

Injectable Drugs, Part 2—Correct Coding for Single-Use Vials

Drug vials can be single-use or multidose. In both cases, you report a J-code to indicate which drug you used, and you bill for how much of that drug you used; for single-use vials, you also can bill for whatever amount of that drug you discarded.

Last month, *EyeNet* discussed multidose vials and provided some general guidelines on coding for injectable drugs—including an introduction to the J-codes and the Average Sales Price (ASP) Drug Pricing file (aao.org/eyenet/archive-back-issues). This month's focus is on single-use vials.

Coding for Single-Use Vials

Reimbursement for a single-use vial is based on the amount of drug in the vial, not on the amount that you administered to the patient.

Start with the ASP listings. Use the current version of the ASP listings to find the appropriate J-code, along with the HCPCS code dosage (or billable unit) and payment limit (the allowable).

How many billable units are in a single-use vial? This depends on the HCPCS code dosage (the billable unit) and the volume of drug in the vial. For example, you use J3300 to bill for Triesence (triamcinolone acetonide). J3300's HCPCS dosage (or billable unit) is 1 mg. The drug comes in a 40-mg vial, and therefore there are 40 units (40 mg/1 mg) in the vial.

No sharing: A single-use vial can only be used for 1 eye. You can't use any leftover drug to treat a second eye, even if it is the other eye of the same patient; instead, you must use a second vial.

Use -JW to indicate wastage. On Jan. 1, 2017, the Centers for Medicare & Medicaid Services (CMS) mandated use of modifier -JW to report drug wastage. Suppose, for example, you use 4 units of Triesence, which comes in a 40-unit single-use vial. You would report "J3300, 4 units" to indicate how much of the drug was used and "J3300-JW, 36 units" to indicate how much was discarded.

What if there is no measurable wastage? If the wastage is less than 1 unit of the drug, your chart documentation should state, "any residual medication discarded."

Example: Methotrexate

You administer methotrexate (400 µg/0.1 mL) twice weekly for 4 weeks, and then once a month for 9 months.

Methotrexate has 2 J-codes, each with its own HCPCS code dosage (billable unit) and allowable:

- J9250: 5 mg and \$0.257
- J9260: 50 mg and \$2.577

A 50-mg single-use vial is used. The dosage was 400 µg/0.1 mL. For either J-code, this dosage would be less than 1 unit. Rather than billing for a fraction of the unit, you bill for the full unit.

If you use J9250, where 1 unit represents 5 mg, bill as follows:

- J9250, 1 unit (reimbursement \$0.257)
- J9250-JW, 9 units (reimbursement \$2.313)

Using J9250, the total reimbursement (\$0.257 + \$2.313) is \$2.57.

If you use J9260, where 1 unit represents 50 mg, bill as follows:

- J9260, 1 unit (reimbursement \$2.577)

The chart note should state, "all remaining medication (approximately 49 mg) from this single-use vial was wasted."

Using J9260, the total reimbursement is \$2.577.

Complete CMS form 1500. Enter the name of the drug (methotrexate), its dosage (400 µg/0.1 mL), and its National Drug Code (NDC) billing identifier (which you will find on the drug's packaging, and which you usually report in a 5-4-1 format).

Depending on the payer's guidelines, this information would go in either box 19 or the shaded area of box 24.

Next, complete box 24 as you normally would.

What About Compounded Drugs?

Use HCPCS code J3490, which is the code for unclassified drugs, and list each drug and its dosage in the descriptor field.

Compounded drugs typically come in the appropriate dosage, so there would be no wastage and no need to use modifier -JW.