



## Discarded Drugs and Biologicals Policy at Contractor Discretion – JA7095

Related CR Release Date: August 20, 2010

Date Job Aid Revised: September 1, 2010

Effective Date: July 30, 2010

Implementation Date: September 21, 2010

**Key Words** MM7095, CR7095, R758OTN, Drugs, Biologicals

- Contractors Affected**
- Carriers
  - Fiscal Intermediaries (FIs)
  - Part A/B Medicare Administrative Contractors (A/B MACs)
  - Regional Home Health Intermediaries (RHHIs)
  - Durable Medical Equipment MACS (DME MACs)

**Provider Types Affected** Provider types affected are physicians, providers, and suppliers submitting claims to Medicare Carriers, FIs, A/B MACs and/or DME MACs for drugs or biologicals administered to Medicare beneficiaries.



- Change Request (CR) 7095 responds to inquiries related to CR6711 pertaining to the use of the JW modifier (drug or biological amount discarded/not administered to any patient) for discarded drugs and biologicals.
- Medicare contractors will provide details concerning the use of the JW modifier for discarded drugs and biologicals.

CR7095 instructs that each Medicare contractor:

- Provider Needs to Know...**
- Has the individual discretion to determine whether the JW modifier is required for any claims with discarded drugs, including the specific details regarding how the discarded drug information should be documented and applied on the claim; and
  - Will notify their respective providers of such requirements associated with the use of the JW modifier.

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Background

- Previously, the Centers for Medicare & Medicaid Services (CMS) issued, which updated the *Medicare Claims Processing Manual* (Chapter 17, Section 40) and provided policy on the appropriate use of the JW modifier (drug or biological amount discarded/not administered to any patient) for discarded drugs or biologicals.
- After issuing CR6711, CMS received several inquiries from various providers, regarding how the JW modifier is to be used for their Medicare Part B drug claims.

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Operational  
Impact

N/A

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Reference  
Materials

The related MLN Matters® article can be found at <http://www.cms.gov/MLN MattersArticles/downloads/MM7095.pdf> on the CMS website.

The official instruction (CR7095) issued regarding this change may be found at <http://www.cms.hhs.gov/Transmittals/downloads/R758OTN.pdf> on the CMS website.

The MLN Matters® article related to CR6711 is located at <http://www.cms.gov/MLN MattersArticles/downloads/MM6711.pdf> on the CMS website.

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