

State of California

Department of Industrial Relations

DIVISION OF WORKERS' COMPENSATION

# 2025 Independent Bill Review (IBR) Report Analysis of 2023-2024 Application Filings

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## Introduction

In September 2012, Governor Brown signed into legislation Senate Bill (SB) 863. This reform of the workers' compensation system in California included the Independent Bill Review (IBR), which went into effect January 1, 2013. IBR is an efficient, non-judicial process for resolving medical treatment and medical-legal billing disputes in which the medical provider disagrees with the amount paid by a claim's administrator on a properly documented bill after a second review.

In a Second Bill Review (SBR), the medical provider seeks reconsideration of the denial or adjustment of the billed charges for the medical services or goods, or medical-legal services, given to the injured worker. IBR cannot be requested until after the claim's administrator issues a decision following a second review requested in a timely fashion, with which the medical provider disagrees.

Prior to SB 863, a medical provider engaged in a billing dispute with a claims administrator was limited to filing a lien with the Workers' Compensation Appeals Board in order to determine entitlement to the amount initially billed. SB 863 established SBR and IBR to decide billing disputes expediently, in which the only issue is the amount to be paid for the medical service provided. If the medical service is covered by a fee schedule adopted by the Division of Workers' Compensation (DWC), then SBR and IBR must be used to resolve the dispute.

A medical provider may request IBR within thirty days after service of the second review decision. Upon referral by the administrative director, the Independent Bill Review Organization (IBRO) notifies the parties of the assignment and provides them with an IBR case or identification number. The IBRO assigns an independent bill reviewer to examine all documents, apply the appropriate fee schedule, and issue a written declaration within sixty days of the assignment of IBR.

For the IBRO to consider the disputed billing, the medical service or goods (or medical-legal service) must be included in a fee schedule adopted by DWC. The [Official Medical Fee Schedule](#) (OMFS) sets forth rates for ambulance fees, durable medical equipment, inpatient and outpatient hospital services, surgical centers, laboratories, pharmaceuticals, and physician services. The Labor Code allows parties to contract for reimbursement rates that are different from those in the OMFS. The DWC's Medical-Legal Fee Schedule sets fees for medical-legal evaluation services.

This report examines IBR program activity in 2023 and 2024, capturing all applicant filings in that period, including cases filed in 2024 and resolved in 2025.

### Methodology

Maximus Federal Services, the IBRO, provides the DWC with data extracted from its proprietary software. This data corresponds with information in the Final Determination Letters (FDLs) that are received by the filing parties. Anonymized copies of FDLs for cases decided in the current year are available on the DWC website within thirty days of their issuance ([IBR Decisions Search Tool](#)).

## Results

### IBR Applications Received

In 2023 and 2024, IBR applications were received by the IBRO: 3,422 and 3,958, respectively. Each quarter in the two calendar years had a unstable pace of IBR filings, ranging from 741 to 1,229 per quarter.

Table 1. IBR Applications by Calendar Year (CY), 2013 to 2024

| Calendar Year | Applications Filed |
|---------------|--------------------|
| 2024          | 3,958              |
| 2023          | 3,422              |
| 2022          | 3,921              |
| 2021          | 3,222              |
| 2020          | 1,873              |
| 2019          | 1,644              |
| 2018          | 1,692              |
| 2017          | 2,151              |
| 2016          | 2,385              |
| 2015          | 2,344              |
| 2014          | 2,009              |
| 2013          | 1,000              |
| <b>TOTAL</b>  | <b>29,621</b>      |

Table 2a. IBR Applications by Quarter, 2023

| Quarter             | Applications Filed |
|---------------------|--------------------|
| First Quarter 2023  | 1,051              |
| Second Quarter 2023 | 806                |
| Third Quarter 2023  | 812                |
| Fourth Quarter 2023 | 753                |
| <b>TOTAL</b>        | <b>3,422</b>       |

Table 2b. IBR Applications by Quarter, 2024

| Quarter             | Applications Filed |
|---------------------|--------------------|
| First Quarter 2024  | 741                |
| Second Quarter 2024 | 957                |
| Third Quarter 2024  | 1,031              |
| Fourth Quarter 2024 | 1,229              |
| <b>TOTAL</b>        | <b>3,958</b>       |

### Geographic Breakdown

In 2023, nearly half (44.1%) the applicants were from Los Angeles County providers, and nearly one in five (19.5%) were from Central Coast providers. In 2024, nearly half the applications (46.7%) were from Los Angeles County providers, and nearly one in four (22.7%) were from Inland Empire providers.

