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

EZ Scripts

Respondent Name

Arch Indemnity Insurance Co

MFDR Tracking Number

M4-26-1728-01

Insurance Carrier's Austin Representative

BOX 19 Flahive Ogden & Latson

DWC Date Received

February 19, 2026

Summary of Findings

Date(s) of Service	Disputed Services	Amount in Dispute	Amount Due
February 20, 2025	69238-2078-01	$42.25	$42.21
April 23, 2025	69238-2078-01	$42.25	$42.21
November 10, 2025	00093-7472-43	$378.10	$378.09
November 20, 2025	69238-2078-01	$42.25	$42.21
December 10, 2025	00093-7472-43	$378.10	$378.09
	Total	$882.95	$882.81

Requester's Position

"Medications were not processed for reimbursement, and we believe this to be in error. The dispensed medications are directly related to the patient's injury and were prescribed as treatment of this patient's worker compensation claim…"

Amount In Dispute: $882.95

Respondent's Position

"Our initial response to the above referenced medical fee dispute resolution is as follows: We have escalated the bills in question for manual review to determine if additional monies are owed."

Supplemental response submitted May 15, 2026

"…The bills in question were escalated and review completed. Our bill audit company has determined that no further payment is due. …Previous denial, by the adjuster, was maintained."

Response Submitted By: Gallaher Bassett

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 124.2 sets out the requirements of insurance carriers notification requirements.
3. 28 TAC Section 134.503 sets out the fee guidelines for services provided by a pharmacy.
4. 28 TAC Sections 134.530 and 134.540 set out the preauthorization requirements for pharmaceutical services.

Adjustment Reasons

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

- P2 – Not a work related injury/illness and thus not the liability of the workers' compensation carrier.
- 219 – Based on extent of injury.
- 197 – Precertification/authorization/notification/pre-treatment absent.
- P12 – Workers' compensation jurisdictional fee schedule adjustment.

Issues

1. What is DWC considering in this medical fee dispute?

2. Did the insurance carrier support the denial based on extent of injury?
3. Was prior authorization required per applicable DWC rule(s)?
4. What rule is applicable to calculation of reimbursement?
5. Has DWC determined whether reimbursement is due to the requester?

Findings

1. The requester seeks reimbursement of the medications Rizatriptan and Propranolol for dates of service from February 2025 through December 2025. The total amount in dispute is $882.95. The insurance carrier maintained their denial of these services. These denials will be reviewed per the applicable fee guidelines below.
2. Regarding the denial based on extent of injury. 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 Section 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. Regarding the denial for lack of prior authorization. 28 TAC Section 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 applicable Appendix A found, both medications are listed as "Y" drugs. Insufficient evidence was presented to support these are created through compounding or are investigational or experimental. The denial for lack of prior authorization is not supported and will not be considered in this review.

4. As the insurance carrier's denials are not supported, the following applies to the calculation of maximum allowed reimbursement of the medications in dispute. 28 TAC Section 134.503(c)(1)(A)(B) 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;

Medication	NDC	Units/AWP	AWP	Billed amount	Lesser of billed amount/AWP
Propranolol	69238207801	60/0.509	$42.21	$42.25	$42.21
Rizatriptan	00093747243	9/33.252	$378.09	$378.10	$378.09

5. Based on the information available at the time of this review DWC finds the insurance carrier did not support their denials as stated on the explanation of benefits. The MAR for the medication Propranolol is $42.21 for dates of service February 20, 2025, April 23, 2025 and November 20, 2025. The MAR for the medication Rizatriptan for dates of service November 10, 2025 and December 10, 2025 is $378.09. The total recommended amount is $882.81.

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 Arch Indemnity Insurance Co must remit to EZ Scripts $882.81 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 20, 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.