

MAXIMUS FEDERAL SERVICES, INC.

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



INDEPENDENT BILLING REVIEW FINAL DETERMINATION

October 7, 2015

[REDACTED]
[REDACTED]
[REDACTED]

IBR Case Number:	CB15-0001543	Date of Injury:	11/05/1992
Claim Number:	[REDACTED]	Application Received:	09/04/2015
Assignment Date:	09/25/2015		
Claims Administrator:	[REDACTED]		
Date(s) of service:	02/12/2015 – 03/03/2015		
Provider Name:	[REDACTED]		
Employee Name:	[REDACTED]		
Disputed Codes:	DRG 974		

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 \$16,411.11 in additional reimbursement for a total of \$16,606.11. A detailed explanation of the decision is provided later in this letter.

The Claim Administrator is required to reimburse the Provider a total of **\$16,606.11** 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,

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
- PPO Contract

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 remuneration for DRG 974 for dates of service 02/12/2015 – 03/03/2015.**
- The Claims Administrator indicated reimbursement based in accordance to the “rate and rules of the contract indicated.”
- Bill Type “111,” Hospital Inpatient,” Provider is an Acute Care **Rehabilitation Hospital**.
- **§ 9789.22.** Payment of Inpatient Hospital Services (k) The following **are exempt** from the maximum reimbursement formula set forth in Section 9789.22(a) and are **paid on a reasonable cost basis**.
 - (6) **Rehabilitation hospital** or distinct part rehabilitation units of an acute care hospital or a psychiatric hospital or distinct part psychiatric unit of an acute care hospital
- **CCR § 9792.5.7. Requesting Independent Bill Review** (b) Unless as permitted by section 9792.5.12, independent bill review shall only be conducted if the only dispute between the provider and the claims administrator is the amount of payment owed to the provider. Any other issue, including issues of contested liability or the applicability of a contract for reimbursement rates under Labor Code section 5307.11 shall be resolved before seeking independent bill review. Issues that are not eligible for independent bill review **shall include**:
 - (1) **The determination of a reasonable fee for services** where that category of services is not covered by a fee schedule adopted by the Administrative Director **or a contract** for reimbursement rates under Labor Code section **5307.11**.
- **CCR § 5307.11:** A health care provider or health facility licensed pursuant to Section 1250 of the Health and Safety Code, and a contracting agent, employer, or carrier may contract for reimbursement rates different from those in the fee schedule adopted and revised pursuant to Section 5307.1. When a health care provider or health facility licensed pursuant to Section 1250 of the Health and Safety Code, and a contracting agent, employer, or carrier contract for reimbursement rates different from those in the fee schedule, the medical fee schedule for that health care provider or health facility licensed pursuant to Section 1250 of the Health and Safety Code shall not apply to the contracted reimbursement rates.
- **Submitted Contract section 2.22.1** indicates “**Lesser Of**” Contracted Fee Schedule from billed Charges or “100 % OMFS.” As such, **pursuant to § 5307.11, the OMFS allowable applies to this claim.**
- **§ 9789.22. Payment of Inpatient Hospital Services. (B)** When an acute care patient is discharged to a post-acute care provider and the patient's discharge is assigned to one of the qualifying special pay DRGs as specified in the Federal Register, the payment to the transferring hospital is 50% of the amount paid under Section 9789.22(a), plus 50% of the per diem, set forth in Section 9789.22(j)(1) for each day, up to the full DRG amount. See Section 9789.25(b) for the Federal Register reference that contains the qualifying DRGs for a given discharge. The OMFS is the ‘Lesser Of’ rate.

The table below describes the pertinent claim line information.

DETERMINATION OF ISSUE IN DISPUTE: DRG 974

Date of Service: 02/12/2015 – 03/03/2015						
Hospital						
Service Code	Provider Billed	Plan Allowed	Dispute Amount	Units	Workers' Comp Allowed Amt.	Notes
DRG 974	\$100,561.50	\$13,128.93	\$40,679.07	1	\$29,540.04	PPO Contract (-) Reimbursed Amount = \$16,411.11 Due Provider

Copy to:

[Redacted]

Copy to:

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