

MAXIMUS FEDERAL SERVICES, INC.

Independent Bill Review
P.O. Box 138006
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Fax: (916) 605-4280



INDEPENDENT BILLING REVIEW FINAL DETERMINATION

June 23, 2016

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

IBR Case Number:	CB16-0000836	Date of Injury:	07/02/1993
Claim Number:	[REDACTED]	Application Received:	05/18/2016
Claims Administrator:	[REDACTED]		
Date(s) of service:	11/09/2015 – 12/04/2015		
Provider Name:	[REDACTED]		
Employee Name:	[REDACTED]		
Disputed Codes:	DRG 454		

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: UPHOLD. MAXIMUS Federal Services has determined that no additional reimbursement is warranted. The Claims Administrator’s determination is upheld and the Claim Administrator does not owe the Provider additional reimbursement. A detailed explanation of the decision is provided later in this letter.

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,

Maximus

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: Contractual Agreement
- National Correct Coding Initiatives

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 remuneration for DRG 454 11/09/2015 – 12/04/2015
- Claims Administrator reimbursement rationale “The amount paid is based on the reimbursement rate(s) with the (Claims Administrator).”
- Provider states DRG 454 was reimbursed correctly per diem rate. However, Provider is disputing a separate reimbursement for REV code 278 for implants was incorrectly reimbursed. Provider is stating implants to be reimbursed at 68.4% of Provider’s billed charges.
- Provider submitted portions of a PPO contractual agreement showing one section 4.13 as “Hospital agrees that in the event a Member, who is covered for workers’ compensation benefits by an Affiliate or under a workers’ compensation arrangement administered by an Affiliate, seeks services for a work related illness or injury, Hospital shall provide such Hospital Services as are Medically Necessary. As payment for such Hospital Services rendered, Hospital agrees to accept the lesser of the Rates set forth in Exhibit B or the California Workers’ Compensation Fee Schedule.”
- A single page of Exhibit B showing eleven (11) Categories with Original Rates and Q-Hip adjusted rates for dates of service 02/01/2011 – 01/31/2012. A previous page shows Facility’s aggregate yield increase for four years.

- Exhibit B does not document any rate or discount for implants or specific REV codes including 278.
- A separate document showing Current Rate Eff 10/1/15 of All other Implants (IP/OP) at 68.4%.
- It is unclear if the Implant document is part of the contractual agreement as the document does not display the Claim's Administrator's header.
- Since a complete contractual agreement was not submitted for review, and the Claims Administrator asserts reimbursement is as per contractual obligation, IBR is unable to determine if additional reimbursement of REV code 278 is warranted.
- Based on the documentation submitted for REV code 278, additional reimbursement is not warranted.

The table below describes the pertinent claim line information.

DETERMINATION OF ISSUE IN DISPUTE: Reimbursement of code DRG 454

Date of Service: 11/09/2015 – 12/04/2015					
Service Code	Provider Billed	Plan Allowed	Dispute Amount	Workers' Comp Allowed Amt.	Notes
454	\$256,096.43	\$85,863.47	\$3,106.09	\$85,863.47	Refer to Analysis

Copy to:

[REDACTED]

Copy to:

[REDACTED]