Table 3. Geographic Breakdown

| Geographic Region        | Number of Applications Filed in 2023 | Number of Applications Filed in 2024 |
|--------------------------|--------------------------------------|--------------------------------------|
| Bay Area                 | 295                                  | 189                                  |
| Central Coast            | 669                                  | 616                                  |
| Central Valley           | 46                                   | 75                                   |
| Eastern Sierra Foothills | 10                                   | 18                                   |
| Inland Empire            | 614                                  | 899                                  |
| Los Angeles              | 1,510                                | 1,848                                |
| North State–Shasta       | 3                                    | 1                                    |
| Sacramento Valley        | 166                                  | 122                                  |
| Sacramento Valley North  | 4                                    | 1                                    |
| San Diego                | 100                                  | 98                                   |
| Unlisted/Not Available   | 5                                    | 91                                   |
| <b>TOTAL</b>             | <b>3,422</b>                         | <b>3,958</b>                         |

### Fee Schedule

The disputed billing must be covered by a fee schedule adopted by the DWC: medical services in the OMFS, evaluations under the Medical-Legal Fee Schedule, or set forth in a contract for reimbursement. The IBR application lists ten categories from which the applicant selects the fee schedule(s) for the billed services provided. Some IBR cases contain multiple fee schedule review requests. Over half of the IBR cases over the past two years include review requests for Interpreter services.

Table 4. IBR Fee Schedule, 2023 and 2024

| Fee Schedule  | Total Filings CY 2023 | Total Filings CY 2024 |
|---|-----------------------|-----------------------|
| Ambulance Services  | 0                     | 2                     |
| Contract for Reimbursement Rates                            | 117                   | 136                   |
| Durable Medical Equipment, Prosthetics, Orthotics, Supplies | 3                     | 3                     |

| Fee Schedule  | Total Filings<br>CY 2023 | Total Filings<br>CY 2024 |
|---|--------------------------|--------------------------|
| Hospital Outpatient and Ambulatory Surgical Centers | 502                      | 132                      |
| Inpatient Hospital Services                         | 19                       | 25                       |
| Interpreter Services                                | 1,735                    | 2,598                    |
| Medical-Legal Fee Schedule                          | 333                      | 272                      |
| Pathology and Laboratory Services                   | 88                       | 42                       |
| Pharmaceuticals                                     | 3                        | 0                        |
| Physician Services                                  | 622                      | 748                      |
| <b>TOTAL</b>  | <b>3,422</b>             | <b>3,958</b>             |

### Procedure Codes

In addition to indicating the applicable fee schedule, IBR applicants must state the billing code of the services or goods whose payment is in dispute. Most often, this is a billing code using Current Procedural Terminology (CPT) published by the American Medical Association (AMA). Some codes represent non-physician services, such as sign language or oral interpretive services (INTERP) and certain pharmaceuticals (HCPCS)<sup>1</sup>; others are specific to the California Code of Regulations, including progress reports by treating physicians and medical-legal evaluations performed by Qualified Medical Evaluators.

Table 5 describes the ten billing codes and related descriptions for services and goods that were listed most often in the IBR application filings in 2023 and 2024.

**Table 5. Top Procedure Codes, 2023 and 2024 (combined)**

| Code   | Source      | Description   | Count |
|--------|-------------|---|-------|
| T1013  | HCPCS       | Sign language or oral interpretive services, per 15 minutes   | 3175  |
| INTERP | Interpreter | Interpretive services   | 527   |
| 99214  | CPT         | Office or other outpatient visit for the evaluation and management of an established patient, which requires at least 2 of these 3 key components: A detailed history; A detailed examination; Medical decision making of moderate complexity. Counseling and/or coordination | 218   |
| ML201  | Med-Legal   | Missed Appointment for a Comprehensive or Follow-Up Medical-Legal Evaluation.   | 167   |
| 62284  | CPT         | Injection procedure for myelography and/or computed tomography, lumbar  | 134   |
| 97799  | CPT         | Unlisted physical medicine/rehabilitation service   | 134   |
| 96130  | CPT         | Psychological testing evaluation services by physician or other qualified health care professional,   | 116   |

<sup>1</sup> Healthcare Common Procedure Coding System, developed by the Centers for Medicare and Medicaid.

| Code  | Source    | Description  | Count |
|-------|-----------|--|-------|
|       |           | including integration of patient data, interpretation of standardized test results and clinical data, clinical decision making, treatment planning and report, and interactive feedback to the patient, family member(s) or caregiver(s), when performed; first hour |       |
| 99358 | CPT       | Prolonged evaluation and management service before and/or after direct patient care; first hour  | 114   |
| ML203 | Med-Legal | Fees for Supplemental Medical-Legal Evaluations.   | 95    |
| 99070 | CPT       | Supplies and materials (except spectacles), provided by the physician or other qualified health care professional over and above those usually included with the office visit or other services rendered (list drugs, trays, supplies, or materials provided)        | 85    |

*Note:* CPT = Current Procedural Terminology; HCPCS = non-physician services, such as sign language or oral interpretive services and certain pharmaceuticals.

