

**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 30, 2015

[Redacted]  
[Redacted]  
[Redacted]

IBR Case Number:	CB15-0001805	Date of Injury:	01/08/1999
Claim Number:	[Redacted]	Application Received:	10/05/2015
Claims Administrator:	[Redacted]		
Date(s) of service:	04/06/2015		
Provider Name:	[Redacted]		
Employee Name:	[Redacted]		
Disputed Codes:	J1170-KD (NCD 38779073105) and J2278-KD (NDC 18860072010)		

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 \$2,108.23 in additional reimbursement for a total of \$2,303.23. A detailed explanation of the decision is provided later in this letter.**

The Claim Administrator is required to reimburse the Provider a total of \$2,303.23 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
- Official Medical Fee Schedule
- Negotiated contracted rates:
- Red Book

## 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 compound medication J2278 NDC418860072010, Prialt & J1170 NDC38779073105, Hydromorphone HCL Powder utilized for pain pump refill on 04/06/2015.**
- Claims Administrator denial rational: “The supply charge was disallowed as it was not adequately identified. Please resubmit with invoice.”
- Per Labor Code Section 5307 (e)(2) compounded drug products are to be billed by the pharmacy or dispensing physician at the **ingredient level** by National Drug Code (NDC) and quantity.
- Provider documents NDC and does on CMS 1500 form which reflects Prialt J2278 N418860072010 x 300 units and Hydromorphone (Dilaudid) J1170 NDC38779-0731-05 x 30 units. Medi-Cal pricing will not exceed MNF wholesale price and therefore, an invoice for dispensed drugs is not necessary for reimbursement.
- Code Description:
  - J2278 Prialt Injection
  - J1170 Hydromorphone Injection
- Red Book indicates **NDC 38779073105** Hydroprmorphone **Powder per gram**.
- Code **J1170** does not adequately represent documented medication as the reported NDC reflects the pharmaceutical in powder form, not a premixed solution represented by J1170. As such, The NDCs and Metric Decimal Units (MDU) for **the grams of powder utilized** were entered into the Workers’ Compensation Pharmacy Compound Prescription Calculator.

- Hydromorphone 30 mg ‘at the ingredient level’ equates to 0.03000000 **grams** of powder.
- **J2278-KD NDC 418860072010** documentation indicates Prialt 100 mcg/1 ml x 3 viles of single dose ampule administered to Intrathecal Pain Pump.
- DWC Simple Medication Calculator utilized to calculate NDC 418860072010 and NDC 438779073105 for Date of Service 04/06/2015. Calculations reflected in reimbursment table below.
- Based on the documentation and guidelines, additional reimbursement is indicated for NDC 418860072010 Prialt and NDC 438779073105 Dilaudid.
- Contractual Agreement not available for IBR, OMFS will be utilized to calculate reimbursement.

The table below describes the pertinent claim line information.

**DETERMINATION OF ISSUE IN DISPUTE: J2278 NDC418860072010 & J1170 N438779-0731-05**

Date of Service: 04/06/2015						
Pharmacy						
Service Code	Provider Billed	Plan Allowed	Dispute Amount	Units	Workers' Comp Allowed Amt.	Notes
J2278 NDC418860 072010	\$5,400.00	\$0.00	\$3,960.00	300	\$2,053.33	OMFS – Reimbursed Amount = \$2,053.33 due to Provider
J1170 N438779- 0731-05	\$6,600.00	\$0.00	\$54.90	30	\$54.90	OMFS \$54.90 due to Provider

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