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-JW Modifier

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Effective July 1, 2016, NGS, along with all other Medicare carriers across the country are requiring an additional modifier to be reported on certain items billed to Medicare part B. The -JW modifier is used to indicate that a portion of a drug or biological was discarded at the time of service. For years, this was a conditional modifier that was not required to be reported by many part B Medicare carriers, but CMS is now mandating its use to indicate any wasted materials that should be noted in the patient's chart.

This modifier will apply to any skin substitutes, such as Apligraf or Dermagraft, and injectable drugs that are used for pain management. When billing for a drug or biological that is partially wasted, two line items must be reported for one HCPCS code — the first line item will have no modifiers appended to it indicating the number of units that were used at the time of service, and a second line item is billed with the -JW modifier primarily to indicate the number of units that were wasted. Even if a portion of an item is wasted, it will still be reimbursed by Medicare. The only exception to the rule is for a drug that is administered from a multi-use vial from a manufacturer, where reporting the wasted amount (if any) is not required by the physician.