Independent Bill Review Final Determination Upheld

1/30/2014

Re: Claim Number: [Redacted]
Claims Administrator name: [Redacted]
MAXIMUS IBR Case: CB13-0000443

Dear [Redacted],

**Determination:**
A Request for Independent Bill Review (IBR) was assigned to MAXIMUS Federal Services on 10/2/2013, by the Administrative Director of the California Division of Workers' Compensation pursuant to California Labor Code section 4603.6. MAXIMUS Federal Services has determined that the Claims Administrator’s determination is upheld. This determination finds that the Claims Administrator does not owe the Provider additional reimbursement.

**Pertinent Records and Other Appropriate Information Relevant to the Determination Reviewed:**
The following evidence was used to support the decision:
- 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
- Other: OMFS Outpatient Hospital Fee Schedule, National Correct Coding Initiative/Outpatient Code Editor Version 19.1 (4/1/2013-6/30/2013)
Supporting Analysis:
The dispute regards the payment for surgical facility services on date of service 5/25/2013. The facility services were billed on a UB-04/CMS1450 using revenue codes for services and supplies related to CPT 29827, CPT 29825 Modifier 51, CPT 20690, and CPT 29826. The Provider was reimbursed $7,214.18 and is requesting additional reimbursement of $1,797.62. The Claims Administrator denied the billed procedure code 29825 with the explanation “No separate payment was made because the value of the service is included within the value of another service performed on the same day (29825, 29827).”

The Provider is disputing the denial of CPT code 29825 Modifier 51.

CPT 29825 - Arthroscopy, shoulder, surgical; with lysis and resection of adhesions, with or without manipulation.
CPT 29827 - Arthroscopy, shoulder, surgical; with rotator cuff repair.
Modifier 51 - Multiple Procedures

Pursuant to Labor Code section 5307.1(g)(2), the Administrative Director of the Division of Workers’ Compensation orders that Title 8, California Code of Regulations, sections 9789.30 and 9789.31, pertaining to Hospital Outpatient Departments and Ambulatory Surgical Centers Fee Schedule in the Official Medical Fee Schedule, is amended to conform to CMS’ hospital outpatient prospective payment system (OPPS). The Administrative Director incorporates by reference, the Centers for Medicare and Medicaid Services’ (CMS) Hospital Outpatient Prospective Payment System (OPPS) certain addenda published in the Federal Register notices announcing revisions in the Medicare payment rates. The adopted payment system addenda by date of service are found in the Title 8, California Code of Regulations, Section 9789.39(b). Based on the adoption of the CMS hospital outpatient prospective payment system (OPPS), CMS coding guidelines and the hospital outpatient prospective payment system (OPPS) were referenced during the review of this Independent Bill Review (IBR) case.

Based on the provider type, the reimbursement for services is calculated on the Centers for Medicare and Medicaid Services (CMS) Outpatient Prospective Payment System (OPPS).

NCCI edits define when two procedure HCPCS/CPT codes may not be reported together except under special circumstances. If an edit allows use of NCCI-associated modifiers, the two procedure codes may be reported together when the two procedures are performed at different anatomic sites or different patient encounters. NCCI-associated modifiers may be utilized to allow payment of both codes of an edit. The documentation must support the use of the modifier. Modifiers that may be used under appropriate clinical circumstances to bypass an NCCI edit include: Anatomic modifiers: E1-E4, FA, F1-F9, TA, T1-T9, LT, RT, LC, LD, RC, LM, RI; Global surgery modifiers: 24, 25, 57, 58, 78, 79; other Modifiers: 27, 59, and 91. The billed surgical procedure 29825 was not billed with any of the above Modifiers.

The operative report document the following procedures on the left shoulder: Mini-open rotator cuff repair with extensive lysis of adhesions and further subacromial decompression. The operative report did not indicate a different session or patient encounter, different procedure or different site. The two procedures (29825 and 29827) are not reported together when performed on the same site during the same patient encounter.

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Form Effective Date 7.23.13
Some procedures can be performed at varying levels of complexity. The CPT codes corresponding to more extensive procedures always include the CPT codes corresponding to less complex procedures. The CPT code 29827 is a more extensive procedure that includes CPT code 29825. Accordingly, the more extensive procedure, CPT code 29827 was reimbursed by the Claims Administrator. The CPT code 29825 was bundled into the reimbursement of CPT code 29827.

There is no additional reimbursement warranted per the Official Medical Fee Schedule code 29825.

The chart below provides a comparison of billed charges and reimbursement rates for the codes and dates of services at issue.

<table>
<thead>
<tr>
<th>Validated Code</th>
<th>Validated Modifier</th>
<th>Validated Units</th>
<th>dispute Amount</th>
<th>Total Fee Schedule Allowance</th>
<th>Provider Paid Amount</th>
<th>Allowed Recommended Reimbursement</th>
<th>Fee Schedule Utilized</th>
</tr>
</thead>
<tbody>
<tr>
<td>29825</td>
<td></td>
<td>51</td>
<td>1</td>
<td>$1,797.62</td>
<td>$0.00</td>
<td>$0.00</td>
<td>OMFS</td>
</tr>
</tbody>
</table>

**Chief Coding Specialist Decision Rationale:**
This decision was based on Official Medical Fee Schedule (OMFS) Outpatient Hospital Schedule and comparison with explanation of review (EOR). This was determined correctly by the Claims Administrator and the payment of $0.00 is upheld.

This decision constitutes the final determination of the Division of Workers' Compensation Administrative Director, is binding on all parties, and is not subject to further appeal except as specified in Labor Code section 4603.6(f)

Sincerely,

RHIT

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