

**MAXIMUS FEDERAL SERVICES, INC.**

Independent Bill Review  
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**INDEPENDENT BILLING REVIEW FINAL DETERMINATION**

April 21, 2016

[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]

IBR Case Number:	CB16-0000518	Date of Injury:	10/07/1977
Claim Number:	[Redacted]	Application Received:	03/28/2016
Assignment Date:	April 15, 2016		
Claims Administrator:	[Redacted]		
Date(s) of service:	12/02/2015 – 12/02/2015		
Provider Name:	[Redacted]		
Employee Name:	[Redacted]		
Disputed Codes:	99215-25, 62370, 76942, J2274 x 40, S0020 x 70, J0475, and J0735 x 17		

Dear [Redacted]:

MAXIMUS Federal Services has completed the Independent Bill Review (“IBR”) of the above Workers’ Compensation case. This letter provides you with the IBR Final Determination and explains how the determination was made.

**Final Determination: OVERTURN. MAXIMUS Federal Services has determined that additional reimbursement is warranted. The Claims Administrator’s determination is reversed and the Claim Administrator owes the Provider additional reimbursement of \$195.00 for the review cost and \$48.23 in additional reimbursement for a total of \$243.23. A detailed explanation of the decision is provided later in this letter.**

The Claim Administrator is required to reimburse the Provider a total of **\$243.23** within 45 days of the date on this letter per section 4603.2 (2a) of the California Labor Code. The determination of MAXIMUS Federal Services and its expert reviewer is deemed to be the Final Determination of the Administrative Director of the Division of Workers’ Compensation. This determination is binding on all parties. In certain limited circumstances, you can appeal the Final Determination. Appeals must be filed with the Workers’ Compensation Appeals Board within 20 days from the date of this letter. For more information on appealing the final determination, please see California Labor Code Section 4603.6(f)

.Sincerely,

Paul Manchester, M.D., M.P.H.

Medical Director

Cc: [Redacted]  
[Redacted]

## **DOCUMENTS REVIEWED**

Pertinent documents reviewed to reach the determination:

- The Independent Bill Review Application
- 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
- OMFS

## **HOW THE IBR FINAL DETERMINATION WAS MADE**

MAXIMUS Federal Services Chief Coding Specialist reviewed the case file and researched pertinent coding and billing standards to reach a determination. In some cases a physician reviewer was employed to review the clinical aspects of the care to help make a determination. He/she has no affiliation with the employer, employee, providers or the claims administrator. The expert reviewer was selected based on his/her clinical experience, education, background, and expertise in the same or similar specialties that evaluate and/or treat the medical condition and disputed items/services.

## ANALYSIS AND FINDING

Based on review of the case file the following is noted:

- **ISSUE IN DISPUTE: Provider seeking remuneration for 99215-25, 62370, 76942, J2274 x 40, S0020 x 70, J0475, and J0735 x 17 submitted for date of service 12/02/2015.**
- **Services submitted to Claims Administrator on CMS-1500, place of service 11.**
- Opportunity to Dispute Eligibility Communicated with Claims Administrator on 03/30/2016; Response Received 04/12/2016. Communication includes payment ledger, entitled “Medical Payment Inquiry,” File ID: 37333450013101, reflecting EFT (Electronic Funds Transfer) issued on 04/13/2016, in the amount of \$1,639.58; a \$48.23 decrease from Provider’s expected payment. Full EOR with bill adjustment codes not submitted with ledger. Without a full detailed reimbursement rationale regarding submitted CPT and HCPCS codes, it is unclear as to whether the \$48.23 difference reflects down coding or contractual agreement.
- Contractual Agreement not received for review. **SBR Request indicates 90% OMFS.**
- Authorization signed by the Claims Administrator on 11/19/2015, indicates “approved” for the following service: **99215, J2275, J3490, J0735, J0475, 76942, 95991, A4220, 62370 & 62367.**
- CPT/HCPCS Code Description:
  - **99215 -25:** Established Patient Evaluation and Management Services.
  - **Modifier -25:** Significant and Separately Identifiable Evaluation and Management Services.
  - **62370:** Electronic analysis of programmable, implanted pump for intrathecal or epidural drug infusion (includes evaluation of reservoir status, alarm status, drug prescription status); with reprogramming and refill (requiring skill of a physician or other qualified health care professional).
  - **76942:** Ultrasonic guidance for needle placement (eg, biopsy, aspiration, injection, localization device), imaging supervision and interpretation.
  - **J2274 (AKA J2275):** Injection, morphine sulfate, preservative-free for epidural or intrathecal use, 10 mg.
  - **S0020 (AKA J3490):** Injection, bupivacaine hydrochloride, 30 ml
  - **J0475:** Injection, baclofen, 10 mg
  - **J0735:** Injection, clonidine hydrochloride, 1 mg
- Although an authorization was received, verification of services for this IBR determination is required.
- CPT 99215 requires a Comprehensive History/ Comprehensive Exam/ High Complexity. The Injured Worker presented for Pain Pump Refill and Management. However, the Provider examined and addressed “increased pain and radicular symptoms as well as new weakness in the left lower extremity and occasional falls,” resulting in RFA for MRI and Surgical Spine Consult. Abstracted data from the submitted PR-2 report indicates the following service:
  - Expanded Problem Focused History
  - Expanded Problem Focused Examination
  - Medical Decision Making (Multiple Dx/Limited Data/High Risk): Moderate
  - Exp. PF / Exp. PF/ Moderate = 99213

