

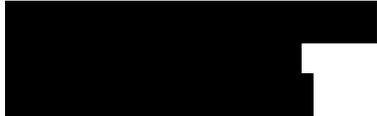
MAXIMUS FEDERAL SERVICES, INC.

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



INDEPENDENT BILLING REVIEW FINAL DETERMINATION

February 18, 2016



IBR Case Number:	CB16-0000045	Date of Injury:	04/08/2004
Claim Number:	20000401490	Application Received:	01/12/2016
Claims Administrator:	[REDACTED]		
Assigned Date:	1/29/2016		
Date(s) of service:	06/10/2015 – 06/12/2015		
Provider Name:	[REDACTED]		
Employee Name:	[REDACTED]		
Disputed Codes:	DRG 0473		

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 \$14,201.44 in additional reimbursement for a total of \$14,396.44. A detailed explanation of the decision is provided later in this letter.

The Claim Administrator is required to reimburse the Provider a total of **\$14,396.44** 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

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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) Outpatient Prospective Payment System (OPPS)
- 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 is seeking additional reimbursement for billed inpatient services billed under DRG 473.**
- Claims Administrator reimbursed the Provider \$13,886.58 with the following rationale: Inpatient Fee Schedule rate for DRG is \$21,926.19 and this DRG has a 1.5 LOS. Since UR authorized only one day, we have allowed \$14,617.46 (Calculation: $\$21,926.19/3 = \$7,308.73 \times 2$).
- The Opportunity to Dispute letter was issued to the Claims Administrator 1/13/2016, to date no response received.
- Contractual Agreement states, "Lesser of 75% of eligible billed charges or 100% of the amount payable under guidelines established under any State law or regulation pertaining to healthcare service rendered for occupationally ill/injured workers."
- Pursuant to Title 8 CCR 9789.21(o) Unless otherwise provided by applicable provisions of this fee schedule, "Inpatient Hospital Fee Schedule maximum payment amount" is that amount determined by multiplying the DRG weight x hospital composite factor x 1.20 and by making any adjustments required in Section 9789.22.
- Based on the OMFS Inpatient maximum payment calculation and Section 9789.22(f)(1) Cost Outlier Cases the allowance due is \$21,926.18 (DRG allowance) + \$6,61.84 (Cost Outlier Case). Provider billed \$55,427.33 for supplies/implants, but did not supply the

documented paid cost for the implants/devices. Provider eligible for an additional \$6,161.84 based on Costs exceeded Cost Outlier Threshold. See below for “Costs” calculation:

- 9789.21(f) "Costs" means the total billed charges for an admission, excluding non-medical charges such as television and telephone charges, charges for Durable Medical Equipment for in home use, **charges for implantable medical devices, hardware**, and/or instrumentation reimbursed under subdivision (g) of Section 9789.22, multiplied by the hospital's total cost-to-charge ratio plus the hospital’s documented paid spinal device costs, plus an additional 10% of the hospital’s documented paid cost, net of discounts and rebates, not to exceed a maximum of \$250.00, plus any sales tax and/or shipping and handling charges actually paid.
- Post review of the Contractual Agreement, OMFS Guidelines and Regulations, reimbursement is due up to 100% of the OMFS allowance.

DETERMINATION OF ISSUE IN DISPUTE: DRG 473

Date of Service 6/10/2015-6/12/15					
Service Code	Provider Billed	Plan Allowed	Dispute Amount	Workers' Comp Allowed Amt.	Notes
DRG 473	\$206,34 1.36	\$13,886. 58	\$27,945. 85	\$28,088.02	Refer to Analysis: Additional reimbursement due \$14,201.44

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]