

MAXIMUS FEDERAL SERVICES, INC.

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



INDEPENDENT BILLING REVIEW FINAL DETERMINATION

June 26, 2015

[Redacted]
[Redacted]
[Redacted]

| | | | |
|-----------------------|-------------------------|-----------------------|------------|
| IBR Case Number: | CB14-0001980 | Date of Injury: | 04/10/1996 |
| Claim Number: | [Redacted] | Application Received: | 12/24/2014 |
| Claims Administrator: | [Redacted] | | |
| Date Assigned: | 5/15/2015 | | |
| Provider Name: | [Redacted] | | |
| Employee Name: | [Redacted] | | |
| Disputed Codes: | NDC 38779067308 (J2275) | | |

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,

Paul Manchester, MD, MPH
Medical Director

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:
- Red Book
- Other: Enter OMFS Pharmacy Fee Schedule.

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 is dissatisfied with reimbursement of NDC 38779067308 (J2275)
- Per 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.
- Provider's SBR shows reimbursement of \$36.00 for NDC 38779067308 was already received.
- Submitted Code J2275, Injection, morphine sulfate (preservative-free sterile solution), per 10 mg.
- CMS 1500 indicates 30 units (300 mg of Morphine).
- Secondary Treating Physician's Progress Report, "Session Data Report," indicates NDC 38779067308 as a compounded medication.
- Red Book indicates NDC 38779067308 is supplied in powder form per gram of powder. As such, J2275 does not adequately reflect documentation as 30 units indicated on CMS 1500 form equates to 300 mg of Morphine.
- Aforementioned documentation reflects "10 mg/ml" compounded into volume of 20 ml's.

- NDC code was entered into the DWC Prescription Price Calculator at the ingredient level. MG reflected on Pain Pump documentation converted to grams as the ingredient is powder and is calculated per gram: MG Converted to Grams x 20 Volume.

The table below describes the pertinent claim line information.

DETERMINATION OF ISSUE IN DISPUTE: Reimbursement of code NDC 38779067308 (J2275)

| Date of Service: 7/9/2014 | | | | | | |
|---------------------------|-----------------|--------------|----------------|---------|----------------------------|---|
| Pharmacology | | | | | | |
| Service Code | Provider Billed | Plan Allowed | Dispute Amount | Units | Workers' Comp Allowed Amt. | Notes |
| NDC 38779067308 (J2275) | \$271.40 | \$36.00 | \$271.40 | .015 gm | \$8.58 | DISPUTED SERVICE: No further reimbursement is recommended. |

Copy to:

[REDACTED]

Copy to:

[REDACTED]