

MAXIMUS FEDERAL SERVICES, INC.

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



INDEPENDENT BILLING REVIEW FINAL DETERMINATION

November 5, 2015



IBR Case Number:	CB15-0001820	Date of Injury:	06/11/2015
Claim Number:	[REDACTED]	Application Received:	10/06/2015
Claims Administrator:	[REDACTED]		
Date(s) of service:	06/16/2015 – 06/26/2015		
Provider Name:	[REDACTED]		
Employee Name:	[REDACTED]		
Disputed Codes:	DRG 946		

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 \$25,508.77 in additional reimbursement for a total of \$25,703.77.

The Claim Administrator is required to reimburse the Provider a total of \$25,703.77 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

MAXIMUS FEDERAL SERVICES, INC.

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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
- Medicare and Medicaid Services (CMS)
- 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 inpatient rehabilitation services for dates of service 6/16/2015-06/26/2015, DRG 946.**
- Claims Administrator reimbursed \$12,729.57 for the inpatient stay with the following rationale: Reimbursement based on ratio percentage or formula set by state guidelines.
- CCR § 9792.5.7. Requesting Independent Bill Review (a) a request for independent bill review shall only resolve:
 - For a bill for medical treatment services or goods, a dispute over the amount of payment for services or goods billed by a single provider involving one injured employee, one claims administrator, and either one date of service and one billing code or one hospital stay, under the applicable fee schedule adopted by the Administrative Director or, if applicable, under a contract for reimbursement rates under Labor Code section 5307.11 covering one range of effective dates.
- CCR §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.
- Submitted documentation included a PPO contract between the Provider and PPO network.

- Additional reimbursement warranted, services covered under contract rates under LC 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
- Contractual per-diem rate, entitled “Attachment 2,” reflects \$5,576.00 for Revenue Code 0128 listed in DRG 946; no other revenue code from DRG 946 could be abstracted from ‘Attachment 2.’”
- Provider indicates 80% reimbursement of billed charges will be accepted as payment in full.
- Opportunity to Dispute Eligibility communicated to Claims Administrator on 10/08/2015; response not yet received.
- Compared to the contractual rate and length of stay, 80% of billed charges reflects a “reasonable” cost as it is less than the total amount billed and is also less than the contractual rate.
- Additional reimbursement warranted based on 80% of billed charges.

DETERMINATION OF ISSUE IN DISPUTE: Recommended reimbursement of code: DRG 946 (inpatient services)

Date of Service 6/16/2015-6/26/2015						
Service Code	Provider Billed	Plan Allowed	Dispute Amount	Multiple Surgery	Workers' Comp Allowed Amt.	Notes
946	\$ 47,797.93	\$ 12,729.57	\$ 35,068.36	N/A	\$38,238.34	DISPUTED SERVICE: See Analysis. Additional Reimbursement warranted for 25,508.77

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