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

General Information

Requester Name

TrustRX Pharmacy

Respondent Name

FedEx Ground Package System

MFDR Tracking Number

M4-26-1022-01

Insurance Carrier's Austin Representative

BOX 19 Flahive Ogden & Latson

DWC Date Received

December 8, 2025

Summary of Findings

Date(s) of Service	Disputed Services	Amount in Dispute	Amount Due
April 11, 2025	Mag Oxide – NDC 10135078662	$4.45	$4.45
April 11, 2025	Theraworx – NDC 5005030886	$27.83	$0.00
April 16, 2025	Amitriptylin – NDC 16571010501	$15.92	$15.92
April 16, 2025	APAP/Codeine – NDC 00406048501	$85.41	$85.41
	Total	$133.61	$105.78

Requester's Position

"The medications listed below were properly billed and dispensed pursuant to the treating provider's authorization … The carrier denied all four medications as 'unrelated to the compensable injury,' which is incorrect … These medications were properly prescribed by the authorized treating physician, and all documentation clearly establishes relatedness … All medications billed on these dates are 'Y' status under the TX ODG formulary … Therefore, denial based on unrelatedness or any implied preauthorization requirement is not compliant with Texas DWC rules."

Amount In Dispute: $133.61

Respondent's Position

"The carrier's position is that these medications are not reasonable and necessary to treat [injury] over two years after the date of injury. They are also not related to the compensable injury, but rather are for conditions that are preexisting, chronic and otherwise not related to the compensable injury … A carrier always has the right to analyze, on a submission-by-submission basis, whether submitted medications are reasonable, necessary and related to treat the compensable injury."

Response Submitted By: Quintairos, Prieto, Wood & Boyer, P.A.

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 133.20 sets out the requirements for medical bill submission.
3. 28 TAC Section 134.500 sets out the definitions for pharmaceutical services.
4. 28 TAC Section 134.503 sets out the fee guidelines for services provided by a pharmacy.
5. 28 TAC Sections 134.540 sets out the preauthorization requirements for pharmaceutical services for claims subject to certified health care networks.
6. 28 TAC Section 134.600 sets out the procedures for preauthorization.
7. Texas Insurance Code Chapter 1305 sets out the general provisions for workers' compensation health care networks.

Adjustment Reasons

The insurance carrier denied payment for the disputed services with the following reasons:

1. 45 – Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement. Usage: This adjustment amount cannot equal the total service or claim charge amount; and must not duplicate provider adjustment amounts (payments)

2. P12 – Workers' compensation jurisdictional fee schedule adjustment.

3. G10 – This services was priced at submitted charges.

4. PS2 – NDC Charge(s) have been denied and no payment is recommended per Scriptadvisor clinical and formulary-based review.

5. 193 – Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly.
6. 18 – Exact duplicate claim/service
7. 29 – The time limit for filing has expired.
8. 224 – Duplicate charge.
9. 892 – Billed date exceeds 95 days from date of service.
10. 91 – Dispensing fee adjustment.
11. G01 – This item was priced as a generic prescribed drug.
12. P2 – Not a work related injury/illness and thus not the liability of the workers' compensation carrier.
13. 177 – Claim denied because this is not a work related injury/illness and thus not the liability of the workers' compensation carrier.
14. B13 – Re-evaluated; no additional payment is recommended.

Issues

1. What is DWC considering in this medical fee dispute?
2. Are the services in question subject to network reduction?
3. Did the requester support timely medical bill submission?
4. Is the insurance carrier's denial based on formulary review supported?
5. Is the requester entitled to reimbursement for Magnesium Oxide, Amitriptylin, and APAP/Codeine?

Findings

1. The requester is seeking reimbursement for medications dispensed on April 11, 2025, and April 16, 2025. The insurance carrier denied payment, in part, based on network reduction, relatedness, and timely filing. DWC will be considering these issues in this dispute.
2. Explanations of benefits for the disputed drugs indicated that the insurance carrier took a network reduction, denying payment in full.

   Per Insurance Code Section 1305.101(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."

28 TAC Section 134.503 states, in relevant part,

(a) Applicability of this section is as follows:

(1) This section applies to the reimbursement of prescription drugs and nonprescription drugs or over-the-counter medications as those terms are defined in §134.500 of this title (Definitions) for outpatient use in the Texas workers' compensation system, which includes claims:

(A) subject to a certified workers' compensation health care network as defined in §134.500 of this title;

28 TAC Section 134.540(d) states, "Treatment guidelines. The prescribing of drugs must be under the certified network's treatment guidelines and preauthorization requirements in Insurance Code Chapter 1305 and Chapter 10 of this title. Drugs included in the closed formulary that are prescribed and dispensed without preauthorization are subject to retrospective review of medical necessity and reasonableness of health care by the insurance carrier under subsection (g) of this section."

DWC finds that the services in question are not subject to network reduction.

3. Per explanations of benefits dated October 23, 2025, the insurance carrier denied the disputed drugs based, in part, on timely filing, while also identifying them as a duplicate claim or service. Submitted evidence supports timely submission of the bills in question. This denial reason is not supported.

4. Per submitted explanations of benefits denied payment, in part, stating, "NDC charge(s) have been denied, and no payment is recommended per Scriptadvisor clinical and formulary review."

28 TAC Section 134.500(3) states,

(1) Closed formulary--All available Food and Drug Administration (FDA) approved prescription and nonprescription drugs prescribed and dispensed for outpatient use, but excludes:

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

(B) any prescription drug created through compounding prescribed before July 1, 2018, that contains a drug 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;

(C) any prescription drug created through compounding prescribed and dispensed on or after July 1, 2018; and

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

Theraworx is labeled as a homeopathic product which is not an FDA-approved drug. For this reason, it is not included in the closed formulary. Per 28 TAC 134.600(p)(11), "drugs not included in the applicable division formulary" require preauthorization. DWC found no evidence that this product was preauthorized. The insurance carrier's denial is supported.

DWC finds that Magnesium Oxide, Amitriptylin, and APAP/Codeine are FDA-approved drugs and are not excluded from the formulary. Therefore, the insurance carrier's denial of payment for this reason is not supported for these drugs.

5. Because the insurance carrier failed to support its denial of payment for Magnesium Oxide, Amitriptylin, and APAP/Codeine, the requester is entitled to reimbursement in accordance with 28 TAC Section 134.503(c)(1)(A), using the following calculation: ((AWP per unit) x (number of units) x 1.25) + $4.00 dispensing fee per prescription = reimbursement amount.

   - Magnesium Oxide: (0.024 x 15 x 1.25) + $4.00 = $4.45.
   - Acetaminophen (APAP)/Codeine: (1.0855 x 60 x 1.25) + $4.00 = $85.41.
   - Amitryptyline: (0.318 x 30 x 1.25) + $4.00 = $15.93. The requester is seeking $15.92.

   The total allowable reimbursement amount is $105.78. This amount is recommended.

Conclusion

The outcome of this medical fee dispute is based on the evidence the 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 FedEx Ground Package System must remit to TrustRX Pharmacy $105.78 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	May 8, 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. 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.

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 electronico CompConnection@tdi.texas.gov.