates of service and billed amounts.
2. The requester submitted pharmacy bills for the following medications on the dates of service indicated.
    - Qulipta 60mg, Dates of service August 6, 2024 and September 5, 2024 each in the amount of $1,433.10.
    - Gabapentin 100mg, Dates of service September 19, 2024 and October 17, 2024 each in the amount of $24.00

    The insurance carrier denied the medication Qulipta for lack of prior authorization. The information submitted with this fee dispute included a preauthorization decision from TASB Utilization Management Department that indicates the medication Qulipta 60mg is approved from June 5, 2024 through September 5, 2024. The preauthorization date September 5, 2024 extended the prior authorization for Qulipta from September 5, 2024 through October 5, 2024.

    The insurance carrier's denial for lack of prior authorization is not supported
3. The insurance carrier denied the medication Gabapentin as duplicate claim and coverage expired/terminated. Insufficient evidence was found to support the services were paid or denied with an adjustment code other than duplicate. DWC finds that Texas Labor Code (TLC) 408.021 applies to the injured employee's entitlement to the disputed medical benefits, which states in pertinent part, "ENTITLEMENT TO MEDICAL BENEFITS. (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. The employee is specifically entitled to health care that: (1) cures or relieves the effects naturally resulting from the compensable injury; (2) promotes recovery; or (3) enhances the ability of the employee to return to or retain employment. "TLC 408.021 (b) states, "Medical benefits are payable from the date of the compensable injury." TLC § 401.011(19) defines "Health Care" and states in part, ". . . includes all reasonable and necessary medical aid, medical examinations, medical treatment, medical diagnoses, medical evaluations, and medical services." DWC finds that the injured employee involved in this dispute was entitled to the medical benefits rendered on the disputed date of service. Therefore, the insurance carrier's denial reasons are not supported.

4. The respondent states in their position statement, "We are standing on the previous denial for

extent of injury…"

A review of the submitted information finds insufficient documentation to support an EOB was presented to the health care provider giving notice of the extent of injury defense or denial reason prior to the filing of the MFDR. Rule §133.307(d)(2)(F) requires that: The response shall address only those denial reasons presented to the requestor prior to the date the request for MFDR was filed with the division and the other party. Any new denial reasons or defenses raised shall not be considered in the review. Pursuant to Rule §133.307(d)(2)(F), the insurance carrier's failure to give notice to the health care provider of specific codes or explanations for reduction or denial of payment as required by Rule §133.240, the DWC finds the respondent has raised new denial reasons or defenses. The carrier failed to give notice to the health care provider during the medical bill review process or before the filing of this dispute. Consequently, the division concludes that the insurance carrier has waived the right to raise a new denial reason or defense during dispute resolution. Any such new defenses or denial reasons will not be considered in this review.

5. The service in dispute will be reviewed per the applicable fee guidelines. 28 TAC §134.503 (c) (1) (A)(B)(C) states in pertinent part, 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 or the billed amount.
    - Generic drugs: (AWP per unit) x (number of units) x 1.25) + $4.00 dispensing fee per prescription = reimbursement amount.
    - Brand name: (AWP per unit) x (number of units) x 1.09) + $4.00 dispensing fee per prescription = reimbursement amount.

    The calculation of the total allowable amount is as follows:

| Drug Name | NDC No. | Generic (G) Brand (B) | Price/Unit | AWP | Billed Amount | Lesser of AWP and Billed Amount |
|---|---|---|---|---|---|---|
| Qulipta | 00074709430 | B | 43.70/30 | $1,433.10 | $1,433.10 | $1,433.10 |
| Gabapentin | 50228017910 | G | 0.53/30 | $24.00 | $24.00 | $24.00 |

6. The DWC finds that the requester is entitled to reimbursement in the amount of $2,914.20. This amount is recommended.

Conclusion

The outcome of this medical fee dispute is based on the evidence presented by the requester

and the respondent at the time of adjudication. Though all evidence may not have been discussed, it was considered.

DWC finds the TrustRX Pharmacy has established that additional 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 TASB Risk Fund must remit to TrustRX Pharmacy $2,914.20 plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC §134.130

**Authorized Signature**

| | | |
|---|---|---|
| | | August 29, 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 electronico CompConnection@tdi.texas.gov.