

## Part B Insider (Multispecialty) Coding Alert

### Compliance: OIG Slams Practices for Billing Full Vials of Multi-Use Drugs

Warning: Modifier JW does not apply to multi-use vials.

Waste not, want not. That's the word from the OIG, which advised medical practices that those who waste precious units of multi-vial drugs must not want to keep their Medicare reimbursement checks.

The OIG's report, which the agency issued on Feb. 5, revealed that when the OIG audited claims for full vials of Herceptin—a breast cancer drug—it found that 80 percent were billed incorrectly, totaling more than \$1 million in overpayments to medical practices.

"For multiuse vials, Medicare pays only for the amount administered to a beneficiary and does not pay for any discarded amounts" of Herceptin (J9355), which can last for 28 days after reconstitution when stored properly, the report said. "Therefore, a payment for an entire multi-use vial is likely to be incorrect."

The problem: The OIG noted that most of the errors involved providers who reported the entire vial (440 milligrams) of Herceptin rather than billing the units of service that they actually administered to patients. The MAC (in this case, Cahaba), erroneously paid these claims in full—and now the OIG has asked Cahaba to get that money back.

For example: One provider that the OIG audited administered 100 mg of Herceptin but billed 44 units of service (440 milligrams—the whole vial). Instead, that practice should have billed 10 units. Therefore, the provider was overpaid \$44,102.

#### Keep An Eye on Scheduling

Although some of the errors that the OIG identified were clerical or simply based on an oversight of the regulations, others may have been borne out of frustration that only one patient required the medication and they had to discard the rest of the vial, costing the practice money. One way to combat this potential problem is to appropriately schedule patients who require the same type of injection, thus ensuring that the multi-use vial won't be wasted.

"Multiple patients can receive their correct doses from one multi-use vial," said CMS contractor NHIC Corp. in an August article entitled Submitting Claims Correctly for Multi-Use Vial Medications. "Providers careful to schedule patients who will be receiving these multi-use vial packaged medications within the effective shelf life of a given vial of medication will keep wastage at an absolute minimum and are being good stewards of their resources."

Because Herceptin has a shelf life of 28 days, the practice would have almost an entire month to schedule multiple patients who require these injections to lessen wastage. In addition, you should ensure that the medical record supports the amount you bill. If you bill 15 units of Herceptin to your insurer, your documentation must say that you administered 150 mg. Even more importantly, if you bill your MAC for the entire vial (44 units), expect a request for the documentation proving that you administered all 440 mg (which would be rare).

#### Single-Use Vial Rules Are Different

Practices that administer medications from single-use vials (such as Botulinum Toxin 100 unit standard single-dose vials) can bill for wastage when necessary. If you administer 25 units of Botox from the vial and waste the other 75, you can bill Medicare for all 100 units, but you must document "the specifics surrounding the amount administered and the specific amount of drug wasted from the single-use vial," NHIC says in the article.

Although NHIC notes that it does not require you to use modifier JW (Drug amount discarded/not administered to any patient), other insurers might request that you append the modifier to the wasted amount. For instance, if you inject 25 units of Botox, you'd report 25 units of the Botox code (such as J0585) on one line item, followed by 75 units on the second line item, with modifier JW appended to J0585 to denote the amount that was wasted.

Resources: To read the OIG's report, visit <https://oig.hhs.gov/oas/reports/region4/41203070.pdf>. For NHIC's article on how to appropriately report multi-use and single-use vials, visit [www.medicarenhic.com/providers/articles/j14mutliusvials.pdf](http://www.medicarenhic.com/providers/articles/j14mutliusvials.pdf).