

**MAXIMUS FEDERAL SERVICES, INC.**

Independent Bill Review  
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**Independent Bill Review Final Determination Reversed**

7/31/2014

[REDACTED]  
[REDACTED]  
[REDACTED]

IBR Case Number:	CB14-0000148	Date of Injury:	12/18/1980
Claim Number:	[REDACTED]	Application Received:	2/6/2014
Claims Administrator:	[REDACTED]		
Date(s) of service:	7/17/2013 – 7/17/2013		
Provider Name:	[REDACTED]		
Employee Name:	[REDACTED]		
Disputed Codes:	17002		

Dear [REDACTED]

**Determination:**

A Request for Independent Bill Review (IBR) was assigned to MAXIMUS Federal Services on 2/28/2014, 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 \$232.64, for a total of \$567.64.**

**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: OMFS
- Other: OMFS Surgery General Information and Ground Rules

### **Supporting Analysis:**

The dispute is regarding the denial of a cryosurgery procedures (17002 x 16 units) performed on 7/17/2013. The Claims Administrator denied the billed procedure code 17002 with the following explanation "The charge exceeds the Official Medical Fee Schedule allowance. The charge has been adjusted to the scheduled allowance. Billing is greater than surgical service fee.

The Provider billed the following surgical procedure codes for date of service 7/17/2013:

- **CPT 11100:** Biopsy of skin, subcutaneous tissue and/or mucous membrane (including simple closure) unless otherwise listed (separate procedure); single lesion.
- **CPT 11101:** Biopsy of skin, subcutaneous tissue and/or mucous membrane (including simple closure) unless otherwise listed (separate procedure); each separate/additional lesion.
- **CPT 17000:** Destruction by any method, including laser, with or without surgical curettement, all benign facial lesions or premalignant lesions in any location, or benign lesions other than cutaneous vascular proliferative lesions, including local anesthesia; one lesion.
- **CPT 17001:** Destruction by any method, including laser, with or without surgical curettement, all benign facial lesions or premalignant lesions in any location, or benign lesions other than cutaneous vascular proliferative lesions, including local anesthesia; second and third lesions, each.
- **CPT 17002:** Destruction by any method, including laser, with or without surgical curettement, all benign facial lesions or premalignant lesions in any location, or benign lesions other than cutaneous vascular proliferative lesions, including local anesthesia; over three lesions, each additional lesion.
- **Modifier 59:** Distinct Procedural Service.

The Claims Administrator reimbursed the provider for the billed procedure codes 11100, 11101, 17000, 17001 and denied the procedure code 17002. The Provider is disputing denial of the billed procedure code 17002.

The Provider submitted a Cryosurgery/Electrodessication Operative report for date of service 7/17/2013. The Operative Report documented the Cryosurgery was performed on the following areas: Face (10); Ears (3); and Upper Extremities (6). Diagrams documenting the specific areas/lesions on the face, ears and upper extremities were also provided as documentation of services performed. Clinical diagnosis provided was Actinic Keratoses.

The Claims Administrator reimbursed the Provider for three cryosurgery procedures (17000 and 17002 x 2 units) and denied the remaining sixteen units billed as 17002. Per the documentation submitted, a total of 19 lesions were treated and reimbursement is warranted for the billed procedure code 17002 x 16.

MAXIMUS requested a copy of the PPO contract. The PPO contract submitted was incomplete. The recommended reimbursement amounts are based on the Official Medical Fee Schedule Physician Services allowances.

The additional reimbursement of \$232.64 is warranted per the Official Medical Fee Schedule code 17002 x 16.

The chart below provides a comparison of billed charges and reimbursement rates for the codes and date of services at issue.

Validated Code	Validated Units	Dispute Amount	Total Fee Schedule Allowance	Provider Paid Amount	Allowed Recommended Reimbursement	Fee Schedule Utilized
17002	16	\$720.00	\$232.64	\$0.00	\$232.64	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 17002 (\$232.64) for a total of \$567.64.

***The Claims Administrator is required to reimburse the provider \$567.64 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 signature]

[Redacted signature]

[Redacted signature]