



## Medical Fee Dispute Resolution Findings and Decision

### General Information

**Requester Name**

EZ Scripts

**Respondent Name**

Safety National Casualty Corp

**MFDR Tracking Number**

M4-26-0840-01

**Insurance Carrier's Austin Representative**

BOX 19 Flahive Ogden & Latson

**DWC Date Received**

November 21, 2025

### Summary of Findings

Date(s) of Service	Disputed Services	Amount in Dispute	Amount Due
April 25, 2025	31722-0004-90	\$575.72	\$575.72
April 29, 2025	6582-0969-01	\$441.81	\$441.80
May 1, 2025	61874-0160-30	\$1,990.69	\$1990.69
May 23, 2025	31722-0004-90	\$575.72	\$575.72
May 28, 2025	61874-0160-03	\$1,990.69	\$1990.69
May 28, 2025	65862-0969-01	\$441.81	\$441.80
June 4, 2025	31722-0808-60	\$604.38	\$605.35
June 6, 2025	72516-0012-01	\$132.55	\$132.55
June 25, 2025	31722-0004-90	\$575.72	\$575.72
June 25, 2025	61874-0160-30	\$1,990.69	\$1990.69

June 25, 2025	65862-0969-01	\$441.81	\$441.80
July 18, 2025	31722-0808-60	\$604.38	\$604.35
July 23, 2025	65862-0969-01	\$441.81	\$441.80
July 23, 2026	31722-0004-90	\$575.72	\$575.72
August 20, 2025	65862-0969-01	\$441.81	\$441.80
August 20, 2025	31722-0004-90	\$575.72	\$575.72
<b>Total</b>		<b>\$12,398.03</b>	<b>\$12,398.03</b>

### Requester's Position

“Enclosed are the outstanding pharmacy bills from EZ Scripts which were submitted to Gallagher Bassett Services, Inc., in a timely manner after each prescription was filled.”

**Amount In Dispute:** \$12,398.03

### Respondent's Position

The Austin carrier representative for Safety National Casualty Corp is Flahive, Ogden & Latson. The representative was notified of this medical fee dispute on November 24, 2025.

Per 28 Texas Administrative Code §133.307(d)(1), if DWC does not receive the response within 14 calendar days of the dispute notification, then DWC may base its decision on the available information.

As of today, no response has been received from the insurance carrier or its representative. We will base this decision on the information available.

### Findings and Decision

#### Authority

This medical fee dispute is decided according to Texas Labor Code Section [413.031](#) and other applicable laws and rules of the Texas Department of Insurance, Division of Workers' Compensation (DWC).

#### Statutes and Rules

1. 28 Texas Administrative Code (TAC) Section [133.307](#) sets out the procedures for resolving medical fee disputes.

2. 28 TAC Section [124](#) sets requirement of notification
3. 28 TAC Sections [134.530](#) and [134.540](#) set out the preauthorization requirements for pharmaceutical services.
4. 28 TAC Section [134.503](#) sets out the fee guidelines for services provided by a pharmacy.
5. 28 TAC Section [134.500](#) defines closed formulary.

### Adjustment Reasons

- 197 – Precertification/authorization/notification/pre-treatment absent.
- 18 – Exact duplicate claim/service.
- P2 – Not a work related injury/illness and thus not the liability of the workers' compensation carrier.
- PP – Paid in full.

### Issues

1. What is DWC considering in this medical fee dispute?
2. Did the respondent support the extent of injury denial?
3. Are the denied prescriptions subject to pre-authorization?
4. What rule is applicable to reimbursement?
5. Has DWC found the requester is due payment?

### Findings

1. The requester seeks reimbursement of medications dispensed with the date range of April 2025 through August 2025 in the amount of \$12,398.03. The insurance carrier denied the claims for lack of authorization and extent of injury. These denials are discussed below.
2. 28 TAC Section 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).

28 TAC Section 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 Section 133.307(d)(2)(H), of any PLN-11 or PLN 1 notices issued in accordance with Rule 28 TAC Section 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.

3. 28 TAC 134.530(b)(1)(A)(B)(C) 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 the dispensed medications found.

- Venlafaxine HCL ER – Listed as "Y" drug on applicable Appendix A
- Eszopiclone – Listed as "Y" drug on applicable Appendix A.
- Vraylar – Not listed on applicable Appendix A.
- Memantine – Not listed on applicable Appendix A.
- Amphetamine Aspartate – Not listed on applicable Appendix A.

While Vraylar, Memantine and Amphetamine Aspartate was not found on Appendix A, 28 TAC Section 134.500(3) defines the closed formulary as "...All available Food and Drug Administration (FDA) approved prescription and nonprescription drugs... Each of these medications are FDA approved. These medications do require prior authorization.

None of the medications in dispute are listed as a "N" drug, were created through compounding or are considered investigational or experimental. The denials for lack of pre-authorization is not supported.

4. 28 TAC Section 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.

(A) Generic drugs: ((AWP per unit) x (number of units) x 1.25) + \$4.00 dispensing fee per prescription = reimbursement amount;

(B) Brand-name drugs: ((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
Venlafaxine	31722-0004-90	G	5.08/90	\$575.73	\$575.72	\$575.72
Eszopiclone	65862-0969-01	G	11.67/30	\$441.80	\$441.81	\$441.80
Vraylar	61874-0160-30	G	60.75/30	\$1,990.70	\$1,990.69	\$1990.69
Memantine	31722-0808-60	G	8.004/60	\$604.35	\$604.38	\$604.35
Amphetamine Aspartate	72516-0012-01	G	1.714/60	\$132.55	\$132.55	\$132.55

5. DWC finds the denials made by the insurance carrier were not supported. The respondent did not submit a response. The requester seeks \$12,398.03, this amount is recommended.

### Conclusion

The outcome of this medical fee dispute is based on the evidence requester and the respondent presented at the time of adjudication. Though all evidence may not have been discussed, it was considered.

DWC finds the requester has established that reimbursement is due.

### **Order**

Under Texas Labor Code Sections [413.031](#) and [413.019](#), DWC has determined the requester is entitled to reimbursement for the disputed services. It is ordered that Safety National Casualty Corp must remit to EZ SCRIPTS \$12,398.03. plus applicable accrued interest within 30 days of receiving this order in accordance with 28 TAC Section [134.130](#).

### **Authorized Signature**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Medical Fee Dispute Resolution Officer

February 19, 2026  
\_\_\_\_\_  
Date

## Your Right to Appeal

Either party to this medical fee dispute has a right to seek review of this decision under 28 TAC Section [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 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 this *Medical Fee Dispute Resolution Findings and Decision*** with any other required information listed in 28 TAC Section [141.1\(d\)](#).

Si prefiere hablar con una persona en español acerca de esta correspondencia, favor de llamar a 800-252-7031, opción tres o correo electrónico [CompConnection@tdi.texas.gov](mailto:CompConnection@tdi.texas.gov).