INDEPENDENT BILLING REVIEW FINAL DETERMINATION

January 20, 2015

Dear [Name],

MAXIMUS Federal Services has completed the Independent Bill Review ("IBR") of the above workers’ compensation case. This letter provides you with the IBR Final Determination and explains how the determination was made.

**Final Determination: OVERTURN.** MAXIMUS Federal Services has determined that additional reimbursement is warranted. The Claims Administrator’s determination is reversed and the Claim Administrator owes the Provider additional reimbursement of $250.00 for the review cost and $5,343.75 in additional reimbursement for a total of $5,593.75. A detailed explanation of the decision is provided later in this letter.

The Claim Administrator is required to reimburse the Provider a total of $5,593.75 within 45 days of the date on this letter per section 4603.2 (2a) of the California Labor Code. The determination of MAXIMUS Federal Services and its expert reviewer is deemed to be the Final Determination of the Administrative Director of the Division of Workers’ Compensation. This determination is binding on all parties. In certain limited circumstances, you can appeal the Final Determination. Appeals must be filed with the Workers’ Compensation Appeals Board within 20 days from the date of this letter. For more information on appealing the final determination, please see California Labor Code Section 4603.6(f).

Sincerely,

[Name]

Medical Director

cc: [Name]
DOCUMENTS REVIEWED
Pertinent documents reviewed to reach the determination:

- The Independent Bill Review Application
- The original billing itemization
- Supporting documents submitted with the original billing
- Explanation of Review in response to the original bill
- Request for Second Bill Review and documentation
- Supporting documents submitted with the request for second review
- The final explanation of the second review
- Official Medical Fee Schedule
- Partial Contractual Agreement: 95% OMFS

HOW THE IBR FINAL DETERMINATION WAS MADE
MAXIMUS Federal Services Chief Coding Specialist reviewed the case file and researched pertinent coding and billing standards to reach a determination. In some cases a physician reviewer was employed to review the clinical aspects of the care to help make a determination. He/she has no affiliation with the employer, employee, providers or the claims administrator. The expert reviewer was selected based on his/her clinical experience, education, background, and expertise in the same or similar specialties that evaluate and/or treat the medical condition and disputed items/services.

ANALYSIS AND FINDING
Based on review of the case file the following is noted:

- **ISSUE IN DISPUTE:** Provider seeking full remuneration for Functional Restoration Initial Evaluation services, billed as Unlisted Procedure Code 97799-86, for date of service 06/02/2014 – 06/06/2014.
- Claims Administrator denied FRP services with the following rational: 1) CBR 2) Charge was adjusted to comply with the rate and the rules of the contract indicated 3) Changes priced in accordance with the (Claims Administrator) owned contract 4) Workers’ Compensation Jurisdictional fee schedule adjustment.
- PPO Contractual Agreement section for “unassigned value,” reflects “95% of Eligible Charges.”
- Functional Restoration Program service not in dispute.
- Payment for FRP is in dispute.
- Request for FRP states the Providers Usual and Customary fee of $225.00 hour for 160 hours of FRP; faxed to Claims Administrator by Provider on 04/10/2014 for dates of service 06/02/2014 – 06/06/2014.
- Authorization received by the Claims Administrator on 04/10/2014
- Authorization approved for “80 HOURS” by Claims Administrator on 04/14/2014, valid from 04/14/2014 – 04/14/2015 (1 year).
• Fee reflected on original request is not stated on the Authorization. However, an exclaimer does exist on authorization as follows: "certification of the treatment referenced below is not an approval of benefits. Only a claim adjuster may make guarantee of payment. All treatment is subject to the policy provisions as well as state regulations regarding edibility and compensability."

• The documentation included a copy of the PPO contract. Per the PPO Contract, Covered services rendered by Preferred Providers are to be reimbursed at the lesser of 100% of billed charges or the following fee schedule: Worker's Compensation. The Worker's Compensation reimbursement is "Lesser of the physician's/practitioner's usual and customary fees or 95% of the reasonable maximum fee established by California Workers' Compensation Regulations, using the procedure numbers, unit values, and conversion factors adopted by the California Department of Industrial Relations. By Report Charges to be paid @ 95% of billed amount."

• EOR indicates the procedure as a “CBR” or Claim “By Report” code.

• EOR does not indicate why fee was reduced or what portion of the FRP report is in dispute. As such, FRP report will be recognized as one (1) Unlisted Procedure representing the authorized Functional Rehabilitation Program.

• There is no allowance listed under the OMFS for the billed procedure code 97799 Modifier 86 and no single comparable code, allowable under OMFS, exists. The Provider documented their usual and customary charge of $250.00 hour for 160 hours in the treatment authorization request. The billed services should have been reimbursed based on the Provider’s usual and customary billed charges, with a deduction of 95% as stated in the contractual agreement for “By Report” codes.

• Based on the aforementioned documentation and guidelines, additional reimbursement is warranted for 97799-86

The table below describes the pertinent claim line information.

**DETERMINATION OF ISSUE IN DISPUTE: Based on the aforementioned documentation and guidelines, additional reimbursement is warranted for 97899-86**

<table>
<thead>
<tr>
<th>Date of Service: 06/02/2014 – 06/06/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physician Services</td>
</tr>
<tr>
<td>Service Code</td>
</tr>
<tr>
<td>--------------</td>
</tr>
<tr>
<td>97799-86</td>
</tr>
</tbody>
</table>