

## Drug Wastage

### Policy

Harvard Pilgrim does not reimburse for specific types of drug wastage including waste associated with multi dose drugs, discarded drugs when none of the drug is administered to the patient and drug waste when the provider has not billed with the most appropriate size vial, or combination of vials, to deliver the administered dose. Harvard Pilgrim encourages providers to schedule patients in such a way that they can use drugs most efficiently in a clinically appropriate manner.

### Policy Definition

*Drug wastage* refers to the drug amount that is discarded and not administered to any patient.

*Single-dose or single-use vial* is a vial of medication intended for administration by injection or infusion that is meant for use in a single patient for a single procedure. These vials are labeled as single-dose or single-vial by the manufacturer and typically do not contain a preservative.

*Multi-dose vial* is a vial of medication intended for administration by injection or infusion that contains more than one dose of medication. These vials are labeled as multi-dose by the manufacturer and typically contain an antimicrobial preservative to help prevent the growth of bacteria.

### Harvard Pilgrim Reimburses

- Single use vial medication - discarded drugs along with the amount of the drug that was administered when the amount billed to Harvard Pilgrim as a discarded drug is not administered to another patient.
- Multi-dose vial medication that is administered to the patient.

### Harvard Pilgrim Does *Not* Reimburse

- Multi-dose vial medication that is discarded or wasted or not otherwise administered to the patient.
- Discarded drugs if none of the drug was administered to the patient.
- Drugs when billed with modifier JW (drug amount discarded/not administered to any patient) and another claim line does not exist for the same drug on the same date of service.
- Drugs when billed with modifier JW (drug amount discarded/not administered to any patient) and another claim line does not exist for the same drug on the same date of service.
- Drugs that are billed without using the most appropriate size vial, or combination of vials, to deliver the administered dose.

#### **Example:**

Drug waste when an inappropriate vs. an appropriate size vial or combination of vials is submitted to deliver the administered dose.

- J9035=Bevacizumab 10mg/unit (Avastin).
- The prescribed dose is 10mg/kg every two weeks. (Pt weight 86kg). Dose administered = 860mg.
- Available in two dosage forms and strengths: 100mg/4ml, single use vial or 400mg/16ml, single use vial

An *inappropriate* combination of vials would be 3 (400mg vials) for a total of 1200mg utilized to yield the dose prescribed to be administered, 860mg.

The *most appropriate* combination of vials would be 2 (400mg vials) and 1 (100mg vial) for a total of 900mg utilized to yield the dose prescribed to be administered, 860mg.

*Harvard Pilgrim reserves the right to audit claims payments and medical records for drug waste. Harvard Pilgrim may recover funds from providers if payments are found to be inconsistent with Harvard Pilgrim's policies.*

### Member Cost-Sharing

Services are subject to applicable member out-of-pocket cost (e.g., copayment, coinsurance, deductible), as applicable.

### Provider Billing Guidelines and Documentation

#### General Billing Information

- Do not bill Harvard Pilgrim for discarded drugs if none of the drug was administered to the patient.
- Do not bill Harvard Pilgrim for drug waste associated with multi use vial drugs.
- Append modifier JW to identify unused or discarded drug/biologicals from single use vial/package. The discarded or unused drug/biological should be billed on a separate line.
- A valid National Drug Code (NDC) number is required in addition to, the applicable revenue, HCPCS or CPT code, except inpatient facility claims.

### Related Policies

#### Payment Policies

- Claims Audit
- Injectable and Implantable Outpatient Drugs

#### PUBLICATION HISTORY

03/15/12	original documentation
06/15/12	removed reference to modifier JW, including billing examples
08/15/13	annual review; no changes
08/15/14	annual review; no changes
08/15/16	annual review; no changes
08/15/17	annual review; no changes
09/04/18	annual review; no changes
09/03/19	annual review; administrative edit
10/01/19	added NDC is required; claims billed with modifier JW when another claim line doesn't exist
09/01/20	annual review; no changes
09/01/21	annual review; no changes