

## Gastroenterology Coding Alert

### Got Drug Leftovers? Get Your JW Modifier Basics Right

**Count your units carefully to accurately append JW to J1745.**

Since Jan. 1, you should have been using HCPCS modifier JW (Drug amount discarded/Not administered to any patient) to indicate when you didn't use a full vial of drugs such as Remicade®. If that's news to you or if you're in need of a refresher on how to accurately report your drug usage claims—and avoid expensive paybacks to Medicare—we've got some recommendations.

**The costly trigger:** In Aug. 2016, the HHS Office of the Inspector General reported that Louisiana Medicaid providers were overpaid \$2.1 million between 2011-2014 because they improperly billed for full vials of breast cancer drug, Herceptin®, when only part of the vial was used in treatment.

That's not the first incidence of OIG's drug-vial billing error findings—nor are the problems confined to Louisiana and Herceptin®. The OIG points in the 2016 report to eighteen previous reviews that show providers erroneously billed Medicare for full drug vials. So it's a pervasive problem and the OIG is on it.

**The rule:** Effective Jan.1, CMS requires all providers and suppliers "to report the JW modifier on Part B drug claims for discarded drugs and biologicals," the agency stipulates in its FAQ on the modifier. So you need to be sure to use JW to get paid for "a discarded amount of drug in single dose or single use packaging under the Medicare discarded drug policy," says CMS.

#### Use These JW Examples to Guide You

**Example 1:** Suppose you have vials with 100 units of Remicade® each, and your patient needs a dose of 250 mg, offers **Michael Weinstein, MD**, president & CEO of Capital Digestive Care, Silver Spring, Md.

The HCPCS description for J1745 (Injection, infliximab, excludes biosimilar, 10 mg) indicates "per 10 units." You administer two full vials and 50 units from the third vial and then have to discard the remaining 50 units.

**What to report:** You will bill 250 units separately as 25 instances of J1745 and the discarded 50 units with five instances of J1745 along with modifier JW, says Weinstein

**Example 2:** Since J1745's billing unit is 10 mg of a single-use drug, you want to be sure you meet the "one unit" requirement. For instance, it would not be appropriate to use the JW modifier if you only administered 8 mg of the drug and wasted 2 mg, because the only option is to bill for 'one unit' of the drug, or the entire 10mg, clarifies **Peggy Pugh, RN, CPC, CPC-H, CIPP/G, CCP**, president of Coding Concepts in Pittsburgh. It would be considered overbilling in this instance to submit the 2 mg wasted as a separate line item with JW on your claim form, she advises.

#### Rounding Up: Is it Okay?

Billing for unused portions of Remicade®, and such drugs as Entyvio®, and Cimzia® (used by gastroenterologists for Crohn's disease and other conditions), when the dosage amount is calculated by the patient's weight in kilograms, can pose particular challenges.

It's common clinical practice in a gastroenterologist's office to round up for the dose of these medications when the provider orders a milligram-per-kilogram prescription, says Weinstein.

**For instance:** If your physician orders a dose of Remicade® at 5 mg per kg, and the patient's weight is 70 kg, then the exact order would be to administer 350 mg. Because the vials come as 100 mg vials, it is common practice for providers

to round up this patient's dose up to 400 mg, confirms Weinstein.

If the provider administered only 350 mg of Remicade®, then you would report the remaining 50 mg wasted medication with a JW modifier.

However, if the provider administered the entire four vials, then the claim would include 40 instances of J1745, and more importantly, the physician's orders should specifically state that he prescribed a 400 mg infusion (5.7 mg/kg).

**Resources:**

For the OIG report, see <https://oig.hhs.gov/oas/reports/region6/61500037.pdf>.

For more information on JW modifier, go to <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c17.pdf>

You can read the CMS Q&A here: [www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/Hospital-OutpatientPPS/Downloads/JW-Modifier-FAQs.pdf](http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/Hospital-OutpatientPPS/Downloads/JW-Modifier-FAQs.pdf).