

MAXIMUS FEDERAL SERVICES, INC.

Independent Bill Review
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Independent Bill Review Final Determination Reversed

7/22/2014

US Healthworks Medical Group
28035 Avenue Stanford West
Valencia, CA 91355

IBR Case Number:	CB14-0000142	Date of Injury:	6/25/2013
Claim Number:	[REDACTED]	Application Received:	2/6/2014
Claims Administrator:	[REDACTED]		
Date(s) of service:	6/25/2013 – 6/25/2013		
Provider Name:	[REDACTED]		
Employee Name:	[REDACTED]		
Disputed Codes:	27658 Modifier 51		

Dear [REDACTED]:

Determination:

A Request for Independent Bill Review (IBR) was assigned to MAXIMUS Federal Services on 2/24/2014, 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 \$0.00, for a total of \$335.00.**

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 (OMFS) or negotiated contract: PPO Contract
- Other: OMFS Surgery General Information and Groundrules

Supporting Analysis:

The dispute regards payment amount for a surgical procedure (27658 Modifier 51) performed on date of service 6/25/2013. The Provider billed \$610.47 for the procedure code 27658, was reimbursed \$152.62 and is requesting additional reimbursement of \$137.36. The Claims Administrator reimbursed \$152.62 for the billed procedure code 27658 on the initial explanation of review (EOR) and denied any further reimbursement on the second EOR with the explanation "Pricing reduction due to MPN."

The Provider billed the following procedures for date of service 6/25/2013:

- **CPT 27695:** Suture, primary, torn, ruptured or severed ligament, ankle; collateral
- **CPT 27658:** Repair or suture of flexor tendon of leg; primary, without graft, single, each

The Claims Administrator notified MAXMIUS on 2/21/2014, an additional amount of \$137.36 was issued to the Provider for the billed services for date of service 6/25/2013. The additional payment by the Claims Administrator was issued after the Independent Bill Review case was received by MAXIMUS. The IBR application was received on 2/6/2014. The additional payment of \$137.36 was issued on or after 2/21/2014, per the correspondence from the Claims Administrator.

Per the OMFS Surgery General Information and Ground Rules, reimbursement for multiple surgical procedures performed at the same session is calculated based on a cascade: major (highest valued) procedure 100% of listed value; second (second highest valued or equivalent) procedure 50% of listed value; and Third (third highest valued or equivalent) procedure 25% of listed value. The Provider billed two surgical procedures (27695 and 27658) and an operative report documenting the procedures: right ankle lateral collateral ligament repair and peroneal brevis repair. Reimbursement for the second procedure (27658) should have based on 50% of the listed OMFS allowance minus any PPO discount.

Based on the documentation submitted, additional reimbursement was warranted for the Official Medical Fee Schedule code 27658. Per the Claims Administrator, the disputed amount of \$137.36 was paid. Due to the disputed amount was paid in full prior to the IBR Final Determination decision the only amount due by the Claims Administrator is the IBR application fee of \$335.00.

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
27658	51	1	\$137.36	\$289.98	\$289.98	\$0.00	PPO Contract

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 27658 Modifier 51 (\$0.00) for a total of \$335.00.

The Claims Administrator is required to reimburse the provider \$335.00 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,

[REDACTED], RHIT

Copy to:

[REDACTED]
[REDACTED]
[REDACTED]

Copy to:

[REDACTED]
[REDACTED] [REDACTED]
[REDACTED]