

Part B Insider (Multispecialty) Coding Alert

Physician Notes: Changes to the JW Modifier Put Money Back in the Pocket of Providers

Plus: AMA warns that a TN liability case could lift the limits on awards against physicians.

Mark your calendars for July 1, 2016—on this date, the new CMS change request (CR 9603) for the JW modifier (Drug amount discarded/Not administered to any patient) will go into effect regarding Part B drugs and biologicals and how they are submitted to MACs, CMS says in MLN Matters article MM9603, released last week.

Formerly, the MACs determined whether or not providers had to append modifier JW to the code to reflect that some of the drug was wasted. In an effort to standardize policies, CMS is now requiring everyone to use the JW modifier as well as note in the patient's chart the use of the discarded drug.

"Effective July 1, 2016, claims for discarded drug or biological amount not administered to any patient, shall be submitted using the JW modifier," CMS says in the article. "Also, effective July 1, 2016, providers must document the discarded drugs or biologicals in patient's medical record." (This CR updates the Section 40 - Discarded Drugs and Biologicals of Chapter 17 of the Claims Processing Manual 100-04,

<https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R3508CP.pdf>.)

This is great news for providers who have been confused about when to use the JW modifier. The change allows physicians to bill for the whole bottle even though only part has been administered and means practices won't lose money on the unused portion.

Resource: For more information on the JW modifier change, visit www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM9603.pdf.

In other news...

The American Medical Association (AMA) is closely following a Tennessee Supreme Court case, *Lindenberg v. Jackson National Life Insurance Co.*, and the effect the outcome may have on those seeking financial awards in cases against physicians, suggests AMA Wire.

If a 2011 Tennessee state law that "caps punitive awards at \$500,000 or twice the amount of actual damages" is overturned, it could mean a rise in punitive damages against physicians that would make practicing medicine in the state challenging.

The original mandate was put into place to address the excessive litigation against doctors and the unfair financial claims put upon them.

Resource: To follow this case more closely, visit www.ama-assn.org/ama/ama-wire/post/court-case-could-lead-unlimited-awards-of-punitive-damages.