

MLN Matters Number: MM5923

Related Change Request (CR) #: 5923

Related CR Release Date: March 14, 2008

Effective Date: January 1, 2008

Related CR Transmittal #: R1478CP

Implementation Date: April 14, 2008

Additional Clarification to Chapter 17, Section 40, Regarding Processing of Drug Claims with the JW Modifier

Note: This article was updated on July 27, 2016, to add a link [MM9603](#) that alerts providers to the change in policy regarding the use of the JW modifier for discarded Part B drugs and biologicals. Effective January 1, 2017, providers are required to: 1) Use the JW modifier for claims with unused drugs and biologicals from single use vials or packages that are appropriately discarded (excluding those provided under the Competitive Acquisition Program (CAP) for Part B drugs and biologicals) and 2) Document the discarded drug or biological in the patient's medical record when submitting claims. All other information remains unchanged.

Provider Types Affected

Physicians, providers and suppliers billing Medicare Contractors (Medicare Administrative Contractors (A/B MACs), fiscal intermediaries (FIs), carriers and/or Durable Medical Equipment Medicare Administrative Contractors (DME MACs)) for drugs or biologicals provided to Medicare beneficiaries.

Impact on Providers

When processing all drugs **except those provided under the Competitive Acquisition Program (CAP)** for Part B drugs and biologicals, Medicare contractors may require the use of the modifier JW to identify unused drug or biologicals from single use vials or single use packages that are appropriately discarded. This **modifier will provide payment for the discarded drug or biological.**

Background

The Centers for Medicare & Medicaid Services (CMS) issued this CR 5923 to notify providers of the *Medicare Claims Processing Manual* update that clarifies the use of the JW modifier when processing all drugs except CAP drugs.

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Additional Information

To see the official instruction (CR5923) issued to your Medicare Carrier, DME/MAC, FI and/or A/B MAC, visit <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R1478CP.pdf> on the CMS website.

For the latest information on the use of the JW modifier, please see <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM7095.pdf> on the CMS website.

If you have questions, please contact your Medicare Carrier, DME/MAC, FI and/or A/B MAC at their toll-free number which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

Document History

Date	Description
July 27, 2016	The article was revised to add a link MM9603 that alerts providers to the change in policy regarding the use of the JW modifier for discarded Part B drugs and biologicals. Effective January 1, 2017, providers are required to: 1) Use the JW modifier for claims with unused drugs and biologicals from single use vials or packages that are appropriately discarded (excluding those provided under the Competitive Acquisition Program (CAP) for Part B drugs and biologicals) and 2) Document the discarded drug or biological in the patient's medical record when submitting claims.
July 12, 2013	The article was updated on, to reflect current Web addresses.
October 28, 2010	The article was also revised on, to add a link to MM7095 to clarify that Medicare contractors have the discretion as to whether the JW modifier is required to report discarded drugs and biologicals and will notify their providers of the documentation requirements, regarding the use of modifier JW.
August 25, 2010	Initial article released

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