

MAXIMUS FEDERAL SERVICES, INC.

Independent Bill Review
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Independent Bill Review Final Determination Upheld

4/4/2014

[REDACTED]
[REDACTED]
[REDACTED]

Re: Claim Number: [REDACTED]
Claims Administrator name: [REDACTED]
Date of Disputed Services: 4/29/2013 – 4/29/2013
MAXIMUS IBR Case: CB13-0000544

Dear [REDACTED]

Determination

A Request for Independent Bill Review (IBR) was assigned to MAXIMUS Federal Services on 10/23/2013, 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 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: Medicare and Medicaid Services (CMS) Outpatient Prospective Payment System (OPPS)

Supporting Analysis:

The dispute regards the payment for surgical facility services on date of service 4/29/2013. The facility services were billed on a UB-04/CMS1450 using revenue codes for services and supplies related to CPT 23412, CPT 29823 and CPT 29826 Modifier 59. The Provider was reimbursed \$4,420.58, and is requesting additional reimbursement of \$844.65. The Claims Administrator allowed reimbursement of \$4,420.58 for CPT 23412 and CPT 29823. The Claims Administrator denied reimbursement on CPT 29826 with the explanation "No separate payment was made because the value of the service is included within the value of another service performed on the same day. (29826, 23412)."

The Provider is disputing the denial of CPT 29826.

CPT 23412 - Repair of ruptured musculotendinous cuff (e.g., rotator cuff) open; chronic

CPT 29823 - Arthroscopy, shoulder, surgical; debridement, extensive

CPT 29826 - Arthroscopy, shoulder, surgical; decompression of subacromial space with partial acromioplasty, with coracoacromial ligament (i.e., arch) release, when performed (List separately in addition to code for primary procedure)

Pursuant to Labor Code section 5307.1(g)(2), the Administrative Director of the Division of Workers' Compensation orders that Title 8, California Code of Regulations, sections 9789.30 and 9789.31, pertaining to Hospital Outpatient Departments and Ambulatory Surgical Centers Fee Schedule in the Official Medical Fee Schedule, is amended to conform to CMS' hospital outpatient prospective payment system (OPPS). The Administrative Director incorporates by reference, the Centers for Medicare and Medicaid Services' (CMS) Hospital Outpatient Prospective Payment System (OPPS) certain addenda published in the Federal Register notices announcing revisions in the Medicare payment rates. The adopted payment system addenda by date of service are found in the Title 8, California Code of Regulations, Section 9789.39(b). Based on the adoption of the CMS hospital outpatient prospective payment system (OPPS), CMS coding guidelines and the hospital outpatient prospective payment system (OPPS) were referenced during the review of this Independent Bill Review (IBR) case.

Procedures that are often performed in sequence have been identified and the less extensive procedure is not separately reportable with the more extensive procedure. When the procedures corresponding to CPT code 23412 and CPT code 29826 are performed in sequence at the same patient encounter, only CPT code 23412 should be reported. It is not appropriate to report the codes 23412 and 29826 together unless these two procedures were performed at separate patient encounters or on different sites (contra-lateral shoulders) during the same session.

There is no additional reimbursement warranted per the Official Medical Fee Schedule Outpatient Hospital code 29826 Modifier 59.

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

Validated Code	Validated Modifier	Validated Units	Dispute Amount	Total Fee Schedule Allowance	Provider Paid Amount	Allowed Recommended Reimbursement	Fee Schedule Utilized
29826	59	1	\$844.65	\$0.00	\$0.00	\$0.00	OMFS

Chief Coding Specialist Decision Rationale:

This decision was based on OMFS Outpatient Hospital Fee Schedule and comparison with explanation of review (EOR). This was determined correctly by the Claims Administrator and the payment of \$0.00 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]
[REDACTED]
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