

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 10, 2016



IBR Case Number:	CB16-0000559	Date of Injury:	06/17/2013
Claim Number:	[REDACTED]	Application Received:	04/08/2016
Claims Administrator:	[REDACTED]		
Assigned Date:	5/3/2016		
Provider Name:	[REDACTED]		
Employee Name:	[REDACTED]		
Disputed Codes:	DRG 885		

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,

Paul Manchester, MD MPH

Medical Director

cc: [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
- PPO Contract
- National Correct Coding Initiatives
- 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 requesting additional reimbursement for inpatient services billed under DRG 885.
- Provider is requesting additional reimbursement based on Inpatient Outlier Contractual Provision indicating a 20% discount from billed charges when a billed amount is in excess of "\$52,093.00" or above.
- 07/02/2001 Amendment to the Contract (Page 28 of IBR Packet) indicates the following: "Notwithstanding the contract rates contained herein, the amount payable under the terms of this contract shall be the lesser of the Contract rate billed charges, or the amount payable under guidelines established under any State law or regulations pertaining to health care services rendered for occupationally ill/injured employees."
- Opportunity to Dispute Eligibility communicated with the Claims Administrator on 4/15/2016; response received 04/25/2016 indicating the Provider was reimbursed in accordance with the OMFS and no "additional money is owed."
- UB04 claim form indicates billed inpatient services with revenue code 124 and DRG 885.
- Rev Code 124: Room and Board-Semi-Private Two Bed (Medical or General) Psychiatric

MAXIMUS FEDERAL SERVICES, INC.

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



- DRG 885: Psychoses
- **Pursuant to § 9789.22 (k)** The following are exempt from the maximum reimbursement formula set forth in Section **9789.22(a)** and are **paid on a reasonable cost basis**.
 - (6) Rehabilitation hospital or distinct part rehabilitation units of an acute care hospital or **a psychiatric hospital or distinct part psychiatric unit** of an acute care hospital (Emphasis added).
- The OMFS does not define reasonable costs.
- Pursuant to § 9792.5.7 Requesting Independent Bill Review (b)(1), IBR does not determine reasonable costs.
 - (b) Unless as permitted by section 9792.5.12, independent bill review shall only be conducted if the only dispute between the provider and the claims administrator is the amount of payment owed to the provider. Any other issue, including issues of contested liability or the **applicability of a contract for reimbursement rates** under Labor Code section 5307.11 shall be resolved before seeking independent bill review. (Emphasis added)
 - (1) **The determination of a reasonable fee for services where that category of services is not covered by a fee schedule** adopted by the Administrative Director or a contract for reimbursement rates under Labor Code section 5307.11. (Emphasis added).
- IBR unable to determine contractual disputes or determine correct allowances if the applicability of the contract is in dispute. DRG 885 Upheld.

The table below describes the pertinent claim line information.

DETERMINATION OF ISSUE IN DISPUTE: Additional reimbursement not recommended.

Date of Service 12/3/2015-12/31/2015						
Inpatient Hospital Services						
Service Code	Provider Billed	Plan Allowed	Dispute Amount	Multiple Surgery	Workers' Comp Allowed Amt.	Notes
DRG 885	\$193,189.67	\$17,351.62	\$137,200.12	N/A	17,351.62	DISPUTED SERVICE: See Analysis.

Copy to:



Copy to:

