

DRUGS AND BIOLOGICALS

File Name: drugs_and_biologicals

Origination: 6/2021

Last Review: 9/2023

Next Review: 12/2022

Description

This policy provides direction on drugs and biologicals reimbursement as well as the appropriate use of Modifier JW.

Same group practice is defined as a physician and/or other qualified health care professional of the same group and same specialty with the same Federal Tax ID number.

Policy

Blue Cross Blue Shield North Carolina (Blue Cross NC) will provide reimbursement for drugs and biologicals, according to the criteria outlined in this policy.

Reimbursement Guidelines

Blue Cross NC will limit reimbursement for drugs and biologicals per guidance from the FDA-approved indications and acceptable off-label indications, unless otherwise specified in a separate pharmacy policy. This helps ensure appropriate indications for use, dosing limits, and frequency of use.

Blue Cross NC will only reimburse one claim line of an administered drug or biological per day, per provider or same group practice. If multiple lines of the same drug/code are billed on the same claim or date of service and one line does not contain a JW modifier, the line(s) with an equal or lower quantity will be denied.

Drugs and biologicals with multiple administration routes must be billed with modifiers (JA, JB) to indicate route of administration.

Single Use Vial or Package

Modifier JW is only valid when used to identify discarded/wasted drug or biological from a single use vial or package.

Reimbursement for drug or biological wastage (as indicated by the Modifier JW) will never exceed the units contained in the smallest single use vial or package available for purchase from the manufacturer(s).

Drug or biologic wastage (Modifier JW) must be filed with a separate claim line from the administered drug or biologic in order to be reimbursed. Drug or biologic wastage (Modifier JW) alone is not reimbursable.

Multi-use Vial or Package

Modifier JW cannot be used to indicate drug or biological wastage for multi-use vials. Wastage for multi-use vials is not reimbursable.



Rationale

In alignment with CMS, Blue Cross NC will not provide reimbursement for discarded drugs or biologicals for multi-use vials.

Please refer to the “Drug Wastage” section in [Provider Manual](#) for more information related to claim filing.

Billing and Coding

Applicable codes are for reference only and may not be all inclusive. For further information on reimbursement guidelines, please see the Blue Cross NC web site at www.bcbsnc.com.

Modifier	Description
Modifier JA	Administered intravenously
Modifier JB	Administered subcutaneously
Modifier JW	Drug amount discarded/not administered to any patient
Modifier JZ	Zero drug amount discarded/not administered to any patient

Related policy

[Modifier Guidelines](#)

[Maximum Units of Service](#)

[Drug Prior Review and Limitations](#)

References

American Medical Association, Current Procedural Terminology (CPT®) and associated publications and services

<https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/dm104c17.pdf>

History

6/9/2021	New policy developed. Blue Cross Blue Shield North Carolina (Blue Cross NC) will provide reimbursement for drug and biological wastage, as indicated by modifier JW, according to the criteria outlined in this policy. Notification on 6/9/2021 for effective date 8/10/2021. (eel)
12/30/21	Routine policy review. “Drug” clarified as “drug or biological” and “lower quantity” clarified as “equal or lower quantity” in Reimbursement Guidelines. Medical Director approved. (eel)
11/15/2022	Policy Name Change from “Drugs and Biological Wastage” to “Drugs and Biologicals” Addition of language to support pharmacy incorporation of appropriate indications. Notification on 11/15/2022 for effective date 1/17/2023 (cjw)



9/28/2023	Modifier JZ added to Billing and Coding. Instruction for drugs with multiple administration routes added to Reimbursement Guidelines. Medical Director approved. Notification on 7/18/2023 for effective date 9/28/2023. (tlc)
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Application

These reimbursement requirements apply to all commercial, Administrative Services Only (ASO), and Blue Card Inter-Plan Program Host members (other Plans members who seek care from the NC service area). This policy does not apply to Blue Cross NC members who seek care in other states.

This policy relates only to the services or supplies described herein. Please refer to the Member's Benefit Booklet for availability of benefits. Member's benefits may vary according to benefit design; therefore member benefit language should be reviewed before applying the terms of this policy.

Legal

Reimbursement policy is not an authorization, certification, explanation of benefits or a contract. Benefits and eligibility are determined before medical guidelines and payment guidelines are applied. Benefits are determined by the group contract and subscriber certificate that is in effect at the time services are rendered. This document is solely provided for informational purposes only and is based on research of current medical literature and review of common medical practices in the treatment and diagnosis of disease. Medical practices and knowledge are constantly changing and Blue Cross NC reserves the right to review and revise its medical and reimbursement policies periodically.

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