



## New JZ Claims Modifier for Certain Medicare Part B Drugs

Related CR Release Date: June 2, 2023

MLN Matters Number: MM13056

Effective Date: January 1, 2023

Related Change Request (CR) Number: [CR 13056](#)

Implementation Date: July 1, 2023 - JZ modifier

Related CR Transmittal Number: R12067CP

Related CR Title: New Claims Modifier Requirement for Drugs and Biological from a Single-Dose Container or Single-Use Package

### Affected Providers

---

- Physicians
- Hospitals
- Ambulatory surgical centers (ASCs)
- Other providers billing Medicare Administrative Contractors (MACs) for Medicare Part B drugs and biologicals from a single-dose container or single-use package for use by Medicare patients

### Action Needed

---

Make sure your billing staffs knows about:

- Using JW modifier data to show discarded amounts of drugs in a single-dose container or single-use package
- Reporting requirements for new JZ modifier starting July 1, 2023

### Background

---

When a provider or supplier discards the amount of a Part B drug or biological (drug) that was unused from a single-dose container or a single-use package after administering a dose to a Medicare patient, Part B provides payment for the discarded amount, as well as the dose administered, up to the amount of the drug shown on the vial or package labeling. The discarded amount is any amount that isn't part of the prescribed dose and isn't intended to have a therapeutic effect in the patient.

Since January 1, 2017, CMS requires uniform use of the JW modifier (Drug amount discarded/not administered to any patient) when processing Part B claims for drugs and biologicals from single-use vials or single-use packages. You must document the amount of discarded drugs in the medical records of Medicare patients.

[Section 90004 of the Infrastructure Act](#) requires us to conduct periodic audits of claims

submitted under Part B for refundable single-dose container or single-use package drugs. In the [CY 2023 Physician Fee Schedule \(PFS\)](#) final rule, we finalized new requirements for submitting claims to Medicare under the PFS, Hospital Outpatient Prospective Payment System (OPPS), and the ASC PPS for separately payable Part B drugs from single-dose containers. We codified use of the JW modifier to show discarded amounts of drugs from refundable single-dose containers or single-use packages.

The final rule also established a requirement that you report the new JZ modifier (Zero drug amount discarded/not administered to any patient) when there's no discarded amounts. We stated that the JW and JZ modifier requirements would apply to separately payable drugs under Part B that are supplied in a single-dose container or single-use package based on FDA-approved labeling.

Effective July 1, 2023, you must report the JZ modifier on all claims that bill for drugs separately payable under Part B when there's no discarded amount from single-dose containers or single-use packages. For the amount you administer, the claim line should include the billing and payment code, such as a HCPCS code, describing the given drug, the JZ modifier showing there were no discarded amounts, and the number of units administered in the units' field.

There are no changes regarding the reporting of the JW modifier.

We're implementing the JZ modifier in phases:

- January 1, 2023: You may report the JZ modifier
- July 1, 2023: You're required to use the JZ modifier on applicable claims
- October 2, 2023: Claims editing starts when JW or JZ modifiers aren't used correctly

Note:

- Claims that bill for separately payable drugs under Part B from single-dose containers that don't report the JW or JZ modifier on or after July 1, 2023, may be subject to audits
- Further details about the JW and JZ modifiers are in the [JW-JZ FAQs](#)

## More Information

---

We issued CR 13056 to your MAC as the official instruction for this change.

For more information, [find your MAC's website](#).

## Document History

---

Date of Change	Description
June 2, 2023	Initial article released.

View the [Medicare Learning Network® Content Disclaimer and Department of Health & Human Services Disclosure](#).

The Medicare Learning Network®, MLN Connects®, and MLN Matters® are registered trademarks of the U.S. Department of Health & Human Services (HHS).