- HCPCS J2274 x 40, S0020 x 70, J0475, and J0735 x 17 do not adequately represent the documented compounded medication as the reported NDC numbers reflect the **pharmaceuticals in powder** form and documentation reflects the medication is compounded in nature. As such, The NDCs and Metric Decimal Units (MDU) for **the grams of powder utilized** are considered for determination. Utilizing “per unit” for presented J codes would result in a higher dose of the actual medication represented in the documentation.
- **Labor Code 5307.1. (e) (2)** Any compounded drug product shall be billed by the compounding pharmacy or dispensing physician at the **ingredient level**, with each ingredient identified using the applicable National Drug Code (NDC) of the ingredient and the corresponding quantity, and in accordance with regulations adopted by the California State Board of Pharmacy. Ingredients with no NDC shall not be separately reimbursable. The ingredient-level reimbursement shall be equal to 100 percent of the reimbursement allowed by the Medi-Cal payment system and payment shall be based on the sum of the allowable fee for each ingredient plus a dispensing fee equal to the dispensing fee allowed by the Medi-Cal payment systems. If the compounded drug product is dispensed by a physician, the maximum reimbursement shall not exceed 300 percent of documented paid costs, but in no case more than twenty dollars (\$20) above documented paid costs.
- Red Book indicates the following for the submitted NDCs:
  - NDC 38779-0673-04 Morphine Sulfate **Powder**
  - NDC 00409-1560-29 Bupivacaine Solution Package 30ml per 10 syringes
  - NDC 38779-0388-04 Baclofen **Powder**
  - NDC 49452-2147-02 Clonidine Hydrochloride **Powder**
- As reflected on medication label located in the “**Intrathecal Pump Maintenance and Administration Record**,” the **pharmacy dispensed** medication to in compound form **Rx # 344628** to be **administered** into implantable pump:
  - Morphine Sulfate 20mg/ml
  - Bupivacaine HCL 35mg/ml
  - Baclofen 300mcg/ml
  - Clonidine HCL 850 mcg/ml
  - Pain Pump Volume: 20 mls
- **Total Ingredient level** (in grams) of medication utilized in the compound medication:
  - NDC 38779-0673-04 Morphine Sulfate Powder = 0.4 grams
  - NDC 38779-0388-04 Baclofen Powder = 6.00 grams
  - NDC 49452-2147-02 Clonidine Hydrochloride Powder = 17.00 grams
- NDC 00409-1560-29 Bupivacaine **Solution** Package 30 ml per 10 **syringes**
  - NDC 00409-1560-29 is per **10 syringes** – no indication Compound Pharmacy utilized more than 1 syringe – compounded medication typically supplied in powder. Given documentation, 35 ml’s entered into the DWC Calculator.
- Documentation reflects submission of a bundled procedure; injection fee is not indicated for four NDC’s.
- Documentation indicates reimbursement is warranted for NDC’s in dispute. Pursuant to **Labor Code 5307.1. (e) (2)** The ingredient level of **powder** was entered into the DWC Medication Calculator for reimbursement calculations.

- Based on the aforementioned documentation and guidelines, reimbursement is indicated for 99215-25, 62370, 76942, J2274 x 40, S0020 x 70, J0475, and J0735 x 17.

The table below describes the pertinent claim line information.

**DETERMINATION OF ISSUE IN DISPUTE: 99215-25, 62370, 76942, J2274 x 40, S0020 x 70, J0475, and J0735 x 17**

Date of Service: 12/02/2015 Physician Services						
Service Code	Provider Billed	Plan Allowed	Dispute Amount	Units	Workers' Comp Allowed Amt.	Notes
99215	\$240.00	\$0.00	\$240.00	1	\$80.83	Refer to Analysis
62370	\$230.00	\$0.00	\$230.00	1	\$188.73	Refer to Analysis
76942	\$355.00	\$0.00	\$94.05	1	\$84.65	Refer to Analysis
J2274 x 40, S0020 x 70, J0475, and J0735 x 17	\$1,205.42	\$0.00	\$1,205.42	1	\$1,333.60	Refer to Analysis
99215, 62370, 76942 J2274 x 40, S0020 x 70, J0475, and J0735 x 17	\$5,695.00	* <b>\$1,639.58</b>	\$1,687.81	-	\$1,687.81	<b>The Claims Administrator transmitted * reimbursement on 04/13/2016, post IBR Filing of 03/28/2016. Provider Due IBR Filing Fee + \$48.23 Under Payment.</b>

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