

**INDEPENDENT BILLING REVIEW FINAL DETERMINATION**

December 24, 2015

[REDACTED]  
[REDACTED]  
[REDACTED]

IBR Case Number:	CB15-0002202	Date of Injury:	05/08/2007
Claim Number:	[REDACTED]	Application Received:	11/30/2015
Assignment Date:	12/18/2015		
Claims Administrator:	[REDACTED]		
Date(s) of service:	05/12/2015 – 05/12/2015		
Provider Name:	[REDACTED]		
Employee Name:	[REDACTED]		
Disputed Codes:	J2275-KD (NDC 629911040305)		

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 \$19.27 additional reimbursement for a total of \$214.27. A detailed explanation of the decision is provided later in this letter.**

The Claim Administrator is required to reimburse the Provider a total of **\$214.27** 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
- Authorization
- DWC Pharmacy Calculator

## **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 for J2275 NDC 38779067308 Morphine Sulfate Powder relating to date of service 05/12/2015.**
- Claims Administrator denied reimbursement stating “Medication is not within the scope of the Providers Licensure.”
- Provider is a Pain Management Specialist – M.D.
- Documentation indicates prescription medication was dispensed to Provider for purposes of injection into Injured Workers Intrathecal Pain Pump.
- Authorization signed by the Claims Administrator dated “05/07/2014” indicates “pump fills” as authorized from “04/01/2014 to 07/01/2014” with quantity x 12.
- Fax Communication from Claims Administrator dated 08/14/2015 extended original authorization to 12/31/2015 with additional 12 visits.
- Opportunity to Dispute Eligibility communicated to Claims Administrator on 12/02/2015; response not yet received.
- Documentation reflects RX# 922770 5mg/ml, Volume 42 ml.
- **CMS 1500 reflects Code J2275, Injection, morphine sulfate (preservative-free sterile solution), x 21 units, NDC 38779067308.**
- Document entitled “Session Data Report,” indicates Pump Volume 40ml = 2.ml waste of 42 ml’s dispensed to Provider by Pharmacy.
- Red Book indicates NDC 38779067308 is supplied in **powder form per (unit) gram of powder**. As such, J2275 does not adequately reflect documentation as 21 units indicated on CMS 1500 form equates to 882000.00 mg of Morphine Powder.
- The Session Data reports reflects “**5 mg/ml**” compounded into volume of **42 ml**’s.
- **Labor Code 5307.1. (e) (2)** Any compounded drug product shall be billed by the compounding pharmacy or dispensing physician **at the ingredient level**, with each ingredient identified using the applicable National Drug Code (NDC) of the ingredient and the corresponding quantity, and in accordance with regulations adopted by the California State Board of Pharmacy. Ingredients with no NDC shall not be separately reimbursable. The ingredient-level reimbursement shall be equal to 100 percent of the reimbursement allowed by the Medi-Cal payment system and payment shall be based on the sum of the allowable fee for each ingredient plus a dispensing fee equal to the dispensing fee allowed by the Medi-Cal payment systems. If the compounded drug product is dispensed by a physician, the maximum reimbursement shall not exceed 300 percent of documented paid costs, but in no case more than twenty dollars (\$20) above documented paid costs.
- **Injection Fee** is included in the value of another procedure(s) performed (and reimbursed) on the same day.
- NDC code entered into the DWC Compound Prescription Price Calculator **at the ingredient level**. MG/MCG reflected on Pain Pump documentation converted to **grams** as the ingredient is **powder** and is calculated per gram of powder: 5mg= 0.005000000g x 42 Volume = 0.21 grams of powder (product) injected into Injured Worker’s Intrathecal Pain Pump, on 05/12/2015.
- **Based on the aforementioned documentation and guidelines reimbursement is indicated for J2275.**

The table below describes the pertinent claim line information.

**DETERMINATION OF ISSUE IN DISPUTE: NDC # 38779067308 (J2275)**

<b>Date of Service:</b> 05/12/2015						
<b>Physician Services/Pharmacy</b>						
<b>Service Code</b>	<b>Provider Billed</b>	<b>Plan Allowed</b>	<b>Dispute Amount</b>	<b>Units</b>	<b>Workers' Comp Allowed Amt.</b>	<b>Notes</b>
NDC # 38779067308 (J2275)	\$2,100.00	\$0.00	\$271.68	21	\$19.27	Refer to Analysis

Copy to:

[REDACTED]  
[REDACTED]  
[REDACTED]

Copy to:

[REDACTED]  
[REDACTED]  
[REDACTED]