

**MAXIMUS FEDERAL SERVICES, INC.**

Independent Bill Review  
P.O. Box 138006  
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Fax: (916) 605-4280



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**INDEPENDENT BILLING REVIEW FINAL DETERMINATION**

March 30, 2015

[REDACTED]  
[REDACTED]  
[REDACTED]

<b>IBR Case Number:</b>	CB14-0000332	<b>Date of Injury:</b>	06/11/2013
<b>Claim Number:</b>	[REDACTED]	<b>Application Received:</b>	03/07/2014
<b>Claims Administrator:</b>	[REDACTED]	<b>Assignment Date:</b>	01/21/2015
<b>Provider Name:</b>	[REDACTED]		
<b>Employee Name:</b>	[REDACTED]		
<b>Disputed Codes:</b>	Rev Code 274 (L0464)		

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, M.D., M.P.H.  
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
- DMEPOS 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 seeking remuneration for Service Code 240 L0464 Orthotic/Prosthetic for dates of service 06/11/2013 – 06/13/2013.**
- Claims Administrator denied reimbursement with the following rationale: “The PPO recommended allowance is in accordance with your PPO contract.”
- The maximum reasonable fee for DME (except for a “dangerous device”) is capped at the rate in the workers’ compensation DMEPOS fee schedule established pursuant to Labor Code section 5307.1, and **Title 8, California Code of Regulations section 9789.60**. The workers’ compensation DMEPOS maximum is 120% of the Medicare DMEPOS rate for California. (DWC)
- **ARTICLE 2. Definitions [4015 - 4046] (Article 2 added by Stats. 1996, Ch. 890, Sec. 3.) 4022.** “Dangerous drug” or “dangerous device” means any drug or device unsafe for self-use in humans or animals, and includes the following:
  - Any drug that bears the legend: “Caution: federal law prohibits dispensing without prescription,” “Rx only,” or words of similar import.
  - Any device that bears the statement: “Caution: federal law restricts this device to sale by or on the order of a \_\_\_\_\_,” “Rx only,” or words of similar import, the blank to be filled in with the designation of the practitioner licensed to use or order use of the device.
  - Any other drug or device that by federal or state law can be lawfully dispensed only on prescription or **furnished** pursuant to Section 4006.

*(Amended by Stats. 2003, Ch. 250, Sec. 1. Effective January 1, 2004.)*

- **Labor Code §5307.1** subdivision (e)(4) provides that the fee is the **lesser** of the DMEPOS allowed amount or an amount calculated by applying a formula to the documented paid cost:  
For a dangerous device dispensed by a physician, the reimbursement to the physician shall not exceed either of the following:
  - (a) The amount allowed for the device pursuant to the official medical fee schedule adopted by the administrative director.
  - (b) One hundred twenty percent of the documented paid cost, but not less than 100 percent of the documented paid cost plus the minimum dispensing fee allowed for dispensing prescription drugs pursuant to the official medical fee schedule adopted by the administrative director, and not more than 100 percent of the documented paid cost plus two hundred fifty dollars (\$250).
- **8 CCR §9789.60. (2)** Dispensed durable medical equipment: cost (purchase price plus sales tax plus shipping and handling) plus 50% of cost up to a maximum of cost plus \$25.00 not to exceed the provider's usual and customary charge for the item.
- UB-04 Reflects Date of Service 06/11/2013 – 06/13/2013 for Rev Code 274.
- History and Physical for dates of service 06/11/2013 & 06/13/2013.
- History and Physical for date of service 06/12/2013 not submitted for review.
- Invoice submission indicates Rev Code 274 is: "L0464 TLSO 4Mod Sacroscap Pre"
- Full DME Description for L0464: TLSO, triplanar control, modular segmented spinal system, four rigid plastic shells, posterior extends from sacrococcygeal junction and terminates just inferior to scapular spine, anterior extends from symphysis pubis to the sternal notch, soft liner, restricts gross trunk motion in sagittal, coronal, and transverse planes, lateral strength is provided by overlapping plastic and stabilizing closures, includes straps and closures, prefabricated, includes fitting and adjustment.
- History and Physical for dates of service 06/11/2013 & 06/13/2013 do not indicate L0464 dispensed or fitted to Injured Worker for either date.
- Insufficient patient visit documentation to support that Rev Code 274/L0464 was dispensed to Injured Worker. As such, IBR unable to recommend reimbursement.

The table below describes the pertinent claim line information.

**DETERMINATION OF ISSUE IN DISPUTE: Reimbursement of code**

<b>Date of Service:</b> 05/29/2013							
<b>DMPOS</b>							
<b>Service Code</b>	<b>Provider Billed</b>	<b>Plan Allowed</b>	<b>Dispute Amount</b>	<b>Assist Surgeon</b>	<b>Units</b>	<b>Workers' Comp Allowed Amt.</b>	<b>Notes</b>
E0748	\$5,826.10	\$1,591.25	\$3,514.61	N/A	1	\$1,591.25	<b>PPO Contract Refer to Analysis</b>

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