Blue Cross Blue Shield Blue Care Network of Michigan

Nonprofit corporations and independent licensees of the Blue Cross and Blue Shield Association

Billing instructions

Using modifiers JW and JZ

Blue Cross commercial, Medicare Plus Blue℠, BCN commercial and BCN Advantage℠

March 2026

In this document

How to use modifiers JW and JZ when billing single-container drugs 1

Instructions when billing professional Blue Cross commercial or BCN commercial claims 2

Instructions when billing Medicare Plus Blue or BCN Advantage claims 3

Additional information 4

How to use modifiers JW and JZ when billing single-container drugs

Modifiers JW and JZ are HCPCS Level II modifiers used to indicate drug wastage. Centers for Medicare & Medicaid Services guidelines encourage providers to use these modifiers where appropriate.

Note: Reimbursement for discarded drugs applies only to single-use vials. This doesn't apply to multi-use vials or other multi-use packages.

Here's how the modifiers are used:

- The JW modifier is required when reporting the amount of drug that is discarded and is eligible for payment under the discarded drug policy.
- The JZ modifier is used to attest that no amount of drug was discarded.

Refer to the following sections for specific instructions on when and how to use modifiers JW and JZ when billing drug wastage:

- Instructions when billing professional Blue Cross commercial or BCN commercial claims
- Instructions when billing Medicare Plus Blue or BCN Advantage claims

Note: If any of the information presented here conflicts with the provider contract, follow the contract language.

Instructions when billing professional Blue Cross commercial or BCN commercial claims

Providers submitting claims for professional Blue Cross commercial or BCN commercial members should use the JW modifier but don't need to use the JZ modifier.

Important: Facility claims using the JW and JZ modifiers are **not payable** for Blue Cross and BCN commercial.

Here's what you need to include on claims with these modifiers:

Type of claim	What to do	
Waste-related claim (JW modifier)	Submit two complete claim lines. Include the following information. **Line 1:** • HCPCS code for the drug administered • Number of units administered to the member (in the example to the right, you'd enter 95 units) • Calculated price for only the amount of drug administered to the member **Important:** Don't include a modifier on line 1. **Line 2:** • HCPCS code for the drug that was wasted • JW modifier to indicate waste • Number of units wasted (in the example to the right, you'd enter 5 units) • Calculated price for only the amount of drug wasted	**Example:** A single-use vial that is labeled to contain 100 units of a drug has 95 units administered to the member and 5 units discarded. The 95-unit dose is billed on line 1, while the discarded five units are billed on line 2 using the JW modifier. Both line items are processed for payment. Providers must record the discarded amounts of drugs and biologicals in the member's medical record.
Claim with no waste — Entire amount of drug is administered (JZ modifier)	You don't need to use the JZ modifier for commercial claims. **Important:** For some drugs, including Avastin® (bevacizumab), billing with modifier JZ may lead to incorrect denials and longer-than-expected wait times for reimbursement.	

Instructions when billing Medicare Plus Blue or BCN Advantage claims

To receive timely and appropriate payment of Part B claims for Medicare Plus Blue and BCN Advantage members, health care providers, facilities and suppliers must include the JW or JZ modifier when billing for single-dose vials or other single-use packages of Part B drugs.

Here's what you need to include on claims with these modifiers:

Type of claim	What to do	
Waste-related claim (JW modifier)	Submit two complete claim lines. Include the following information. **Line 1:** • HCPCS code for the drug administered • Number of units administered to the member (in the example to the right, you'd enter 95 units) • Calculated price for only the amount administered to the member **Important:** Don't include a modifier on line 1. **Line 2:** • HCPCS code for the drug that was wasted • JW modifier to indicate waste • Number of units wasted (in the example to the right, you'd enter 5 units) • Calculated price for only the amount of drug wasted	**Example:** A single-use vial that is labeled to contain 100 units of a drug has 95 units administered to the member and 5 units discarded. The 95-unit dose is billed on line 1, while the discarded five units are billed on line 2 using the JW modifier. Both line items are processed for payment. Providers must record the discarded amounts of drugs and biologicals in the member's medical record.
Claim with no waste — Entire amount of drug is administered (JZ modifier)	Submit one claim line. Include the following information: • HCPCS code for the drug administered • JZ modifier to indicate there was no waste • Number of units administered to the member • Calculated price for the amount of drug administered	

For additional information about these modifiers, see the CMS Billing and Coding: JW and JZ Modifier Billing Guidelines* page on **cms.gov**.

Additional information

For additional information about drugs covered under the medical benefit, refer to the Medical Benefit Drugs webpage at **authorizations.bcbsm.com**.

Guidelines for reviewing claims examples. The entire claim must be completed before it is sent for processing. It is not possible to show examples of all types of claims, so providers may need to reference multiple examples to obtain the information needed to properly complete a claim.

Where appropriate, providers should substitute their own billing information. For example, a claim submitted for a different type of facility or classification will have a different type of bill (form locator 4) than that shown in the example. In all cases, for UB-04 claims, refer to the *National UB-04 Manual* for a detailed description of each form locator; for CMS-1500 claims, refer to Chapter 26 of the *Medicare Claims Processing Manual.*

*Clicking this link means that you're leaving the Blue Cross Blue Shield of Michigan and Blue Care Network website. While we recommend this site, we're not responsible for its content.

None of the information included in this document is intended to be legal advice and, as such, it remains the provider's responsibility to ensure that all coding and documentation are done in accordance with all applicable state and federal laws and regulations.