INDEPENDENT BILLING REVIEW FINAL DETERMINATION

November 20, 2014

Dear [Provider 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 $335.00 for the review cost and $2140.59 in additional reimbursement for a total of $2475.59. A detailed explanation of the decision is provided later in this letter.

The Claim Administrator is required to reimburse the Provider a total of $2475.59 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,

[Medical Director]

cc: [CC]
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
- Negotiated contracted rates: None
- National Correct Coding Initiatives
- Medicare and Medicaid Services (CMS) Outpatient Prospective Payment System (OPPS)

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 is dissatisfied with reimbursement of REV codes 360, 370, 636, 710, 730, 250, 264 and 270
- Claims Administrator reimbursed $120.48 indicating on the Explanation of Review “Service exceeds agreed utilization”
- Provider was reimbursed $120.48 and is seeking additional reimbursement of $20534.36. Provider states “The state has approved [ ] as a Long Term Acute Care Hospital therefore not bound to OMFS but rather its usual and customary fees, therefore you are not complying with the rules and regulations set forth by the Department of Health & Human Services & Department of Industrial Relations also supported by; Title 8 California Code of Regulations section 9789.22(j)(5) exempting long term hospitals from the maximum reimbursement formula set forth in subdivision
(a) and “are paid on a reasonable cost basis”.

[300 (80053), 300 (81003), 300 (99195), 305 (85025), 305 (85610), 305 (85730)] and denied 360 (25000) indicating on the Explanation of Review “Service exceeds agreed utilization”

- Based on review of the operative report, right first dorsal release was the procedure performed.
- Pursuant Section 9789.33- (a) For Services rendered on or after July 1, 2004, the maximum allowable payment for outpatient facility fees for hospital emergency room services or for surgical services performed at a hospital outpatient department or at an ambulatory surgical center shall be determined based on the following. In accordance with Section 9789.30(x), an extra 2% reimbursement shall be used in lieu of an additional payment for high cost outlier cases.
- The maximum payment rate for the listed hospital outpatient departments can be determined as follows: APC relative weight x adjusted conversion factor x 1.22 workers’ compensation multiplier pursuant to Section 9789.30(x)
- NCCI edits exist on code 730 (93005) and therefore does not warrant reimbursement.
- No anesthesia record was documented nor report submitted and therefore the anesthesia code 370 does not warrant any reimbursement. Codes 250, 264, 270, 710, and drug codes 636 are not recommended reimbursement as documentation submitted does not support codes billed.
The table below describes the pertinent claim line information.

**DETERMINATION OF ISSUE IN DISPUTE:** Based on information reviewed, reimbursement of code 360 (25000) is warranted.

<table>
<thead>
<tr>
<th>Date of Service: 9/27/2013</th>
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<tbody>
<tr>
<td><strong>Service Code</strong></td>
</tr>
<tr>
<td>-------------------</td>
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<tr>
<td>360 (25000)</td>
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National Correct Coding Initiative information:

<table>
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<th>File</th>
<th>Column 1</th>
<th>Column 2</th>
<th>Modifier</th>
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<tbody>
<tr>
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<td>25000</td>
<td>93005</td>
<td>Allowed</td>
</tr>
</tbody>
</table>

Copy to:

[Redacted]

Copy to:

[Redacted]