
INDEPENDENT BILLING REVIEW FINAL DETERMINATION

August 24, 2015

██████████
██████████
██████████

IBR Case Number:	CB15-0001219	Date of Injury:	08/15/2011
Claim Number:	██████████	Application Received:	07/27/2015
Claims Administrator:	██████████		
Date(s) of service:	01/27/2015 – 01/30/2015		
Provider Name:	██████████		
Employee Name:	██████████		
Disputed Codes:	DRG 454		

Dear ██████████

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 \$195.00 for the review cost and \$16,536.02 in additional reimbursement for a total of \$16,731.02. A detailed explanation of the decision is provided later in this letter.

The Claim Administrator is required to reimburse the Provider a total of \$16,731.02 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

Paul Manchester, MD, MPH
Medical Director

cc: ██████████
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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: 5% PPO Discount
- National Correct Coding Initiatives

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 DRG 454
- Claims Administrator's reimbursement indication: "The charge exceeds the Official Medical Fee Schedule allowance. The charge has been adjusted of the scheduled allowance"
- Maximum Allowable Fees: To determine the standard payment rate, the hospital-specific composite rate would be multiplied by the DRG relative weight and 1.20 multiplier. Additional payments will be made for high cost outlier cases and for certain pass-through costs in accordance with the regulations.
- DRG 454 weight 8.0200 x CF 8375.84 x 1.2 = \$80,609.08
- PPO contract received shows "For Workers' Compensation, the amount payable under the terms of this contract shall be a five percent (5%) discount (Inclusive of any implants/devices, etc. payable under the Fee Schedule) from the amount payable under guidelines established under any State law or regulation pertaining to health care services rendered for occupationally ill/injured employees. Any service not coded under the Fee Schedule to be compensated at 50% of billed charges". Contract also states "The amount payable under the terms of this contract shall be the lesser of the contract rate or billed charges"
- Based on information reviewed, additional reimbursement for DRG 454 is warranted.

The table below describes the pertinent claim line information.

DETERMINATION OF ISSUE IN DISPUTE: Reimbursement of code 454

Date of Service: 01/27/2015 – 01/30/2015					
Inpatient Services					
DRG	Provider Billed	Plan Allowed	Dispute Amount	Workers' Comp Allowed Amt.	Notes
454	\$261,755.20	\$60,042.61	\$16,536.05	\$76,578.63	DISPUTED SERVICE: Allow reimbursement \$16,536.02

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