



MONTANA HEALTHCARE PROGRAMS NOTICE

October 19, 2020

Physician, Outpatient Hospital, and Critical Access Hospital (CAH) Providers

Discarded Drugs and Biologicals and the Use of the JW Modifier

The Centers for Medicare and Medicaid Services (CMS) encourages physicians, hospitals and other providers and suppliers to use drugs and biologicals in an effective, clinically suitable manner.

Montana Medicaid will reimburse discarded drugs and biologicals when a physician, hospital, provider, or supplier must discard the remainder of a single use vial or other single use package after administering a dose of the drug or biological to a Medicaid member. Additionally, the physician, hospital, provider, or supplier will continue to receive the reimbursement for the amount administered.

Modifier JW indicates discarded drugs or biological not administered to any patient.

When billing Montana Medicaid, report the administered dose of the drug or biological on one line and the discarded dose, including the JW modifier, on a separate line.

For example, Simponi Aria is packaged as a single use 50mg/4ml vial and is reported under code J1602. When billing HCPCS code J1602, 1 billing unit is 1mg. When entering claims, please convert milligram doses to HCPCS units. For a member weighing 60kg, 120 units are needed per dose. As each vial contains 50 units, the member would need 3 vials to complete the infusion. This dose leaves 30 units of Simponi Aria unused. The administered dose of 120 units would be billed on one line and the unused 30 units would be billed on a separate line, appending modifier JW to the line.

HCPCS Code	Modifier	Units
J1602		120
J1602	JW	30

The JW modifier can only be used in situations when the actual dose of the drug or biological administered is more than the billing unit. When the billing unit is equal to or greater than the total actual dose and the amount discarded, the use of JW modifier is not permitted per CMS.

Contact Information

Physician Program Officer (406) 444-3995

Hospital Program Officer (406) 444-4834

[For claims questions or additional information, contact Montana Provider Relations at \(800\) 624-3958 or \(406\) 442-1837 or email \[MTPRHelpdesk@conduent.com\]\(mailto:MTPRHelpdesk@conduent.com\).](#)

[Visit the Montana Healthcare Programs Provider Information website at <https://medicaidprovider.mt.gov>.](https://medicaidprovider.mt.gov)