



News Flash – The revised, Guided Pathways to Medicare Resources (1st Quarter 2010), are now available from the Centers for Medicare & Medicaid Services' (CMS) Medicare Learning Network. Guided Pathways leads Medicare Fee-For-Service providers through a variety of resources organized by topic. Quickly explore these three easy-to-navigate online guides to learn important Medicare policy and requirements. Guided Pathways information is available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Guided_Pathways.html on the CMS website.

MLN Matters® Number: MM6711 **Revised**

Related Change Request (CR) #: 6711

Related CR Release Date: April 30, 2010

Effective Date: July 30, 2010

Related CR Transmittal #: R1962CP

Implementation Date: July 30, 2010

Discarded Drugs and Biologicals Updates

Note: This article was updated on November 20, 2012, to reflect current Web addresses. This article was previously also revised on October 28, 2010, to add a link to MM7095 (<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM7095.pdf>) to clarify that Medicare contractors have 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. A previous revision was to clarify that your Medicare contractor may require the use of the JW modifier. All other information remains the same.

Provider Types Affected

Physicians, hospitals, suppliers and other providers who bill Medicare contractors (carriers, Fiscal Intermediaries (FIs), Part A/B Medicare Administrative Contractors (MACs), and Durable Medical Equipment Medicare Administrative Contractors (DME MACs)) for administering or supplying drugs and biologicals should review this article.

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This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.

Provider Action Needed

The Centers for Medicare & Medicaid Services (CMS) issued CR 6711 to include in the Medicare Claims Processing Manual the updated policy, which describes when to use the JW modifier for discarded drugs.

Background

As a reminder, your Medicare contractor may require its providers to use the JW modifier. If required, when billing Medicare for all drugs except those provided under the Competitive Acquisition Program for Part B drugs and biologicals, use the modifier JW to identify unused drugs or biologicals from single use vials or single use packages that are appropriately discarded. This modifier, billed on a separate line, will provide payment for the discarded drug or biological.

For example, a single use vial labeled to contain 100 units of a drug, where 95 units are used and billed and paid on one line, the remaining 5 units will be billed and paid on another line using the JW modifier. The JW modifier is only applied to units not used. **NOTE:** Multi-use vials are not subject to payment for discarded amounts of drug or biological.

Additional Information

If you have questions, please contact your Medicare FI, carrier, A/B MAC, or DME 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.

The official instruction, CR6711, issued to your Medicare FI, carrier, A/B MAC, or DME MAC regarding this change may be viewed at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R1962CP.pdf> on the CMS website.

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

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