

Hospital Outpatient and Ambulatory Surgical Center Setting

Sample Medicare Claim Form: 1450 Form (Hospital Outpatient)

Hospital Outpatient Claims (CMS-1450)¹

The Form CMS-1450, also known as the UB-04, is a uniform institutional provider bill suitable for use in billing multiple third-party payers. It is the basic form prescribed by CMS for the Medicare and Medicaid programs for claims from hospitals, including HOPDs. Because it serves many payers, a particular payer may not need some data elements. For detailed guidance on completing the CMS-1450 items, please see the Medicare Claims Processing Manual, Pub. 100-04, Chapter 25, available at: <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c25.pdf>

CMS Discarded Drug Policy^{2,3}

- Payment for discarded amounts of drug/biological applies only to single-use vials or packages
- Multi-use vials are not subject to payment for discarded amounts
- Discarded amounts of drugs/biologicals must be recorded in the patient's medical record
- Medicare contractors require the JW modifier; other payer policies may vary

For example, a single-use vial that is labeled to contain 100 units of a drug has 95 units administered to the patient and 5 units discarded. The 95-unit dose is billed on one line, while the discarded 5 units is billed on another line accompanied by the JW modifier. Both line items will be processed for payment. Providers must record the discarded amounts of drugs and biologicals in the patient's medical record.

Please note: Providers and suppliers are required to report the JZ modifier on all claims that bill for drugs from single-dose containers that are separately payable under Medicare Part B when there are no discarded amounts.⁶

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Quzyttir[®]
Cetirizine HCl Injection
10 mg/mL

1 **Fields 42 and 43^{4,5}**
Enter the appropriate revenue codes and descriptions corresponding to the relevant HCPCS codes. Other revenue codes may be acceptable and may vary by location.

2 **Field 44³⁻⁵**
Enter the appropriate HCPCS and CPT codes ensuring that they align with codes in 42 and 43. The HCPCS code for QUZYTIR (cetirizine hydrochloride injection) is J1201. Please note that for billing purposes, the NDC field requires 11 digits. Please refer to page 3 for the appropriate NDCs. These NDCs are consistent with the Redbook and First DataBank listings. One or more of the following modifiers may be relevant to QUZYTIR billing and are required by Medicare (Modifier on CMS-1450, Box 44):

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Description: Significant, separately identifiable evaluation and management (E/M) service by the same physician or other qualified healthcare professional on the same day of the procedure or other service.

Indication:

- Patient requires distinct E/M service in addition to the infusion procedure
- Must be substantiated by documentation that supports the relevant criteria for the reported service

JW

Drug amount discarded/not administered to any patient

- Applies only to the unused drug that is discarded after applicable dose has been administered from a single-use vial
- Append the modifier to the drug code on a line separate from that reporting the administered dose

JZ

Zero drug wasted

- Applies to any drug from single-dose containers that are separately payable under Medicare Part B when there are no discarded amounts
- Append the modifier to the right of the primary code under the column marked "modifier"

PO

Excepted services provided at an off-campus, outpatient provider-based department of a hospital

- To be reported on each claim line for excepted services furnished in an off-campus, provider-based department of a hospital and billed on an institutional claim

PN

Non-excepted service provided at an off-campus, outpatient, provider-based department of a hospital

- To be reported on each claim line for non-excepted services furnished in an off-campus provider-based department of a hospital and billed on an institutional claim

JG

Drug or biological acquired with 340B Drug Pricing Program Discount

- Must be reported by providers that are NOT excepted from the 340B payment policy
- To be reported on the same claim line as the drug HCPCS code for all 340B acquired drugs

TB

Drug or biological acquired with 340B Drug Pricing Program Discount, reported for informational purposes

3 **Field 46**
Enter the number of units administered. J1201 has a billable unit per 0.5 mg.

4 **Field 74**
Enter the appropriate ICD-10-CM diagnosis code. Additional diagnosis codes may apply.

5 **Field 80**
Billing with a specific HCPCS code enables faster payment through electronic billing. Manual billing may still be required in certain circumstances. In those cases it may be necessary to provide the following information for payment: The NDC, quantity of the drugs administered (expressed in unit of measure applicable to the drug or biological), and the date the drug was administered to the patient.

REFERENCES

1. Centers for Medicare & Medicaid Services. Medicare Claims Processing Manual. Chapter 26: Completing and Processing the Form CMS-1500 Data Set. <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c26.pdf>
2. Centers for Medicare & Medicaid Services. Medicare Claims Processing Manual. Chapter 12: Physicians/Non-Physician Practitioners. <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c12.pdf>
3. Centers for Medicare & Medicaid Services. Medicare Claims Processing Manual. Chapter 17: Drugs and Biologicals. <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c17.pdf>
4. Centers for Medicare & Medicaid Services. 2020 Alpha Numeric HCPCS File. <https://www.cms.gov/Medicare/Coding/HCPCSReleaseCodeSets/Alpha-Numeric-HCPCS-Items/2020-Alpha-Numeric-HCPCS-File>
5. Noridian Healthcare Solutions. Revenue Codes. <https://med.noridian-medicare.com/web/jea/topics/claim-submission>
6. Centers for Medicare & Medicaid Services. Medicare Program: Discarded Drugs and Biologicals - JW Modifier and JZ Modifier Policy Frequently Asked Questions. Accessed May 21, 2024. <https://www.cms.gov/medicare/medicare-fee-for-service-payment/hospitaloutpatientpps/downloads/jw-modifier-faqs.pdf>