

MAXIMUS FEDERAL SERVICES, INC.

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

Independent Bill Review Final Determination Reversed

12/17/2013

[REDACTED]
[REDACTED]
[REDACTED]

Re: Claim Number: [REDACTED]
Claims Administrator name: [REDACTED]
Date of Disputed Services: 1/24/2013 – 1/24/2013
MAXIMUS IBR Case: CB13-0000360

Dear [REDACTED],

Determination:

A Request for Independent Bill Review (IBR) was assigned to MAXIMUS Federal Services on 9/5/2013, 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 reversed. The Claims Administrator is required to reimburse you the IBR fee of \$335.00 and the amount found owing of \$1,427.15, for a total of \$1,762.15.**

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
- Official Medical Fee Schedule or negotiated contract: PPO Contract
- Other: OMFS Outpatient Hospital and Ambulatory Surgical Center Fee Schedule

Supporting Analysis:

The dispute regards the payment for outpatient hospital facility services on date of service 1/24/2013. The facility services were billed on a UB-04/CMS1450 using revenue codes for services and supplies related to an emergency room service. The Claims Administrator reimbursed the Provider \$56,774.77 indicating "The charge exceeds the Official Medical Fee Schedule allowance. The charge has been adjusted to the scheduled allowance. The charge was adjusted to comply with the rate and the rules of the contract indicated"

The Provider is disputing the reimbursement level of the outpatient hospital services. The Provider indicated that the services were not paid according to the PPO contract.

MAXIMUS received a copy of the PPO contract from the Claims Administrator and the Provider. The explanation of review (EOR) indicated the claim was reviewed and reimbursed according a PPO contract. Per the PPO contract amendment between the Provider and the contracting entity effective 1/1/2003, "Outpatient Services rendered to occupationally ill/injured employees, the reimbursement shall be the contract rate shown above." The contract rate listed above the mentioned excerpt indicates "Outpatient Services rate 10% discount from billed charges."

Based on a review of the PPO contract, billed facility services and the explanation of review, the outpatient hospital services should have been reimbursed at 10% discount of billed charges or 90% of billed charges.

The additional reimbursement of \$1,427.15 is warranted for the Outpatient Hospital Emergency Room Services billed for date of service 1/24/2013.

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

Validated Code	Dispute Amount	Total Fee Schedule Allowance	Provider Paid Amount	Allowed Recommended Reimbursement	Fee Schedule Utilized
Outpatient Hospital Emergency Room Services	\$1,427.15	\$58,201.92	\$56,774.77	\$1,427.15	PPO Contract

MAXIMUS Federal Services, as the Independent Bill Review Organization, has determined the Claims Administrator owes the Provider additional reimbursement. The Claims Administrator is required to reimburse the Provider for the IBR application fee (**\$335.00**) and the OMFS amount for Outpatient Hospital Emergency Room Services (\$1,427.15) for a total of \$1,762.15.

The Claims Administrator is required to reimburse the provider \$1,762.15 within 45 days of date on this notice per section 4603.2 (2a). 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]
[REDACTED]
[REDACTED]

Copy to:

[REDACTED]
[REDACTED] [REDACTED]
[REDACTED]