MAXIMUS FEDERAL SERVICES, INC.
Independent Bill Review
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Independent Bill Review Final Determination Upheld

4/4/2014

[redacted]

Re: Claim Number: [redacted]
Claims Administrator name: [redacted]
Date of Disputed Services: 1/26/2013 – 1/31/2013
MAXIMUS IBR Case: CB13-0000358

Dear [redacted]

Determination
A Request for Independent Bill Review (IBR) was assigned to MAXIMUS Federal Services on 2/27/2014, 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 Inpatient Hospital Fee Schedule

Supporting Analysis:
The dispute regards the payment amount for inpatient hospital services 1/26/2013 – 1/31/2013. The Provider billed services and supplies related to the DRG 454. The Claims Administrator paid $94,843.63 for the inpatient services indicating "Payment for this inpatient stay included the additional device amount for complex spinal surgery."

The Provider submitted a claim for inpatient hospital services and is requesting additional reimbursement for the implantable hardware billed under Revenue code 278 and DRG 454.

For discharges occurring on or after January 1, 2013 but before January 1, 2014, an additional allowance of $9,140.00 shall be made for spinal devices used during complex spinal surgery MS-DRGs 453, 454, and 455; an additional allowance of $3,170.00 shall be made for spinal devices used during complex spinal surgery MS-DRG 456; and an additional allowance of $670.00 shall be made for spinal devices used during complex spinal surgery MS-DRGs 028, 029, and 030, per California Code of Regulations, Title 8 Section 9789.22(g)(2). Based on the date of service and DRG, an additional allowance of $9,140.00 for the implantable hardware is warranted.

The OMFS Inpatient Hospital Fee Schedule maximum payment amount is that amount determined by multiplying the DRG weight x hospital composite factor x 1.20 and by making any adjustments required in California Code of Regulations, Title 8 Section 9789.22.

Based on a review of the documentation, the inpatient services were reimbursed based on PPO contract. The Claims Administrator's explanation of review (EOR) indicated a payment of $94,843.63 and a PPO discount of $10,592.59. According to the EOR, the inpatient services billed under the DRG 454 were paid according to the Official Medical Fee Schedule and the PPO contract indicated on the EOR for the dates of service 1/26/2013 – 1/31/2013.

There is no additional reimbursement warranted per the Official Medical Fee Schedule Inpatient Hospital Services DRG 454.

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

Validated Code	Validated Units	Dispute Amount	Total Fee Schedule Allowance	Provider Paid Amount	Allowed Recommended Reimbursement	Fee Schedule Utilized
454	1	$28,275.00	$94,843.63	$94,843.63	$0.00	PPO Contract

Chief Coding Specialist Decision Rationale:
This decision was based on OMFS Inpatient Hospital Fee Schedule and comparison with explanation of review (EOR). This was determined correctly by the Claims Administrator and the payment of $94,843.63 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,

[redacted], RHIT

Copy to:
[redacted]

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