

**MAXIMUS FEDERAL SERVICES, INC.**

Independent Bill Review  
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Fax: (916) 605-4280



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**INDEPENDENT BILLING REVIEW FINAL DETERMINATION**

November 30, 2015



IBR Case Number:	CB15-0002010	Date of Injury:	01/21/2015
Claim Number:	[REDACTED]	Application Received:	10/30/2015
Claims Administrator:	[REDACTED]		
Date(s) of service:	01/22/2015 – 03/12/2015		
Provider Name:	[REDACTED]		
Employee Name:	[REDACTED]		
Disputed Codes:	DRG 003		

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: UPHOLD. MAXIMUS Federal Services has determined that no additional reimbursement is warranted. The Claims Administrator’s determination is upheld and the Claim Administrator does not owe the Provider additional reimbursement. A detailed explanation of the decision is provided later in this letter.**

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]

## 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: 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:** The Provider is seeking additional reimbursement for inpatient services billed under DRG 003.
- Claims Administrator reimbursed the Provider \$267,971.22 with the following explanation: Reimbursement is calculated based on the Cost Outlier payment method as this is a cost outlier case.
- Based on the documentation submitted by the Provider, it is unclear what the total billed charges were on the original bill and re-bill.
- Additional allowances for outlier cases are determined based on total billed charges.
- The following are the submitted documents and total billed amounts listed on each:
  - Document labeled as “EOR1”, appears to be the Providers internal electronic accounting document. This document does not appear to be an EOR issued by the Claims Administrator. The total payment billed amount indicated on the “EOR1” is listed as \$1,979,692.86.
  - The SBR-1 form Amount Billed field indicates \$1,361,536.80. SBR-1 was signed 7/20/2015.
  - Electronic IBR Application completed by the Provider indicates a billed amount of \$1,361,536.00
  - The UB04 Claim Image reflects total charges \$1,977,735.86.
  - The submitted document labeled as “EOR2”, indicates a post date of 6/24/2015, billed charges of \$1,361,536.86 and payment of \$267,971.22.

- Without clear documentation on the total billed amount submitted to the Claims Administrator, we are unable to recommend additional reimbursement.
- In review of the document labeled as “EOR2”, with total charges listed as \$1,361,536.86 it was determined reimbursement was calculated correctly based on Title 8, CCR section 9789.22(f)(1) Cost Outlier Cases formula.
- **Provider reimbursed \$202,476.42 for DRG 003, plus an additional allowance for the outlier case in the amount of \$65,494.80.**
- Additional Reimbursement is not recommended for the inpatient hospital services.

The table below describes the pertinent claim line information.

DETERMINATION OF ISSUE IN DISPUTE: Additional reimbursement is not recommended for the inpatient services.

Date of 1/22/2015 – 3/12/2015							
Inpatient Hospital Services							
Service Code	Provider Billed	Plan Allowed	Dispute Amount	Assist Surgeon	Multiple Surgery	Workers' Comp Allowed Amt.	Notes
DRG 003	\$1,361,536.86	\$267,971.22	\$65,466.68	N/A	N/A	\$267,971.22	<b>DISPUTED SERVICE:</b> See Analysis.

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