

MAXIMUS FEDERAL SERVICES, INC.

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



INDEPENDENT BILLING REVIEW FINAL DETERMINATION

October 5, 2015



IBR Case Number:	CB15-0001522	Date of Injury:	08/01/1986
Claim Number:	[REDACTED]	Application Received:	09/02/2015
Claims Administrator:	[REDACTED]		
Date(s) of service:	02/02/2015 – 02/11/2015		
Provider Name:	[REDACTED]		
Employee Name:	[REDACTED]		
Disputed Codes:	DRG 0470		

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 \$8629.82 in additional reimbursement for a total of \$8819.18. A detailed explanation of the decision is provided later in this letter.

The Claim Administrator is required to reimburse the Provider a total of \$8819.18 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

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Medical Director

cc:



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
- National Correct Coding Initiatives
- Other: OMFS Inpatient Hospital 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 additional reimbursement for an inpatient service billed as DRG 470.
- The Claims Administrator reimbursed the Provider \$6,829.82 for the billed inpatient service with the following rationale: The amount paid is based on the reimbursement rate(s) with the PPO Network. The PPO recommended allowance is in accordance with you PPO contract.
- Provider billed the inpatient services on a UB04 with bill type 111 for dates of service 2/2/2015-2/11/2015 (2 inpatient days of Room and Charges).
- The submitted PPO contract indicates workers' compensation services are to be reimbursed the lesser of the PPO rate or 100% of the OMFS rate."
- The Medical Record substantiated the billed DRG 470. The Operative Report documented a left total knee arthroplasty, and implants. Itemized bill listed revenue code 278 Total Knee Triathlon implant (C1776) billed charges \$9600.00, barcode, reference and lot numbers listed.
- PPO contract Plan Compensation Schedule indicated the following rates apply to the Provider:
 - Inpatient services reimbursement per diem \$5327.00 (Provider billed 2 days)

- Implants are reimbursed as follows: if eligible billed charges are greater than \$2,915 then reimbursement is 50% of total eligible billed charges. (reimbursement 50% of billed charges \$9600.00)
- Total PPO Reimbursement \$15,454.00.
- OMFS allowance DRG RW 2.1463 x Composite Factor 7471.01 x 1.20 = 19,242.03
- Based on the PPO contract and OMFS reimbursement for DRG 470, the lesser allowance is the PPO reimbursement.
- Additional reimbursement is recommended for the inpatient services based on the PPO allowance of \$15,454.00.

The table below describes the pertinent claim line information.

DETERMINATION OF ISSUE IN DISPUTE: Reimbursement is recommended for DRG 470

Date of Service 2/2/2015-2/11/2015						
Service Code	Provider Billed	Plan Allowed	Dispute Amount	Multiple Surgery	Workers' Comp Allowed Amt.	Notes
DRG 470	\$ 71928.00	\$6829.82	\$8624.18	N/A	\$15,454.00	DISPUTED SERVICE: See Analysis. Reimbursement based on DRG 470 at the PPO allowance of \$15454.00.

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