

**MAXIMUS FEDERAL SERVICES, INC.**

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



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**INDEPENDENT BILLING REVIEW FINAL DETERMINATION**

November 5, 2014

[Redacted]  
[Redacted]  
[Redacted]

<b>IBR Case Number:</b>	CB14-0000302	<b>Date of Injury:</b>	08/17/2006
<b>Claim Number:</b>	[Redacted]	<b>Application Received:</b>	03/03/2014
<b>Claims Administrator:</b>	[Redacted]	<b>Assignment Date:</b>	05/16/2014
<b>Provider Name:</b>	[Redacted]		
<b>Employee Name:</b>	[Redacted]		
<b>Disputed Codes:</b>	38779073105, 38779056104 and 38779196806.		

Dear [Redacted]

MAXIMUS Federal Services has completed the Independent Bill Review (“IBR”) of the above workers’ compensation case. This letter provides you with the IBR Final Determination and explains how the determination was made.

**Final Determination: UPHOLD. MAXIMUS Federal Services has determined that no additional reimbursement is warranted. The Claims Administrator’s determination is upheld and the Claim Administrator does not owe the Provider additional reimbursement. A detailed explanation of the decision is provided later in this letter.**

The determination of MAXIMUS Federal Services and its expert reviewer is deemed to be the Final Determination of the Administrative Director of the Division of Workers’ Compensation. This determination is binding on all parties. In certain limited circumstances, you can appeal the Final Determination. Appeals must be filed with the Workers’ Compensation Appeals Board within 20 days from the date of this letter. For more information on appealing the final determination, please see California Labor Code Section 4603.6(f).

Sincerely,

[Redacted]

Chief Coding Reviewer

cc: [Redacted]  
[Redacted]

## DOCUMENTS REVIEWED

Pertinent documents reviewed to reach the determination:

- The Independent Bill Review Application
- 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
- Red Book
- Other: OMFS Pharmacy Fee Schedule, LC 5307.1

## HOW THE IBR FINAL DETERMINATION WAS MADE

MAXIMUS Federal Services Chief Coding Specialist reviewed the case file and researched pertinent coding and billing standards to reach a determination. In some cases a physician reviewer was employed to review the clinical aspects of the care to help make a determination. He/she has no affiliation with the employer, employee, providers or the claims administrator. The expert reviewer was selected based on his/her clinical experience, education, background, and expertise in the same or similar specialties that evaluate and/or treat the medical condition and disputed items/services.

## ANALYSIS AND FINDING

Based on review of the case file the following is noted:

- **ISSUE IN DISPUTE:** The dispute regards the reimbursement of \$0.00 for a compounded drug product (NDC # 38779073105; 38779056104 and 38779196806).
- The initial and final explanation of review (EOR) reimbursed \$0.00 for the compounded drug with the following explanation “We cannot review this service without the necessary documentation. Please submit with indicated documentation as soon as possible. (Please submit copy of invoice).
- Pursuant to Labor Code Section 5307.1 (e) (2) compounded drug products are to be billed by the pharmacy or dispensing physician at the ingredient level by National Drug Code (NDC) and quantity. The ingredient-level reimbursement shall be equal to 100 percent of the reimbursement allowed by the MEDI-CAL payment system and payment shall be based on the sum of the allowable fee for each ingredient plus a dispensing fee allowed by MEDI-CAL. If dispensed by a physician, the maximum reimbursement shall not exceed 300 percent of documented paid costs, but no more than twenty dollars above documented paid costs.
- In reviewing the submitted documentation, the requested documentation (invoice) was not submitted as part of the original billing itemization and supporting documentation or the request for second bill review and original documentation supporting second review documents provided to the Claims Administrator.
- Invoice/paid cost required to determine correct allowance for compounded drugs dispensed by the Provider.
- The requested proof of paid cost/invoice was not provided to the Claims Administrator during the first or second review; therefore, reimbursement is not recommended for the compounded drug product.

The table below describes the pertinent claim line information.

**DETERMINATION OF ISSUE IN DISPUTE:** Reimbursement of code 38779073105, 38779056104 and 38779196806.

<b>Date of Service:</b> 9/17/2013						
<b>Compounded Drug Product</b>						
<b>Service Code</b>	<b>Provider Billed</b>	<b>Plan Allowed</b>	<b>Dispute Amount</b>	<b>Units</b>	<b>Workers' Comp Allowed Amt.</b>	<b>Notes</b>
38779073105, 38779056104 and 38779196806.	\$ 36520.00	\$ 0.00	\$ 32454.51	N/A	\$ 0.00	<b>DISPUTED SERVICE:</b> Reimbursement not recommended. See analysis.

Copy to:

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[REDACTED]

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