

MAXIMUS FEDERAL SERVICES, INC.

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



INDEPENDENT BILLING REVIEW FINAL DETERMINATION

May 27, 2016

[Redacted]
[Redacted]
[Redacted]
[Redacted]

| | | | |
|-----------------------|-------------------------|-----------------------|------------|
| IBR Case Number: | CB16-0000629 | Date of Injury: | 04/29/2012 |
| Claim Number: | [Redacted] | Application Received: | 04/18/2016 |
| Claims Administrator: | [Redacted] | | |
| Date(s) of service: | 01/18/2016 – 01/19/2016 | | |
| Provider Name: | [Redacted] | | |
| Employee Name: | [Redacted] | | |
| Disputed Codes: | 97799-86 | | |

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 \$1,579.36 in additional reimbursement for a total of \$1,774.36. A detailed explanation of the decision is provided later in this letter.

The Claim Administrator is required to reimburse the Provider a total of **\$1,774.36** 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
- Official Medical Fee Schedule
- Contractual Agreement: 95% Billed Charges

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 additional remuneration for Functional Restoration Evaluation services, billed as Unlisted Procedure Code 97799 -86, for date of service 01/18/2016 – 01/19/2016.**
- The Claims Administrator's reimbursement rational indicates the following: "This charge was adjusted to comply with the rate and rules of the contract indicated."
- **Contractual Agreement provided for IBR, reflects "95%" of Billed Charges.**
- 97999 is a By Report code; a schedule allowance does not exist.
- OMFS allows for Unlisted Procedure Codes to be reimbursed by "By Report."
- **§9789.12.4 (c) "In determining the value of a By Report procedure, consideration may be given to the value assigned to a comparable procedure or analogous code. The comparable procedure or analogous code should reflect similar amount of resources, such as practice expense, time, complexity, expertise, etc. as required for the procedure performed."**
- **There is no allowance listed under the OMFS for the billed procedure code 97799 or, more specifically, an Initial Functional Restoration Program, and a comparable procedure code does not exist.**
- CPT 97799 By Report Code is not subject to MPPR as there is no unit value or conversion factor associated with this By Report Code.
- Functional Restoration Program service is authorized meeting the criteria for Modifier -86.
- **California State Assembly Bill 1177 amended the Labor Code effective January 1, 2002 to add §5307.11: 5307.11. A health care provider or health facility licensed pursuant to**

Section 1250 of the Health and Safety Code, and a contracting agent, employer, or carrier may contract for reimbursement rates different from those in the fee schedule adopted and revised pursuant to Section 5307.1. When a health care provider or health facility licensed pursuant to Section 1250 of the Health and Safety Code, and a contracting agent, employer, or carrier contract for reimbursement rates different from those in the fee schedule, the medical fee schedule for that health care provider or health facility licensed pursuant to Section 1250 of the Health and Safety Code **shall not apply to the contracted reimbursement rates.** Except as provided in subdivision (b) of Section 5307.1, the official medical fee schedule shall establish maximum reimbursement rates for all medical services for injuries subject to this division provided by a health care provider or health care facility licensed pursuant to Section 1250 of the Health and Safety Code other than those specified in contracts subject to this section.

- The Provider's Usual and Customary Fee is presented on RFA dated 01/20/2016 as **“\$225.00/hour.”**
- Authorization for FRP dated 02/5/2016 signed by Claims Administrator reflects “Request: Additional 120 hours of NCFRP (Functional Restoration Program), 6 hours daily – Monday through Thurs; 3 hours on Fridays (27 hours per week). Modified Approval: additional 106 hours of NCFRP.” Reimbursement amount not reflected.
- Modifier -86: OMFS “This Modifier is used when prior authorization was received for services that exceed OMFS ground rules.”
- The aforementioned Authorization is contractual in nature.
- Provider submitted claim for dates of service Monday 1/18 6 hours and Tuesday 1/19 6 hours = total 12 hours x \$225.00 = \$2,700.00 x 95% = \$2,565.00 - \$985.64 = \$1579.36.
- Opportunity to dispute Eligibility communicated with the Claims Administrator on 5/5/2016; response not yet received.
- **Based on the aforementioned documentation and guidelines, additional reimbursement is indicated for Unlisted Procedure Code 97799-86.**

The table on page 4 describes the pertinent claim line information.

DETERMINATION OF ISSUE IN DISPUTE: 97799-86

| Date of Service: 01/18/2016 – 01/19/2016 | | | | | | |
|---|------------------------|---------------------|-----------------------|--------------|-----------------------------------|--|
| Physician Services | | | | | | |
| Service Code | Provider Billed | Plan Allowed | Dispute Amount | Units | Workers' Comp Allowed Amt. | Notes |
| 97799 -86 | \$2700.00 | \$985.64 | \$1579.36 | 12 | \$2,565.00 | PPO Contract \$1579.36 Due Provider |

Copy to:

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]