

INDEPENDENT BILLING REVIEW FINAL DETERMINATION

October 23, 2015

[Redacted]
[Redacted]
[Redacted]

IBR Case Number:	CB15-0001718	Date of Injury:	12/17/2014
Claim Number:	[Redacted]	Application Received:	09/24/2015
Claims Administrator:	[Redacted]		
Date(s) of service:	01/16/2015 – 01/23/2015		
Provider Name:	[Redacted]		
Employee Name:	[Redacted]		
Disputed Codes:	DRG 460		

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 \$22,092.34 in additional reimbursement for a total of \$22,287.34. A detailed explanation of the decision is provided later in this letter.

The Claim Administrator is required to reimburse the Provider a total of \$22,287.34 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: [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
- Negotiated contracted rates: N/A
- 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 seeking remuneration of DRG 490, Back & Neck exc spinal fusion w cc/mcc or disc device/neurostim
- Claims Administrator's denial rationale "pricing reductions due to MPN"
- Pursuant to Labor Code section 5307.1(g)(2), the Acting Administrative Director of the Division of Workers' Compensation orders that Title 8, California Code of Regulations, section 9789.24, pertaining to Inpatient Hospital Fee Schedule in the Official Medical Fee Schedule, is adjusted to conform to the final rule of August 19, 2013 and the corrections of October 3, 2013, January 2 and 10, 2014, and the interim final rule of October 3, 2013, published in the Federal Register, which changes the Medicare payment system. Amended section 9789.24 reflects Medicare's changes to the Relative Weights and Geometric Mean Length of Stay for the listed Medicare Severity diagnosis-related groups. §9789.20 (d) "The Inpatient Hospital Fee schedule shall be adjusted to conform to any relevant changes in the Medicare payment schedule..."
- Provider originally billed DRG 519 on a UB-04 with ICD9 code 839.20, closed dislocation lumbar vertebra. Second billing showed corrected DRG 490 for service dates 01/16/2015 – 01/23/2015.
- Documentation submitted for review included Hospital Progress Notes for each date of service, Neurosurgery Progress Notes, History & Physical Report, Operative Report, Anesthesia Reports, Lab Reports, Transfer Request and Discharge Summary.

- Utilization Review letter dated 05/20/2015 shows “Requests: 1. Retro Left L4 and L5 hemilaminotomy, left L4-L5 discectomy, left L4-L5 foraminotomy, using microscope; 2. Retro In-patient hospital stay x7 days (TP#5); Body Part/Side: Lumbar Spine; **Determination: Certified**; Dates of Service: 01/16/2015-01/23/2015”
- § 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.
- A PPO contract was not submitted for this review.
- Opportunity for Claims Administrator to Dispute Eligibility letter was sent on 9/29/2015. A response from Claims Administrator was not received for this review.
- Based on aforementioned reviewed, reimbursement of DRG 490 is warranted per OMFS.

The table below describes the pertinent claim line information.

DETERMINATION OF ISSUE IN DISPUTE: Reimbursement of code 490

Date of Service: 01/16/2015 – 01/23/2015					
Inpatient Services					
Service Code	Provider Billed	Plan Allowed	Dispute Amount	Workers’ Comp Allowed Amt.	Notes
490	\$147,313.07	\$0.00	\$22,092.34	\$22,092.34	See Analysis

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