

MAXIMUS FEDERAL SERVICES, INC.

Independent Bill Review
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11/20/2013

Independent Bill Review Final Determination Upheld

[REDACTED]
[REDACTED]
[REDACTED]

Re: Claim Number: [REDACTED]
Claims Administrator name: [REDACTED]
Date of Disputed Services: 5/7/2013 – 5/7/2013
MAXIMUS IBR Case: CB13-0000300

Dear [REDACTED]

Determination:

A Request for Independent Bill Review (IBR) was assigned to MAXIMUS Federal Services on 8/26/2013, 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: OMFS Outpatient Hospital Fee Schedule, National Correct Coding Initiative/Outpatient Code Editor Version 19.1 (4/1/2013-6/30/2013)

Supporting Analysis:

The dispute regards the payment for surgical facility services on date of service 5/7/2013. The facility services were billed on a UB-04/CMS1450 using revenue codes for services and supplies related to CPT 29826 Modifier LT, 29822 and 29827. The Provider was reimbursed \$5,700.46 and is requesting additional reimbursement. The Claims Administrator's explanation of review (EOR) indicated a payment of \$5,700.46 on the entire claim with the message "Charge for a Separate Procedure that does not meet the criteria for payment. See the OMFS General Instructions for Separate Procedures rule."

The Provider is disputing the payment amount for 29827, 29826 Modifier LT, 29822 and an implant code L8699.

CPT 29827 - Arthroscopy, shoulder, surgical; with rotator cuff repair.

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).

CPT 29822 - Arthroscopy, shoulder, surgical; debridement, limited.

HCPCS L8699 - Prosthetic implant, not otherwise specified
Modifier LT - Left side.

The provider is considered an ambulatory surgical center (ASC) and is located in Alameda County. 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 surgical CPT's billed all have an assigned indicator of "T". The "T" indicator definition is "Significant procedure, multiple procedure reduction applies" and qualifies for separate APC payment. The billed HCPCS L8699 has an assigned indicator of "N". The "N" indicator definition is "Items and services packaged into APC rates." The payment for HCPCS L8699 is packaged into payment for other services, including outliers and there is no separate APC payment. Additional reimbursement for the implant (L8699) is not warranted.

Based on a review of the multiple surgery guidelines and the National Correct Coding Initiative/Outpatient Code Editor Version 19.1 (4/1/2013-6/30/2013), the billed procedure code 29822 is not generally reported with procedure code 29827. NCCI edits define when two procedure HCPCS/CPT codes may not be reported together except under special circumstances. If an edit allows use of NCCI-associated modifiers, the two procedure codes may be reported together when the two procedures are performed at different anatomic sites or different patient encounters. NCCI-associated modifiers may be utilized to allow payment of both codes of an edit. The documentation must support the use of the modifier. Modifiers that may be used under appropriate clinical circumstances to bypass an NCCI edit include: Anatomic modifiers: E1-E4, FA, F1-F9, TA, T1-T9, LT, RT, LC, LD, RC, LM, RI; Global surgery modifiers: 24, 25, 57, 58, 78, 79; other Modifiers: 27, 59, 91.

The documentation did not indicate that the procedure 29822 was distinct or independent from other service (29827) performed that day. These two procedures are not reported together when performed on the same shoulder during the same patient encounter. The operative report did not indicate a different session or patient encounter, different procedure or surgery, different site (different shoulder). There is no additional reimbursement warranted for the billed procedure codes 29822, 29827 and 29826.

Based on a review of the documentation, explanation of review and the OMFS Outpatient Hospital Fee Schedule, the reimbursement of \$5,700.46 by the Claims Administrator was correct. There is no additional reimbursement warranted per the Official Medical Fee Schedule codes 29822, 29827, 29826 and L8699.

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
29827		1	\$4,321.17	\$4,321.17	\$4,4321.17	\$0.00	PPO Contract
29826	LT	1	\$1,175.80	\$1,175.80	\$1,175.80	\$0.00	PPO Contract
29822		1	\$1,175.80	\$0.00	\$203.50	\$0.00	PPO Contract
L8699		1	\$550.00	\$0.00	\$0.00	\$0.00	PPO Contract

Chief Coding Specialist Decision Rationale:

This decision was based on OMFS Outpatient Hospital Fee Schedule, PPO contract and comparison with the explanation of review (EOR). This was determined correctly by the Claims Administrator and the payment of \$5,700.46 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,

██████████, RHIT

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