Discarded Drugs and Biologicals

Summary
This policy addresses billing guidelines to report discarded drugs or biologicals when a single use vial/package is opened and the entire dose/quantity is not administered to the patient.

Policy Statement
Modifier JW (Drug amount discarded/not administered to any patient) may be used by providers to report the unused portion of the vial.

The following coding guidelines apply:
- Report the HCPCS code and amount of the administered drug on one line
- Report the same code with modifier JW on another line that represents the amount of the discarded drug or biological

Both line items would be processed for payment based on applicable coverage policies and the member’s certificate of coverage.

Note: Multi-use vial medication that is discarded or wasted is not eligible for reimbursement.

Resources
- Centers for Medicare and Medicaid Services (CMS)
- Healthcare Common Procedure Coding System (HCPCS)

Effective Date
08/01/2013

Revision Updates
12/11/2019 Annual policy review
06/08/2017 Annual policy review
07/21/2016 Annual policy review
07/23/2015 Annual policy review