

MAXIMUS FEDERAL SERVICES, INC.

Independent Bill Review
P.O. Box 138006
Sacramento, CA 95813-8006
Fax: (916) 605-4280

8/2/2013

Independent Bill Review Final Determination Reversed

[REDACTED]

Re: Claim Number: [REDACTED]
Claims Administrator name: [REDACTED]
Date of Disputed Services: 1/22/2013 – 1/22/2013
MAXIMUS IBR Case: CB13-0000061

Dear [REDACTED],

Determination:

A Request for Independent Bill Review (IBR) was assigned to MAXIMUS Federal Services on 5/31/2013, 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 reversed. The Claims Administrator is required to reimburse you the IBR fee of \$335.00 and the amount found owing of \$2,978.56, for a total of \$3,313.56.**

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: Medireg APC Grouper and Centers for 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 1/22/2013. The facility services were billed on a UB-04/CMS1450 using revenue codes for services and supplies related to CPT 63650 and CPT 63650 Modifier 59. The Provider was reimbursed \$5,088.38, and is now requesting additional reimbursement of \$6,542.56. The Claims Administrator allowed reimbursement for CPT 63650 and 72110 Modifier TC, denied payment on 63650 Modifier 59 indicating "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 electrode(s) implanted."

The provider is considered an ambulatory surgical center (ASC) and is located in ██████████ 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 CPT 63650 has an assigned indicator of "S". The "S" indicator definition is "Significant procedure, not discounted when multiple" and qualifies for separate APC payment. The APC weights are determined by the APC code assigned by the Outpatient Prospective Payment System Calculator.

The Revenue, HCPCS and CPT codes from the original UB-04/CMS-1450 claim form were entered into the Outpatient Prospective Payment System Calculator. The payment was calculated for CPT 63650, 63650 and 72110. The remaining codes on the claim were considered part of the primary procedure or not payable under OPSS payment system.

An additional reimbursement of \$2,978.56 is warranted based on the Workers' Compensation ambulatory surgical center formula for determining ASC reimbursement, per California Code of Regulations, Title 8, Section 9789.33(A). The additional reimbursement was determined using the following calculation:

Formula for services rendered on or after January 1, 2013 -

APC relative weight X adjusted conversion factor X 0.82 Workers' Compensation multiplier for ambulatory surgical centers

CPT 63650 APC 0040-S APC Relative Weight FY 2013 61.6966
CPT 63650 APC 0040-S Relative Weight FY 2013 61.6966
CPT 72110 APC 0261-X Relative Weight FY 2013 0.9933

██████████ County Adjusted Conversion Factor 79.09

Workers' Compensation multiplier for ambulatory surgical centers 0.82

CPT 63650 61.6966 X 79.09 X 0.82 = \$4,001.26
CPT 63650 61.6966 X 79.09 X 0.82 = \$4,001.26
CPT 72110 0.9933 X 79.09 X 0.82 = \$64.42

Total Allowance \$8,066.94 - \$5,088.38(previously paid) = \$2,978.56

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 Modifier	Validated Units	Dispute Amount	Total Fee Schedule Allowance	Provider Paid Amount	Allowed Recommended Reimbursement	Fee Schedule Utilized
69650			1	\$.	\$4,001.26	\$.	\$4,001.26	OMFS
69650	59		1	\$6542.56	\$4,001.26	\$.	\$4,001.26	OMFS
72110	TC		1	\$.	\$64.42	\$.	\$64.42	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 69650 Modifier 59 (\$8,066.94 - \$5,088.38 = 2,978.56) for a total of \$3,313.56.

The Claims Administrator is required to reimburse the provider \$3,313.56 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

Copy to:



Copy to:

Division of Workers' Compensation Medical Unit
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