

**MAXIMUS FEDERAL SERVICES, INC.**

Independent Bill Review  
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**Independent Bill Review Final Determination Reversed**

2/14/2014

[REDACTED]  
[REDACTED]  
[REDACTED]

Re: Claim Number: [REDACTED]  
Claims Administrator name: [REDACTED]  
Date of Disputed Services: 4/9/2013 – 4/9/2013  
MAXIMUS IBR Case: CB13-0000627

Dear [REDACTED],

**Determination:**

A Request for Independent Bill Review (IBR) was assigned to MAXIMUS Federal Services on 1/27/2014, 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 reversed. The Claims Administrator is required to reimburse you the IBR fee of \$335.00 and the amount found owing of \$1,081.73, for a total of \$1,416.73.**

**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 Fee Schedule, National Correct Coding Initiative Version 19.1 (4/1/2013-6/30/2013)

**Supporting Analysis:**

The dispute regards the payment for surgical facility services on date of service 4/9/2013. The facility services were billed on a UB-04/CMS1450 using revenue codes for services and supplies related to CPT 29807, CPT 29824 and CPT 29826. The Provider was reimbursed \$5,057.21, and is requesting additional reimbursement of \$1,081.73. The Claims Administrator allowed reimbursement of \$5,057.21 for CPT 29807 and CPT 29826. The Claims Administrator denied reimbursement on CPT 29824 on the initial explanation of review (EOR) with the explanation "Based upon clinical review by medical staff, this service/procedure is being denied as inclusive as another service/procedure on this day." The CPT 29824 was denied again on the second explanation of review (EOR) with the explanation "Payment for this service has been denied as medical documentation does not support the services rendered."

The Provider is disputing the denial of CPT 29824.

CPT 29807 - Arthroscopy, shoulder, surgical; repair of SLAP lesion

CPT 29824 - Arthroscopy, shoulder, surgical; distal claviclectomy including distal articular surface (Mumford procedure)

CPT 29826 - Arthroscopy, shoulder, surgical; decompression of subacromial space with partial acromioplasty, with coracoacromial ligament (ie, 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.

Based on the provider type, the reimbursement for services is calculated on the Centers for Medicare and Medicaid Services (CMS) Outpatient Prospective Payment System (OPPS). Procedures are assigned APC weights and "Proposed Payment Status Indicators." The CPT 29807, CPT 29826 and CPT 29824 have an assigned indicator of "T". The "T" indicator definition is "Significant procedure, multiple procedure reduction applies" and qualifies for separate APC payment.

Based on a review of the multiple surgery guidelines and the National Correct Coding Initiative Version 19.1 (4/1/2013-6/30/2013), there are no current coding edits regarding the billed surgical procedures CPT 29807, CPT 29824 and CPT 29826 when performed on the same site during the same patient encounter. The payment was calculated based on multiple surgery guidelines. The primary procedure 29807 was considered at 100% of the OMFS allowance and all other covered surgical procedures (29824 and 29826) were considered at 50% of the OMFS allowance.

The additional reimbursement of \$1,081.73 is warranted per the surgical facility services, Official Medical Fee Schedule code 29824.

