

DRUG AND BIOLOGICALS

File Name: drug_biologicals_MA
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Last Review: 11/2023
Next Review: 12/2023

Description

This policy provides direction on drug and biological wastage reimbursement as well as coding guidance for drug administration and fees.

Policy

Blue Cross Blue Shield North Carolina (Blue Cross NC) will provide reimbursement for drug 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.

Administration Fee for injectable(s)

For drug administration to be considered reimbursable, an allowable drug or substance service code must be filed on the same claim. If the administered drug or substance was not supplied by the professional provider, the drug or substance service line should still be attached to the claim with a \$.01 charge.

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 accordance 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 Administrative Policies on the Blue Cross NC web site at www.bcbsnc.com. They are listed in the Category Search on the Medical Policy search page.

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

NDC Requirements

References

[The Blue Book Medicare Provider Manual](#)

[CMS Article - Billing and Coding: JW Modifier Billing Guidelines](#)

History

5/17/2022	New policy developed. Medical Director approved. Notification on 5/17/2022 for effective date 7/26/2022. (ckb)
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)
7/18/2023	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 9/18/2023. (tlc)



11/1/2023	Added coding guidance to Reimbursement Guidelines for reimbursement of administration fees. Medical Director approved. Notification on 11/1/2023 for effective date 1/1/2024. (tlc)
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Application

These reimbursement requirements apply to all Blue Medicare HMO, Blue Medicare PPO, Blue Medicare Rx members, and members of any third-party Medicare plans supported by Blue Cross NC through administrative or operational services.

This policy relates only to the services or supplies described herein. Please refer to the Member's Evidence of Coverage (EOC) 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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