

MAXIMUS FEDERAL SERVICES, INC.

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



INDEPENDENT BILLING REVIEW FINAL DETERMINATION

September 15, 2015

[REDACTED]
[REDACTED]
[REDACTED]

IBR Case Number:	CB15-0001382	Date of Injury:	11/01/1994
Claim Number:	[REDACTED]	Application Received:	08/17/2015
Assignment Date:	09/08/2015		
Claims Administrator:	[REDACTED]		
Date(s) of service:	07/18/2014 – 07/18/2014		
Provider Name:	[REDACTED]		
Employee Name:	[REDACTED]		
Disputed Codes:	J3490 (NDC 63275210005)		

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 \$195.00 for the review cost and \$140.28 in additional reimbursement for a total of \$335.25. A detailed explanation of the decision is provided later in this letter.

The Claim Administrator is required to reimburse the Provider a total of **\$335.28** 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, 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
- OMFS

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 J3490 (NDC 63275210005)**
- The Claims Administrator processed based on submitted “procedure code,” resulting in “\$7.70” in reimbursement.
- SBR includes corrected claim and NDC# resulting in denial by the Claims Administrator due to exceeding the fee schedule, resulting in additional payment of \$3.02.
- **Labor Code 5307.1. (e) (2)** Any compounded drug product shall be billed by the compounding pharmacy or dispensing physician at the ingredient level, with each ingredient identified using the applicable National Drug Code (NDC) of the ingredient and the corresponding quantity, and in accordance with regulations adopted by the California State Board of Pharmacy. Ingredients with no NDC shall not be separately reimbursable. The ingredient-level reimbursement shall be equal to 100 percent of the reimbursement allowed by the Medi-Cal payment system and payment shall be based on the sum of the allowable fee for each ingredient plus a dispensing fee equal to the dispensing fee allowed by the Medi-Cal payment systems. If the compounded drug product is dispensed by a physician, the maximum reimbursement shall not exceed 300 percent of documented paid costs, but in no case more than twenty dollars (**\$20**) above **documented paid costs**.
- Pain Pump Documentation indicates the medication “Hydromorphone 50mg/ml was part of a compound mixed by a pharmacy and injected into pain pump by Provider – Intrathecal Pain Pump located in the “left abdominal area.”
- Volume of Pump = 20 ml = Hydromorphone Total @ 1000 mg.
- Documented paid cost includes “corrected” **Invoice** reflecting NDC 63275-2100-05 “Hydromorphone 1000 **mg**” @ \$131.00.
- **Based on the aforementioned documentation and guidelines, reimbursement for J3490 pursuant to Labor Code 5307.1 (e)(2) is warranted.**

The table below describes the pertinent claim line information.

DETERMINATION OF ISSUE IN DISPUTE: J3490 (NDC 63275210005)

Date of Service: 07/18/2014 Physician Services						
Service Code	Provider Billed	Plan Allowed	Dispute Amount	Units	Workers' Comp Allowed Amt.	Notes
J3490 (NDC 6327521	\$325.16	\$10.72	\$314.44	1	\$151.00	OMFS (-) Reimbursed Amount = \$140.28 Due Provider

Copy to:

[REDACTED]
[REDACTED]
[REDACTED]

Copy to:

[REDACTED]
[REDACTED]
[REDACTED]