

## INDEPENDENT BILLING REVIEW FINAL DETERMINATION

February 23, 2016

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

IBR Case Number:	CB16-0000126	Date of Injury:	07/26/2011
Claim Number:	[REDACTED]	Application Received:	01/27/2016
Assignment Date:	02/16/2016		
Claims Administrator:	[REDACTED]		
Date(s) of service:	07/21/2015 – 07/21/2015		
Provider Name:	[REDACTED]		
Employee Name:	[REDACTED]		
Disputed Codes:	Rev Code 0274 (HCPCS L3960 and L2999)		

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 \$418.25 in additional reimbursement for a total of \$613.25. A detailed explanation of the decision is provided later in this letter.**

The Claim Administrator is required to reimburse the Provider a total of **\$613.25** 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
- OMFS

## **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 \$1,254.33 in remuneration for L3960 Orthotics Sewho airplane design abdu pos and L2999 Unclassified Orthosis, dispensed to Injured Worker during Hospital Outpatient Surgery on 07/21/2015.**
- Initial and Final EOR's indicate the Claims Administrator denied reimbursement with the following rationale: "not paid under OPPS."
  - EOR's do not indicate Authorization required for dispensed orthotics.
- **Hospital Outpatient Administrative Rules § 9789.32 (5)** The maximum allowable fee for durable medical equipment, prosthetics and orthotics shall be determined according to Section 9789.60.
- **Administrative Rules § 9789.60. Durable Medical Equipment, Prosthetics, Orthotics, Supplies.** (a) For services, equipment, or goods provided after January 1, 2004, the maximum reasonable reimbursement for durable medical equipment, supplies and materials, orthotics, prosthetics, and miscellaneous supplies and services shall not exceed one hundred twenty (120) percent of the rate set forth in the CMS' Durable Medical Equipment, Prosthetics/Orthotics, and Supplies (DMEPOS) Fee Schedule, as established by Section 1834 of the Social Security Act (42 U.S.C. § 1395m) and applicable to California.
- Opportunity to Dispute communicated to Claims Administrator on 01/28/2016; response not yet received.
- Contractual Agreement not submitted for IBR.
- Submitted documentation supports fitting, dispensing, and counseling of L3960 orthotics.
- Submitted documentation indicates L2999 as "cold therapy pack." L2999 is the incorrect HCPCS for cold therapy pack.
- **Article 5.5.0. Rules § 9792.5.7.** Requesting Independent Bill Review (b)(2) The proper selection of an analogous code or formula based on a fee schedule adopted by the Administrative Director, or, if applicable, a contract for reimbursement rates under Labor Code section 5307.11, unless the fee schedule or contract allows for such analogous coding. HCPCS A2973, Hot/Cold Wrap represents documentation listed as L2999.
- Submitted invoice #77610L reflects Total Charges of "1033.18," with a "Balance Due" of "568.25." The "464.93" deficit reflects a "credit." Unknown if the credit represents the Provider's discounted and actual cost for the items; documentation does not indicate a deposit or pre-payment was provided to vendor.
- **General Information and Instructions CCR 9789.11(a)(1)(2)** Dispensed durable medical equipment: cost (purchase price plus sales tax plus shipping and handling) plus 50% of cost **up to a maximum of cost plus \$25.00** not to exceed the provider's usual and customary charge for the item.
- **Based on the aforementioned documentation and guidelines, reimbursement is indicated for L3960 and is Upheld for L2999.**

The table below describes the pertinent claim line information.

**DETERMINATION OF ISSUE IN DISPUTE: L3960 & L2999**

<b>Date of Service: 07/21/2015</b>						
DME						
<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>
L3960	\$1,875.22	\$0.00	\$858.18	1	\$418.25	<b>(\$568.25 ( - ) \$175.00 for L2999 ( + ) \$25.00) Refer to Analysis</b>
L2999	\$1,875.00	\$0.00	\$175.00	1	\$0.00	<b>Refer to Analysis</b>

[REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]  
 [REDACTED]