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

1/9/2014

[redacted]

Re: Claim Number: [redacted]
Claims Administrator name: [redacted]
Date of Disputed Services: 1/23/2013 – 1/23/2013
MAXIMUS IBR Case: CB13-0000499

Dear [redacted]:

Determination:
A Request for Independent Bill Review (IBR) was assigned to MAXIMUS Federal Services on 10/16/2013, 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 $208.08, for a total of $543.08.**

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 Surgery General Information and Ground Rules

Supporting Analysis:
The dispute regards the payment amount for surgical procedures (17311,17999 59) for date of service 1/23/2013. The Claims Administrator based its reimbursement of the billed procedure code 17311 on procedure code 17304 with the explanation "17311 invalid OMFS code. The adjacent tissue transfer skin repair done by another provider is the primary procedure as it was done in the same operative session. Please refer to OMFS guidelines for multiple procedure on page #93." The Claims Administrator reimbursed $52.02 for the billed procedure code 17999 with the explanation "The value of this procedure is based on 25% of 17106 (3rd multiple procedure), which appears equal in scope and complexity to services rendered. No additional allowance recommended."

CPT 17111 - Mohs micrographic technique, including removal of all gross tumor, surgical excision of tissue specimens, mapping, color coding of specimens, microscopic examination of specimens by the surgeon, and histopathologic preparation including routine stain(s) (e.g., hematoxylin and eosin, toluidine blue), head, neck, hands, feet, genitalia, or any location with surgery directly involving muscle, cartilage, bone, tendon, major nerves, or vessels; first stage, up to 5 tissue blocks.
CPT 17999 - The description of the billed procedure code 17999 is "Unlisted procedure, skin, mucous membrane and subcutaneous tissue." Per the Official Medical Fee Schedule, the procedure code 17999 does not have an assigned unit value and is considered a "By Report" code. Per the OMFS Surgery General Information and Ground Rules, procedures coded By Report are services which are unusual or variable. An unlisted service, or one that is rarely provided, unusual or variable, may require a report demonstrating the medical appropriateness of the service. Pertinent information should include an adequate definition or description of the nature or extent, and need for the procedure and the time, effort and equipment necessary to provide the service. By Report procedure values may also be determined by using the values assigned to a comparable procedure.
Modifier 59 - Distinct Procedural Service.

The Provider submitted a Mohs Surgery Operative Report. The operative report documented the "tumor was removed by Mohs surgery, fresh tissue technique in 2 stages, with 2 pieces of tissue processed for frozen section analysis." The billed procedure code 17311 is not listed in the Official Medical Fee Schedule (OMFS). The code listed in the OMFS comparable in value and scope is 17304. The description of procedure code 17304 is "Chemosurgery (Mohs' micrographic technique), including removal of all gross tumor, surgical excision of tissue specimens, mapping, color coding of specimens, microscopic examination of specimens by the surgeon, and complete histopathologic preparation; first stage, fresh tissue technique of up to 5 specimens." The code assignment of 17304 by the Claims Administrator was correct.

The Provider submitted operative reports for the MOHs surgery (17304) and CO2 Matrix Fractional Ablative Laser Reconstructive Surgery (17999). The skin repair by adjacent tissue transfer (Island Pedicle Flap) procedure was performed by a different physician of a different specialty (Plastic Surgery). If surgeons of different specialties are each performing a different procedure, then multiple surgery rules do not apply. If one of the surgeons performs multiple procedures, the multiple procedure rules apply to that surgeon's services. The Claims Administrator's decision to apply the multiple surgery reduction guidelines to the primary procedure (17304) submitted by the Provider was not correct. The billed procedure code 17304 should have been reimbursed as the major procedure at 100% of listed value.

The second disputed code is procedure code 17999. The Provider submitted a separate operative report for this procedure. The operative report submitted by the Provider did not document an

adequate procedure description, complexity or the amount of time required for the procedure. Based on the documentation submitted, a comparable procedure code or By Report allowance higher than the Claims Administrator's reimbursement of procedure code 17106 could not be determined. The description of 17106 is "Destruction of cutaneous vascular proliferative lesions (e.g., laser technique); less than 10 sq cm."

The Provider billed three surgical procedure codes for date of service 1/23/2013. The allowance for CPT 17106 was reduced to 25% of the full allowance due to multiple procedure reduction guidelines. The reduction of CPT 17106 by the Claims Administrator was correct.

The additional reimbursement of $208.08 is warranted per the Official Medical Fee Schedule code 17304. There is no additional reimbursement warranted per the Official Medical Fee Schedule code 17999 Modifier 59.

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

Validated Code	Validated Modifier	Validated Modifier	Validated Units	Dispute Amount	Total Fee Schedule Allowance	Provider Paid Amount	Allowed Recommended Reimbursement	Fee Schedule Utilized
17304			1	$791.92	$416.16	$208.08	$208.08	PPO Contract
17999	59		1	$1,447.98	$52.02	$52.02	$0.00	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 CPT code 17304 ($208.08) for a total of $543.08.

The Claims Administrator *is required to reimburse the provider $543.08 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]

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