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

General Information

Requester Name

Injured Workers Pharmacy

Respondent Name

FedEx Ground Package System

MFDR Tracking Number

M4-26-1926-01

Insurance Carrier's Austin Representative

BOX 19 Flahive Ogden & Latson

DWC Date Received

March 10, 2026

Summary of Findings

Date(s) of Service	Disputed Services	Amount in Dispute	Amount Due
July 15, 2025	51167054830	$1,220.44	$1,220.44
August 9, 2025	51167054830	$1,220.44	$1,220.44
August 25, 2025	00093922201	$158.97	$158.97
September 22, 2025	00093922201	$158.97	$158.97
	Total	$2,758.82	$2,758.82

Requester's Position

"The attached bills were denied under "CHARGE EXCEEDS FEE SCHEDULE/MAXIMUM ALLOWABLE OR CONTRACTED/LEGISLATED FEE ARRANGEMENT." We billed in accordance with the Texas fee schedule which is (AWPX1.09+4.00). Please review the attached documents and advise if you need any additional information

Amount In Dispute: $2,758.82

Respondent's Position

The Austin carrier representative for Fedex Ground Package System is Flahive Ogden & Latson. The representative was notified of this medical fee dispute on March 11, 2026.

Per 28 Texas Administrative Code Section 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 134.503 sets out the fee guidelines for services provided by a pharmacy.
3. 28 TAC Section 133.240 sets out the procedures for payment, reduction, or denial of a medical bill.
4. TAC Section 19 sets out requirements of notice of determinations made in utilization review.

Adjustment Reasons

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

- 193 – Original payment decision is being maintained. Upon review, it was determined tht this claim was processed properly.
- 45 – Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement.
- 91 – Dispensing fee adjustment.
- W3 – In accordance with TDI-DWC Rule 134.804, this bill has been identified as a request for reconsideration or appeal.
- No additional allowance is warranted.

- NDC charges(s) have been denied and no payment is recommended because it failed one or more utilization management edits.

Issues

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

2. Did the carrier follow the appropriate administrative process to address the assertions made on the explanation of benefits?

3. What rule is applicable to the reimbursement of pharmacy services?

4. Has DWC determined whether the requester is due reimbursement for the disputed services?

Findings

1. The requester is seeking reimbursement of the medication Jurnavx and Diflunisal for dates of service from July of 2025 through September of 2025 in the amount of $2,758.82. The insurance carrier included the following statement regarding denial of the charges, "NDC charge(s) have been denied, and no payment is recommended because it failed one or more utilization management edits." DWC will review the submitted documentation regarding applicable rules for utilization review and pharmacy reimbursement.

2. 28 TAC Section 133.240 (q) states, in relevant part, When denying payment due to an adverse determination under this section, the insurance carrier shall comply with the requirements of Section 19.2009 of this title ... Additionally, in any instance where the insurance carrier is questioning the medical necessity or appropriateness of the health care services, the insurance carrier shall comply with the requirements of Section 19.2010 of this title …, including the requirement that prior to issuance of an adverse determination the insurance carrier shall afford the health care provider a reasonable opportunity to discuss the billed health care with a doctor ...

   Submitted documentation does not support that the insurance carrier followed the appropriate procedures for a retrospective review denial of the disputed services outlined in Section 19.2003 (b)(31) or Section 133.240 (q).

   Therefore, the insurance carrier did not appropriately raise unfavorable utilization review for this dispute, and this denial reason will not be considered in this review.

3. 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;

Drug Name	NDC	(B)rand name (G)eneric name	Units/AWP	Billed Amount	Lesser of AWP or billed amount
Journavx	51167054830	B	60/18.60	$1,220.44	$1,220.44
Diflunisal	00093922201	G	60/2.066	$158.97	$158.97

4. Review of the information available at the time of this review found the insurance carriers reasons for non-payment are not supported. The MAR for the medication Jornavx is $1,220.44 for dates of service July 15, 2025 and August 9, 2025 ($1,220.44 x 2 = $2,440.88) and for the medication Diflunisal the MAR is $158.97 for dates of service August 25, 2025 and September 22, 2025 ($158.97 x 2 = $317.94). The total recommended amount for this dispute is $2,758.82.

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 Injured Workers Pharmacy $2,758.82 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	June 12, 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.