

INDEPENDENT BILLING REVIEW FINAL DETERMINATION

December 16, 2014

[Redacted]
[Redacted]
[Redacted]

IBR Case Number:	CB14-0000637	Date of Injury:	09/24/2012
Claim Number:	[Redacted]	Application Received:	04/25/2014
Claims Administrator:	[Redacted]	Assignment Date:	06/24/2014
Provider Name:	[Redacted]		
Employee Name:	[Redacted]		
Disputed Codes:	DRG 454		

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: OVERTURN. MAXIMUS Federal Services has determined that additional reimbursement is warranted. The Claims Administrator’s determination is reversed and the Claim Administrator owes the Provider additional reimbursement of \$250.00 for the review cost and \$1,119.39 in additional reimbursement for a total of \$1,369.39. A detailed explanation of the decision is provided later in this letter.

The Claim Administrator is required to reimburse the Provider a total of \$1,369.39 within 45 days of the date on this letter per section 4603.2 (2a) of the California Labor Code. 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]
[Redacted]

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
- Negotiated contracted rates: Page 2, Appendix “A”
- Medicare and Medicaid Services (CMS) Outpatient Prospective Payment System (OPPS)

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:** Provider seeking contractual rate agreement for DRG 454 for services performed on Injured Worker 09/12/2013.
- Claims Administrator reimbursement rational states, “Charge adjusted to comply with the rate and rules of the contract indicated.”
- Provider charge for DRG454 = \$129,398.70.
- Inpatient Perspective Payment System for DRG454=\$129,398.70.
- Inpatient Hospital Fee Schedule maximum payment amount = DRG weight x hospital composite factor x 1.20 and by making any adjustments required in Section 9789.22.
- §9789.22. Payment of Inpatient Hospital Services, (g) Additional allowance for spinal devices used in complex spinal surgery: (2) For discharges occurring on or after January 1, 2013 but before January 1, 2014, an additional allowance of \$9,140 shall be made for spinal devices used during complex spinal surgery MS-DRGs 453, 454, and 455.
- Appendix “A,” Page 2 of contract states the following, “The amount payable for health care services rendered to occupationally ill/injured employees shall be a 5% discount from the amount payable under the guidelines established under any state law or regulation pertaining to health care services rendered for occupationally ill/injured employees.”

- DRG 454 Maximum Payment (-) Contracted Rate = \$102,349.59.

The table below describes the pertinent claim line information.

DETERMINATION OF ISSUE IN DISPUTE: Reimbursement of DRG 454

Date of Service: 09/12/2013						
Hospital Inpatient						
Service Code	Provider Billed	Plan Allowed	Dispute Amount	Multiple Surgery	Workers' Comp Allowed Amt.	Notes
DRG 454	\$129,398.70	\$101,230.20	\$1,119.39	N/A	\$102,349.59	Allowed Amount – Reimbursement = \$1,119.39 Due Provider.

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