## Question: What are the JW and JZ modifiers used for?

Answer: The JW and JZ modifiers are Healthcare Common Procedure Coding System (HCPCS) Level II modifiers required by the Centers for Medicare and Medicaid Services (CMS) to report drugs and biologicals separately payable under Medicare Part B. The JZ modifier is reported to attest that no amount of drug was discarded. The JW modifier is required to be reported on a claim for the amount of drug that is discarded and eligible for payment.

Effective July 1, 2023, modifiers JW and JZ are required for all claims that bill for single-dose container drugs (single-dose vials or single-use packages) payable separately under Medicare Part B; this includes some pharmaceuticals and contrast agents used in medical imaging. This policy was effective October 1, 2023; any claims for drugs from single-dose containers that do not have the JW or JZ modifiers will be returned as un-processable until the claims are properly resubmitted. Providers must document the amount of discarded drugs in Medicare beneficiaries' medical records in case of an audit.

The JW and JZ modifiers are mostly reported on claims from the physician's office and hospital outpatient settings for beneficiaries who receive drugs incident to physicians' services. The JW and JZ modifier requirements also apply to Critical Access Hospitals (CAHs) since drugs are separately payable in the CAH setting.

Note that drugs drawn from multi-dose containers are exempt from reporting the modifiers JW and JZ.

For more information on these modifiers, see <u>jw-modifier-faqs.pdf</u> (cms.gov).

Question: For a Medicare patient, if only 2 mcg was used out of a 5 mcg single-use vial of sincalide to stimulate gallbladder contraction for a nuclear medicine hepatobiliary (HIDA) scan, how should the JW and JZ modifiers be reported?

Answer: When a provider or supplier administers a separately payable drug under Medicare Part B from a single-dose container and there are discarded amounts, the claim must be filed with two lines for the drug.

Line 1- For the administered amount, one claim line must include the pharmaceutical or contrast agent HCPCS code and the administered amount (number of units) in the units field (eg, J2805-2).

Line 2- For the discarded amount, a second claim line must include the same HCPCS code as used for the administered amount, the **JW** modifier, and the number of units discarded in the units field (eg, J2805-JW-3).

In this case, the provider uses a single-dose vial that is labeled to contain 5 mcg (units) of sincalide, the patient receives 2 units and rest is discarded (3 units). The 2-unit dose is billed on one line, while the discarded 3-units is billed on another line with the **JW** modifier. Both line items would be processed for payment.