



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/MLNEdWebGuide/30_Guided_Pathways.asp 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 revised on May 21, 2010, to clarify that your Medicare contractor may require the use of the JW modifier.

Provider Types Affected

Physicians, hospitals, suppliers and other providers who bill Medicare contractors (carriers, fiscal intermediaries (FI), 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.

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

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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/MLNProducts/downloads/CallCenterTollNumDirectory.zip> 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/Transmittals/downloads/R1962CP.pdf> on the CMS website.

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