

**MAXIMUS FEDERAL SERVICES, INC.**

Independent Bill Review  
P.O. Box 138006  
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Fax: (916) 605-4280

**Independent Bill Review Final Determination Reversed**

9/29/2014

████████████████████  
████████████████████  
████████████████████

IBR Case Number:	CB13-0000797	Date of Injury:	10/7/1992
Claim Number:	██████████	Application Received:	11/27/2013
Claims Administrator:	████████████████████		
Date(s) of service:	4/2/2013 – 4/2/2013		
Provider Name:	████████████████████		
Employee Name:	████████████████████		
Disputed Codes:	63650 Modifier 59		

Dear ██████████:

**Determination:**

A Request for Independent Bill Review (IBR) was assigned to MAXIMUS Federal Services on 4/2/2014, 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 \$4,108.51, for a total of \$4,443.51.**

**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: OMFS
- Other: Centers for Medicare and Medicaid Services (CMS) Outpatient Prospective Payment System (OPPS)

## Supporting Analysis:

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, and 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.

The dispute regards the payment for surgical facility services on date of service 4/02/2013. The facility services were billed on UB-04/CMS1450 using revenue codes for services and supplies related to CPT 63685, CPT 63650 and CPT 63650 Modifier 59.

The Provider is disputing the denial of the billed CPT 63650 Modifier 59. The initial and final explanation of review resulted in a payment of \$0.00 for the billed CPT 63650 Modifier 59 and provided the following explanation/reason codes:

- Services in this category are not subject to the special payment rules for bilateral or multiple procedures. The listed fee-schedule unit value of CPT 63650, represents a maximum-recommended allowance regardless of the number of electrodes (s) implanted.
- A payment or denial has already been recommended for this service
- The 90-day period to submit a request for second review began with the date of the first review of this service
- The charge exceeds the Official Medical Fee Schedule allowance. The charge has been adjusted to the scheduled allowance.

2013 AMA Current Procedural Terminology (CPT) description is as follows:

- **CPT 63650:** Percutaneous implantation of neurostimulator electrode array, epidural
- **Modifier 59:** Distinct Procedural Service

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." CPT 63650 has an assigned indicator of "S". The "S" indicator definition is, "Significant procedure, not discounted when multiple," and thus qualifies for separate APC payment.

The CPT code 63650 is reported for **each lead**. The Procedure Report documented an implantation of Dual Octrode (Medtronic) leads (**2 leads** and 8 contacts); in this instance, CPT code 63650 is not reduced when multiple units are billed.

The additional reimbursement of \$4,108.51 is warranted per the OMFS Outpatient Hospital and Ambulatory Surgery Center code 63650 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 Units	Dispute Amount	Total Fee Schedule Allowance	Provider Paid Amount	Allowed Recommended Reimbursement	Fee Schedule Utilized
63650	59	1	\$6,542.56	\$4,108.51	\$0.00	\$4,108.51	OMFS

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 63650 Modifier 59 (\$4,108.51) for a total of \$4,443.51.

***The Claims Administrator is required to reimburse the provider \$4,443.51 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,

██████████, RHIT  
Chief Coding Reviewer

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