INDEPENDENT BILLING REVIEW FINAL DETERMINATION

February 17, 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 $932.85 in additional reimbursement for a total of $1,183.51. A detailed explanation of the decision is provided later in this letter.

The Claim Administrator is required to reimburse the Provider a total of $1,183.51 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,

Paul Manchester, M.D., M.P.H.
Medical Director

cc: [Name]
DOCSRUMENTS 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
- DWC Compound Med. Calculator

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 $1,153.51 NDC# 38779007899, NDC# 38779008200, NDC# 51927333800 Compound Medication Dispensed to Injured Worker on 12/19/2013.
- Claims Administrator reimbursement rational: “Drugs/Supply Exceeds Reasonableness.”
- 8 CC § 9789311(a)(1) “The maximum reasonable fee for pharmacy and drug services that are not otherwise covered by a Medicare fee schedule payment for facility services must be 100 percent of the fees prescribed in the relevant Medi-Cal payment system. Fees for medical services and pharmacy services and drugs shall be adjusted to conform to any relevant change in the Medicare and Medi-Cal payment systems.”
- Documentation reflects 150 grams of the following compound for transdermal cream: Ketoprofen Powder 30grams NDC 38779007899; Lidocaine HCL Powder 18.45 grams NDC 38779008200; & PCCA Lipoderm Base 101.55 grams NDC 51927333800.
- DWC Compound pharmaceutical calculator indicates additional reimbursed is warranted for NDC# 38779007899, NDC# 38779008200, & NDC# 51927333800

The table below describes the pertinent claim line information.
DETERMINATION OF ISSUE IN DISPUTE: NDC# 38779007899, NDC# 38779008200, NDC# 51927333800

<table>
<thead>
<tr>
<th>Date of Service</th>
<th>12/19/2014</th>
</tr>
</thead>
</table>

**Pharmaceutical**

<table>
<thead>
<tr>
<th>Service Code</th>
<th>Provider Billed</th>
<th>Plan Allowed</th>
<th>Dispute Amount</th>
<th>Assist Surgeon</th>
<th>Units</th>
<th>Workers' Comp Allowed Amt.</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>NDC# 38779007899, NDC# 38779008200, NDC# 51927333800</td>
<td>$1,153.51</td>
<td>$220.00</td>
<td>$932.85</td>
<td>N/A</td>
<td>150g</td>
<td>$1,153.51</td>
<td>$932.85 Due Provider as reflected on IBR Request.</td>
</tr>
</tbody>
</table>

Copy to:

[Redacted]

Copy to:

[Redacted]