

MAXIMUS FEDERAL SERVICES, INC.

Independent Bill Review
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Independent Bill Review Final Determination Upheld

10/21/2014

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IBR Case Number:	CB14-0000315	Date of Injury:	08/10/1980
Claim Number:	██████████	Application Received:	03/05/2014
Claims Administrator:	██████████		
Date(s) of service:	09/24/2013 – 09/24/2013		
Provider Name:	████████████████████		
Employee Name:	████████████████████		
Disputed Codes:	17002 (23 units)		

Dear ██████████

Determination:

A Request for Independent Bill Review (IBR) was assigned to MAXIMUS Federal Services on 04/23/14, 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 upheld.** This determination finds that the Claims Administrator does not owe the Provider additional reimbursement.

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
- Other: Partial PPO Contract

ANALYSIS AND FINDING

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

- **ISSUE IN DISPUTE: Code 17002 x 23 units is under review as it was denied in full (or part) for SERVICE. Denied by the Claims Administrator for the following reasons: 1) “The charge exceeds the Official Medical Fee Schedule allowance. The charge has been adjusted to the schedule allowance. 2) This charge was adjusted to comply with the rate and rules of the contract indicated.**
- Directly related procedure codes submitted on CMS 1500 form: 17000, 17001
- Current Procedural Terminology(CPT) 1997 defines the following related CPT codes:
 - CPT 17000: Destruction by any method, including laser, with or without surgical curettement, all benign facial lesions of 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 two lesions, each additional lesion.*
- **CPT 17002:** An anatomical diagram and procedure description, recorded by the physician for the date of service in question, clearly indicates that a total of twenty-three (23) lesions were treated.
- PPO Contractual agreement provided is incomplete and does not specify rate of reimbursement for code 17002. Specifically, the adjustment code provided by the Claims Administrator states:
 - **“Charge was adjusted to comply with the rate and rules of the contract indicated”**
 - **“After reviewing the service dates in question we find our original audit to be in accordance with CA fee schedule. If your concern is regarding the (Claims Administrator) contract, please contact (Claims Administrator)”**
- Because the requested contractual agreement received is incomplete, IBR is unable to verify if contractual adjustment correctly applied to CPT 17002.
- The EOR payment breakdown is as follows for CPT 17002 x 23 (units): reimbursement \$40.00; and PPO discount \$294.42. The Listed OMFS allowance for CPT 17002 x 23 (units) is \$334.42. Without the complete PPO contract, specifically the pages containing pricing information for the disputed code CPT 17002, the IBR reviewers were unable to recommend any additional reimbursement for CPT 17002 x 23 (units).
- Based on the EOR, it appears the reimbursement was based on a PPO contract; therefore, no additional reimbursement is recommended.
- The table below describes the pertinent claim line information.

- **DETERMINATION OF ISSUE IN DISPUTE:** Administrator deferring to contractual agreement as reason for reimbursement. Reimbursement not recommended for CPT 17002 due to incomplete negotiated contractual agreement received by IBR between Provider and Claims Administrator; specific denial by Claims Administrator deferring to contractual agreement as reason for reimbursement.

Service Code	Provider Billed	Plan Allowed	Dispute Amount	Units	Workers' Comp Allowed Amount	Notes
<i>Date of Service – 09/24/2013 Physician Services</i>						
17002	\$1,035.00	\$40.00	\$995.00	23	\$40.00	Refer to Analysis
17001	N/A	N/A	N/A	N/A	N/A	Service Code Not in Dispute
17000	N/A	N/A	N/A	N/A	N/A	Service Code Not in Dispute

Determination: UPHOLD

Chief Coding Specialist Decision Rationale:

This decision was based on aforementioned guidelines and comparison with PPO Contract. This was determined correctly by the Claims Administrator and the payment of \$40.00 is upheld.

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,

Chief Coder Reviewer

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