### *Case Dispositions*

Approximately one in four IBR applications is determined to be ineligible for review. Ineligibility factors include untimely requests, requests made prior to completion of a second review, and requests made without payment of the required fee.

Among the filings that received a review and a case determination in 2023, 62% were overturned, meaning the IBRO determined that additional reimbursement is warranted. The claims administrator's determination is reversed, so the provider is due reimbursement for the filing fee, along with the amount due after the review of the billing and fee schedule. In 2024, 83% of the case determinations were overturned.

**Table 6. IBR Case Dispositions for Applications Filed in CY 2023 and CY 2024**

| Case Disposition | Total for 2023 App Filings | Percentage of 2023 Total | Total for 2024 App Filings | Percentage of 2024 Total |
|------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Overturned       | 2,855                      | 61.65%                   | 2,795                      | 82.67%                   |
| Upheld           | 149                        | 3.22%                    | 215                        | 6.36%                    |
| Withdrawn        | 107                        | 2.31%                    | 79                         | 2.34%                    |
| Ineligible       | 1,520                      | 32.82%                   | 292                        | 8.64%                    |
| <b>Total</b>     | <b>4,631</b>               | <b>100.00%</b>           | <b>3,381</b>               | <b>100.00%</b>           |

### *Case Decisions Issued*

In 2023 and 2024, the IBRO implemented additional quality control measures for the adjudication of case determinations. These additional levels of review added to the time between the assignment of a case and its determination. Of the 5,948 case determinations issued in the reporting period, all but 2 (99.97%) were issued in the sixty-day statutory timeframe.

Table 7. IBR Case Decisions Issued per Quarter, Average Number of Days to Decision

| Quarter             | Number of Decisions Issued for 2023 and/or 2024 Filings | Average Number of Days, Assignment to Decision |
|---------------------|---|--|
| First Quarter 2023  | 662   | 48   |
| Second Quarter 2023 | 726   | 46   |
| Third Quarter 2023  | 766   | 51   |
| Fourth Quarter 2023 | 784   | 47   |
| First Quarter 2024  | 719   | 47   |
| Second Quarter 2024 | 688   | 43   |
| Third Quarter 2024  | 738   | 45   |
| Fourth Quarter 2024 | 865   | 50   |

### *Additional Reimbursement*

Overtaken IBR case decisions for applications filed in 2023 and 2024 resulted in reimbursement to the providers totaling \$7.6 million. This amount includes the repayment of the filing fees for these cases. The filing fee is set at \$180.

For the 5,650 overturned cases in which additional payment was warranted, reimbursement amounts range from under \$180 to approximately \$675,000, depending on the fee schedules, services rendered, and coding complexities included in the billing disputes. (For example, the largest amounts are related to surgeries and other inpatient services.) The median reimbursement amount for the reporting period is \$435.

### *Conclusion*

Now in its thirteenth year, IBR continues to provide an effective process for resolving billing disputes over payments of medical and medical-legal services in the workers' compensation system. The IBRO received approximately 308 applications per month during the past two-year period, and this average volume is a slightly higher (413) in 2025 so far.

IBR case decisions must be issued within sixty days of their assignment to an IBRO reviewer. Cases during the past two-year period were resolved in an average of 47 days. With very rare exceptions, all IBR cases issued met the statutory time requirement.

In 2023, additional payment was found to be owed in nearly six in ten IBR cases that completed the determination process. In 2024, additional payment was found to be owed in eight in ten cases. Providers received \$7.6 million in reimbursement for services in 2023–24, including the filing fees. Billing for Interpreter Services is the most often submitted for review and most often overturned. The highest amounts for reimbursement are for Interpreter and Contract for Reimbursement Rates.

*Appendix: Geographic Regions*

| Region                   | Counties   |
|--------------------------|--|
| Bay Area                 | Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma      |
| Central Coast            | Monterey, San Benito, San Luis Obispo, Santa Barbara, Santa Cruz, and Ventura                      |
| Central Valley           | Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare                           |
| Eastern Sierra Foothills | Alpine, Amador, Calaveras, El Dorado, Inyo, Mariposa, Mono, Nevada, Placer, and Tuolumne           |
| Inland Empire            | Imperial, Orange, Riverside, and San Bernardino  |
| Los Angeles              | Los Angeles  |
| North State/Shasta       | Del Norte, Humboldt, Lake, Lassen, Mendocino, Modoc, Plumas, Shasta, Sierra, Siskiyou, and Trinity |
| Sacramento Valley–North  | Butte, Colusa, Glenn, Sutter, Tehama, and Yuba   |
| Sacramento Valley–South  | Sacramento and Yolo  |
| San Diego                | San Diego  |