

MAXIMUS FEDERAL SERVICES, INC.

Independent Bill Review
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INDEPENDENT BILLING REVIEW FINAL DETERMINATION

July 20, 2015

[Redacted]
[Redacted]
[Redacted]

IBR Case Number:	CB15-0001001	Date of Injury:	08/31/1984
Claim Number:	[Redacted]	Application Received:	06/13/2015
Claims Administrator:	[Redacted]		
Date(s) of service:	01/14/2015 – 01/18/2015		
Provider Name:	[Redacted]		
Employee Name:	[Redacted]		
Disputed Codes:	DRG 945		

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 \$6900.59 in additional reimbursement for a total of \$7095.59. A detailed explanation of the decision is provided later in this letter.

The Claim Administrator is required to reimburse the Provider a total of \$7095.59 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: Contract Agreement
- National Correct Coding Initiatives
- Other: §9792.1 Payment of Inpatient Services of Health Facilities.

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 is dissatisfied with reimbursement of DRG 945 for Inpatient Rehabilitation Services.
- Claims Administrator reimbursed \$15,403.41 indicating on the first Explanation of Review “The charge exceeds the Official Medical Fee Schedule Allowance. The charge has been adjusted dot the scheduled allowance” and “Reimbursement based on ratio, percentage or formula set by State Guidelines”
- Pursuant Chapter 4.5. Division of Workers' Compensation Subchapter 1. Administrative Director--Administrative Rules Article 5.5. Application of the Official Medical Fee Schedule (Treatment) - §9792.1 Payment of Inpatient Services of Health Facilities: (a) Maximum reimbursement for inpatient medical services shall be determined by multiplying 1.20 by the product of the health facility's composite factor and the applicable DRG weight or revised DRG weight if a revised weight has been adopted by the administrative director. The fee determined under this subdivision shall be a global fee, constituting the maximum reimbursement to a health facility for inpatient medical services not exempted under this section. However, preadmission services rendered by a health facility more than 24 hours before admission are separately reimbursable. (c) The following are exempt from the maximum reimbursement formula set forth in subdivision (a): (1) Inpatient services for the following diagnoses: Psychiatry (DRGs 424-432), Substance Abuse (DRGs 433-437), Organ Transplants (DRGs 103, 302, 480, 481, 495),

