

MAXIMUS FEDERAL SERVICES, INC.

Independent Bill Review
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Independent Bill Review Final Determination Reversed

8/22/2014

██████████
██████████ # ██████████
██████████

IBR Case Number:	CB14-0000223	Date of Injury:	4/12/2013
Claim Number:	██████████	Application Received:	2/20/2014
Claims Administrator:	██████████		
Date(s) of service:	10/16/2013		
Provider Name:	██████████		
Employee Name:	██████████		
Disputed Codes:	26145 x 9 Units		

Dear ██████████:

Determination

A Request for Independent Bill Review (IBR) was assigned to MAXIMUS Federal Services on 3/17/2014 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 \$5,940.68, for a total of \$6,275.68.**

Pertinent Records and Other Appropriate Information Relevant to the Determination Reviewed:

The following evidence was utilized 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 Center for Medicare and Medicaid Services (CMS) Outpatient Prospective Payment System (OPPS)

Supporting Analysis:

Pursuant to Labor Code section 5307.1(g)(2), the Administrative Director of the Division of Workers' Compensation orders that Title 8, California Code of Regulations, sections 9789.30 and 9789.31, pertaining to Hospital Outpatient Departments and Ambulatory Surgical Centers Fee Schedule in the Official Medical Fee Schedule, is amended to conform to CMS' hospital outpatient prospective payment system (OPPS). The Administrative Director incorporates by reference, the Centers for Medicare and Medicaid Services' (CMS) Hospital Outpatient Prospective Payment System (OPPS) certain addenda published in the Federal Register notices announcing revisions in the Medicare payment rates. The adopted payment system addenda by date of service are found in the Title 8, California Code of Regulations, Section 9789.39(b). Based on the adoption of the CMS coding guidelines, the hospital outpatient prospective payment system (OPPS), and the OMFS Fee Schedule were referenced during the review of this Independent Bill Review (IBR) case.

The dispute regards the payment for surgical facility services on date of service 10/16/2013. The facility services were billed on UB-04/CMS1450 using revenue codes for services and supplies related to CPT Codes 64721 and 26145 (9 Units). The Claims Administrator reimbursed \$0.00 for CPT 26145 (9 Units). The provider is disputing non-reimbursement for CPT Code 26145 (9 Units). The denied CPT code in question is defined in the American Medical Association Current Procedural Terminology as follows:

CPT 26145: Synovectomy tendon sheath, radical (tenosynovectomy), flexor, palm or finger, single, each digit.

Per the Operative Report, Procedures Performed, Date of Service 10/16/2013, "Right carpal tunnel release with tenosynovectomy of the flexor tendons in the palm".

The Claims Administrator denied the billed procedure codes with the explanation "Allowance adjusted in accordance with OPPS multiple procedure rule. The medical report does not substantiate the billed charged."

Upon Review of the Operative Report provided, the surgeon states, "A copious amount of hypertrophic tenosynovium was then noted on the nine flexor tendons in the palm and a careful and sharp **tenosynovectomy of the nine tendons** in the palm was then performed." This statement clearly defines and supports nine units of CPT code 26145; therefore, it is recommended the provider be reimbursed accordingly.

The Provider is considered an ambulatory surgical center (ASC) and is located in Alameda County. Based on the provider type, the reimbursement for the 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 code 26145 has an assigned indicator of "T". The "T" indicator definition is "Significant procedure, multiple procedure reduction applies" and qualifies for separate APC payment. The APC weights are determined by the APC code assigned by the Outpatient Prospective Payment System Calculator.

The wage index for Alameda County is 16.6230 with the wage-adjusted conversion factor of 96.85. Per OPPS guidelines and our calculations, the reimbursement of this claim should be \$5,940.68.

26145 paid at \$1,320.15 x 9 units = \$11,881.35 x 50% = \$5,940.68.

Formula for services rendered on or after January 1, 2013

***No CCI edits found.**

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

Validated Code	Validated Units	Dispute Amount	Total Fee Schedule Allowance	Provider Paid Amount	Allowed Recommended Reimbursement	Fee Schedule Utilized
26145	9	\$5,627.79	\$5,940.68	\$0.0	\$5,940.68	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 26145 (9 Units) (\$5,940.68), for a total of \$6,275.68.

The Claims Administrator is required to reimburse the provider \$6,275.68 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).

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Sincerely,

[REDACTED], MHA, BSN, CFE, CCS-P, CCS, CDC

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