



MEDICAL MUTUAL®

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Mutual News

Modifier JW Required When Billing for Discarded Drugs

Medical Mutual requires the modifier JW on claims submissions for drugs and biologicals supplied in single-use packages (including single-use vials) that are appropriately discarded. The modifier JW describes a drug amount discarded or not administered to a patient. The modifier is necessary for processing claims for single-use packages of drugs subject to Medical Mutual's prior approval process.

The modifier JW ensures the patient received the dosage approved during the prior approval process. It also ensures providers are reimbursed appropriately for the entire single-use package.

When billing for drugs and biologicals supplied in single-use packages, report the amount discarded on a separate line with the modifier JW added to the associated Health Care Procedure Coding System (HCPCS) code. This process will provide payment for the discarded drug or biological in cases when the administered drug is a covered benefit.

The modifier JW may not be submitted when the actual dose of the drug or biological administered is less than the billing unit. For example:

- One billing unit for a drug is equal to 10mg of the drug in a single-use vial.
- A provider administers a 7mg dose to a patient and discards the remaining 3mg of the drug.
- The provider bills the 7mg dose using one billing unit that represents 10mg on a single line item.

- Medical Mutual will process the single line item of one unit for payment of the total 10mg of drug administered and discarded.
- Billing another unit on a separate line item with the JW modifier for the discarded 3mg of drug is not permitted because it would result in overpayment. Therefore, when the billing unit is equal to or greater than the total actual dose and the amount discarded, HCPCS modifier JW may not be submitted.

Medical Mutual expects that, in addition to the amount of drug or biological administered to the patient, providers document in the patient's medical record:

- The date the drug is discarded
- The time the drug is discarded
- The amount of drug discarded
- The reason for the wasted amount

A provider cannot bill for discarded drugs if not administered to a patient (for example, in the case of a missed appointment). In addition, the amount billed as discarded cannot be administered to another patient.

We expect providers to use the most cost-effective vial of drug when procuring and preparing a dose for administration. The JW modifier cannot be used for drugs or biologicals administered from multi-use packages. Medical Mutual does not pay for waste associated with multi-use packages.

Medical Mutual will deny claims not submitted as requested above.



State Innovation Model Performance Reports Delayed Until 2015

Medical Mutual previously shared information about the state's innovation model (SIM) to improve overall health system performance by paying providers and health systems for value rather than volume (see Mutual News, Volume 7, Issue 3 [3rd Quarter 2014] article "[State Innovation Models \[SIM\] Initiative](#)" for more information).

The SIM initiative is part of the state's Health Innovation Plan led by the Governor's Office of Health Transformation. The goal is to expand patient-centered medical homes (PCMHs) and episode-based, or bundled, payment and care delivery statewide. Medical Mutual is an active participant on the payer team that is overseeing implementation of the PCMH and episode models.

As a result of the state's coordination of an application for more than \$90 million in federal grant money, the delivery of performance reports related to the SIM initiative has been delayed until 2015. Previously, it was reported that delivery of the reports to qualifying providers and healthcare systems across Ohio would begin in November 2014.

In 2015, reports will be sent to providers and systems detailing performance under three bundled episodes:

- Percutaneous coronary intervention (PCI)
- Perinatal
- Total joint replacement (hip and knee)

Essential Health Benefits Updated for 2015

As of January 1, 2015, the following changes will be made to Essential Health Benefits:

- Private duty nursing will be limited to 90 days per benefit period.
- Biofeedback will be considered a non-Essential Health Benefit and not covered.
- Transportation, meals and lodging for organ and tissue transplants will have a \$10,000 maximum per transplant. Expenses for searching for an unrelated donor will have a \$30,000 maximum per transplant.

For a complete list of 2015 Essential Health Benefits, visit [Provider.MedMutual.com](#) and select Tools & Resources, [Healthcare Reform](#).

Providers and systems qualified to receive the initial episode performance reports from Medical Mutual will be notified by mail in early 2015. Only providers and systems with five or more qualifying episodes will receive reports, which will be sent quarterly throughout the year.

The reports will inform providers and systems of their performance relative to other providers and call attention to areas for cost-saving and quality improvements. These performance reports will not be tied to any payments.

The goal of sending performance reports in 2015 is to allow providers and systems to monitor their status and make improvements before 2016, when Medical Mutual will consider tying payments to five bundles, including:

- Asthma acute exacerbation
- Chronic obstructive pulmonary disease (COPD) acute exacerbation
- PCI
- Perinatal
- Total joint replacement (hip and knee)

The state intends to add 20 additional episodes by the end of 2016, and 50 by the end of 2018.

More information on the SIM initiative is available at [HealthTransformation.Ohio.Gov](#).

Additional Prescription Drugs Require Prior Approval

Effective December 30, 2014, the following prescription medications will require prior approval when requested under a member's medical benefit through Medical Mutual.*

- Ipilimumab (Yervoy®)
- Ado-trastuzumab emtansine (Kadcyla®)
- Pembrolizumab (Keytruda®)

The above list is subject to change. For more information on prescription medications requiring prior approval or that are considered investigational, visit [Provider.MedMutual.com](#) and select Tools & Resources, Care Management, [Corporate Medical Policies](#).

* **Note:** When these medications are provided under a member's prescription drug benefit, please contact the pharmacy benefit manager at the number on the member's identification card for prior approval requirements.

