

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services



MLN Matters® Number: MM9603 Revised **Related Change Request (CR) #: CR 9603**

Related CR Release Date: June 9, 2016 **Effective Date: January 1, 2017**

Related CR Transmittal #: R3538CP **Implementation Date: January 3, 2017**

JW Modifier: Drug Amount Discarded/Not Administered to any Patient

Note: This article was revised on June 10, 2016, to reflect the revised CR9603 issued on June 9. The CR was revised to change the effective and implementation dates. The article is revised accordingly. In the article, the CR release date, transmittal number and link to the CR were also changed. All other information remains the same.

Provider Types Affected

This MLN Matters® Article is intended for physicians, providers, and suppliers submitting claims to Medicare Administrative Contractors (MACs) for drugs or biologicals administered to Medicare beneficiaries.

Provider Action Needed

The Centers for Medicare & Medicaid Services (CMS) issued CR 9603 to alert MACs and providers of 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:

- Use the JW modifier for claims with unused drugs or biologicals from single use vials or single use packages that are appropriately discarded (except those provided under the Competitive Acquisition Program (CAP) for Part B drugs and biologicals) and
- Document the discarded drug or biological in the patient's medical record when submitting claims with unused Part B drugs or biologicals from single use vials or single use packages that are appropriately discarded

Disclaimer

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. CPT only copyright 2015 American Medical Association. All rights reserved.

Make sure that your billing staffs are aware of these changes. Remember that the JW modifier is not used on claims for CAP drugs and biologicals.

Background

The “Medicare Claims Processing Manual,” Chapter 17, Section 40 provides policy detailing the use of the JW modifier for discarded Part B drugs and biologicals. The current policy allows MACs the discretion to determine whether to require the JW modifier for any claims with discarded drugs or biologicals, and the specific details regarding how the discarded drug or biological information should be documented.

Be aware in order to more effectively identify and monitor billing and payment for discarded drugs and biologicals, **CMS is revising this policy to require the uniform use of the JW modifier for all claims with discarded Part B drugs and biologicals.**

Additional Information

The official instruction, CR9603, issued to your MAC regarding this change is available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R3538CP.pdf>.

If you have any questions, please contact your MAC at their toll-free number. That number is available at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/index.html> under - How Does It Work.

Document History

Document History	Description
June 10, 2016	The article was revised to reflect a revised CR9603. The CR revision changed the effective and implementation dates. In the article, the CR release date, transmittal number and link to the CR were also changed. All other information remains the same.
May 25, 2016	The article was revised to reflect an updated CR. That CR updated the X-Ref Requirement number in the CR's Supporting Information Section. In the article, the CR release date, transmittal number and link to the CR was changed. All other information remains the same.

Disclaimer

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. CPT only copyright 2015 American Medical Association. All rights reserved.