MAXIMUS FEDERAL SERVICES, INC.
Independent Bill Review
P.O. Box 138006
Sacramento, CA 95813-8006
Fax: (916) 605-4280

INDEPENDENT BILLING REVIEW FINAL DETERMINATION

November 14, 2014

Dear [Redacted]

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 $1398.07 in additional reimbursement for a total of $1648.07. A detailed explanation of the decision is provided later in this letter.

The Claim Administrator is required to reimburse the Provider a total of $1648.07 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,

[Redacted]

Chief Coding Reviewer

cc: [Redacted]
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: Interplan
- 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: Reimbursement for CPT code 23430 was less than expected by the Provider.
- Total billed charges for Hospital Outpatient Services = $24305.71.
- Outpatient Prospective Payment System not based on line item billed amount. The allowed amount is set prospectively and therefore reimbursement can be higher than the billed charges. Reimbursement not based on billed amount.
- This service has a status indicator of “T” and has the highest reimbursement rate of the services provided therefore reimbursement is to be made at 100% of the allowable amount.
- Provider’s conversion factor = 80.45.
- Provider contract indicates at 10% reduction from OMFS amounts.
- Hospital based outpatient surgical center reimbursement increased by 22%.
- Based on the OPPS reimbursement set based on the following calculation:
  \[23430 = 48.2042*80.45*1.22*0.90 = $4258.07.\]

The table below describes the pertinent claim line information.
DETERMINATION OF ISSUE IN DISPUTE: Reimbursement of code 23430 was not paid appropriately additional $1398.07 to be reimbursed to the Provider.

<table>
<thead>
<tr>
<th>Date of Service: 5/21/14</th>
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<tbody>
<tr>
<td>Service Code</td>
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<td>23430</td>
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Copy to: [Redacted]

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