Oral Oncology Medications Requiring Prior Approval as of January 1, 2015

Effective January 1, 2015, a coverage review approval will be required before certain medications used to treat cancer are covered when requested under the member's prescription benefit through Medical Mutual. Specialty drugs, including oral oncology drugs, are associated with high costs and increased safety risks. By following these quality parameters, we are helping our customers save money and curb spending trends.

Moving forward, prior approval will be required for any newly marketed oral chemotherapy drugs. Additionally, the following existing drugs will require prior approval:

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|--|--|---|
| <ul style="list-style-type: none"> ■ Afinitor® (everolimus) ■ Afinitor® Disperz (everolimus tablets for oral suspension) ■ Bosulif® (bosutinib) ■ Caprelsa® (vandetanib) ■ Cometriq® (cabozantinib) ■ Erivedge® (vismodegib) ■ Gilotrif® (afatinib) ■ Gleevec® (imatinib mesylate) ■ Iclusig® (ponatinib) | <ul style="list-style-type: none"> ■ Imbruvica® (ibrutinib) ■ Inlyta® (axitinib) ■ Jakafi® (ruxolitinib) ■ Mekinist™ (trametinib) ■ Nexavar® (sorafenib) ■ Pomalyst® (pomalidomide) ■ Revlimid® (lenalidomide) ■ Sprycel® (dasatinib) ■ Stivarga® (regorafenib) ■ Sutent® (sunitinib malate) | <ul style="list-style-type: none"> ■ Tafinlar® (dabrafenib) ■ Temodar® (temozolomide) ■ Thalomid® (thalidomide) ■ Tykerb® (lapatinib) ■ Votrient® (pazopanib) ■ Xalkori® (crizotinib) ■ Xeloda® (capecitabine) ■ Zelboraf® (vemurafenib) ■ Zytiga® (abiraterone acetate) |
|--|--|---|

Medical Policy Updates

The Corporate Medical Policies (CMPs) developed or revised between July 1 and September 30, 2014, are outlined in the below chart. CMPs are regularly reviewed, updated, added or withdrawn and, therefore, are subject to change. For a complete list of CMPs, please visit the Tools & Resources, Care Management, [Corporate Medical Policies](#) section of Provider.MedMutual.com. For a list of services requiring prior approval or considered investigational, visit Provider.MedMutual.com and select Tools & Resources, Care Management, [Prior Approval and Investigational Services](#).

| Policy Number | Title |
|---------------|---|
| 200135 | Surgical Treatment of Migraine Headaches |
| 200218 | Carpal Tunnel, Tendon Sheath, or Ligament, Tendon and Trigger Point Injection |
| 2007-C | Endobronchial Valves—Bronchopleural Fistulas |
| 200807 | Infliximab (Remicade) |
| 200809 | Abatacept (Orencia) |
| 2011-C | Wireless Gastrointestinal Motility Monitoring System |
| 201304 | Genetic Testing for Susceptibility to Colorectal Cancer |
| 201403 | Golimumab (Simponi Aria) – New |
| 201410-CC | General Oncology Policy – New |
| 201412-CC | Erbix (Cetuximab) – New |
| 201415-CC | Docetaxel (Docetaxel) – New |
| 201416-CC | Xgeva (Denosumab) – New |
| 201417 | Zometa (Zoledronic acid) – New |
| 201418-CC | Abraxane (Paclitaxel) – New |
| 201419-CC | Alpha1-Proteinase Inhibitors – New |
| 201422 | Breast Imaging for Screening and Diagnosis of Cancer – New |
| 201423-CC | Entyvio – New |
| 201426 | Transcatheter Pulmonary Valve Implantation – New |



MEDICAL MUTUAL®

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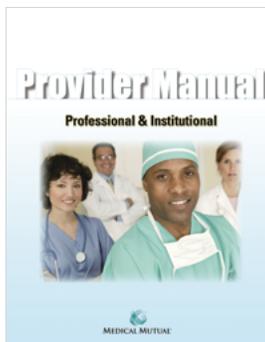
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Autism Spectrum Disorder Covered Benefits Vary by Member

In 2014, Medical Mutual began contracting directly with Applied Behavior Analysis (ABA) therapists certified as Board Certified Behavior Analysts (BCBA) or Board Certified Behavior Analysts-Doctoral (BCBA-D) for the treatment of Autism Spectrum Disorder (ASD).

While ABA therapy is a covered benefit for many individual and small group members with ASD, it is not a covered benefit for all Medical Mutual members. To verify a member's coverage prior to providing ASD treatment, including ABA therapy, please contact the Provider Inquiry unit (800) 362-1279.

Updates to Provider Manual



Designated sections of Medical Mutual's Provider Manual are scheduled for review each quarter and updated as needed. Sections that have been reviewed are announced in the corresponding quarterly issue of Mutual News. When topics are added or updated within a section, an annotation of new or revised appears next to the topics in the section's Table of Contents.

During the fourth quarter of 2014, the Care Management section of the Provider Manual was revised. To view the current updates, visit Tools & Resources, [Provider Manual](#) at [Provider.MedMutual.com](#).

THIS MATERIAL IS CONSIDERED PART OF THE PROVIDER MANUAL

Mutual News is published for network providers serving Medical Mutual. Visit [Provider.MedMutual.com](#) for additional information.