

Part B Insider (Multispecialty) Coding Alert

Reader Question: Not All Drug Wastage Is Billable

Question: How should I bill for wasted drug? Our physician often splits a single vial between two patients, but there is still some leftover. For example, he administers Botox (botulinum type A) using the 100-unit size vial. He splits the injection between two separate patients, administering 40 units to each patient. How do we report this, and can we get reimbursed for the entire amount?

Answer: For the Botox example you give, you should bill as follows:

- Patient 1: J0585 (Injection, onabotulinumtoxin A, 1 unit), 40 units
- Patient 2: J0585, 60 units, as long as the chart includes documentation of the discarded 20 units.

Heads up: Some payers may require you to append modifier JW (Drug amount discarded/not administered to any patient) to the code for the wasted drug, so check their guidelines. For example, Part B payer Trailblazer Health would request that you report Patient 2 as J0585 (40 units), followed by a separate line item of J0505-JW (20 units) to represent the wastage.

Most payers request that practices document the date, time, amount wasted, and reason for wastage in the patient's medical record. "Upon review, any discrepancy between amount administered to the patient and amount billed will be denied as non-rendered unless the wastage is clearly and acceptably documented," according to a policy on Trailblazer Health's Web site. So ensure that your doctor clearly documents the wastage information so you can bill for it and successfully appeal if your claim is denied.