

Injectable Drugs, Part 1—How to Get Reimbursed for a Multidose Vial

When you code for injectable drugs, use a J-code to indicate the drug you used, and also report how many “units” of the drug you are billing for.

What are the J-codes? These are 5-character alphanumeric codes—J3301, for example, is the J-code for Kenalog (triamcinolone acetonide). J-codes are a subset of the Healthcare Common Procedure Coding System (HCPCS) codes.

What is a J-code’s unit? Each J-code’s descriptor includes a dosage amount, known as the HCPCS code dosage, which is the billable unit for that code. The descriptor for J3301 is *Injection, triamcinolone acetonide, not otherwise specified, 10 mg*. This indicates that the billable unit for that J-code is 10 mg.

Multidose or single-use vial? If a drug’s packaging indicates that the vial is multidose, billing is based on the amount of drug administered to the patient; if single-use (see next month’s “Savvy Coder”), billing is based on the amount of drug in the vial.

Start With the ASP Listings

Download the Average Sale Price (ASP) Drug Pricing file, an Excel spreadsheet that the Centers for Medicare & Medicaid Services (CMS) updates quarterly (see “Resources”).

For each J-code, the file lists:

- a short descriptor, which often abbreviates the code’s formal descriptor,
- HCPCS code dosage (or billable unit), and
- a payment limit (the allowable).

To continue the Kenalog example, J3301’s listing includes “Triamcinolone acet inj nos” as the short descriptor, “10 mg” as the HCPCS code dosage, and “1.887” as the payment limit.

Coding for Multidose Vials

If you are using a multidose vial, you will be paid for *only* the amount administered to the patient and *not* for any discarded amounts of the drug. Here’s how to determine what J-code to use and how many units to bill for.

Step 1: Review the current CMS ASP Pricing file for each drug that you are using. Use the file to identify a drug’s J-code and its HCPCS code dosage. When determining the appropriate J-code, take into account the specific payer’s requirements. To continue the example above, we have learned that Kenalog’s J-code is J3301 and its HCPCS code dosage (or billable unit) is 10 mg.

What if there is no J-code? You can use Not Otherwise Classified (NOC) codes if—and only if—there is no valid HCPCS code that describes the drug.

Step 2a: If you injected less than the HCPCS code dosage, bill for 1 unit. If you inject 4 mg of triamcinolone acetonide, this is less than the 10-mg

HCPCS code dosage. In this case, you would submit 1 unit.

Step 2b: If you injected the HCPCS code dosage or more, bill a whole number of units (no fractional units).

If the dosage that you inject is the same as the HCPCS code dosage, you would submit 1 unit; if twice as big, submit 2 units; etc. For example, if the HCPCS code dosage is 50 mg and 200 mg is administered, bill for 4 units.

Step 3: Fill out CMS form 1500.

Indicate (a) the exact name of the drug, (b) the dosage given to the patient, and (c) the National Drug Code (NDC) billing identifier (it typically has 10 digits in a 5-4-1 format). Check the payer’s guidelines to see if all this goes in box 19 or box 24 (in the shaded area) of CMS form 1500. Next, complete box 24 as you normally would (including the J-code and number of units billed).

Only bill if you are paying for the drug. If there is no expense to you for the drug (as with samples, for example), don’t bill the payer or the patient for it.

Resources

Take advantage of these resources:

- ASP Drug Pricing spreadsheet: www.cms.gov/Medicare/Medicare-Fee-for-Service-Part-B-Drugs/McrPartBDrugAvgSalesPrice/2018ASPFiles.html
- Cheat sheet for commonly used drugs: aao.org/Assets/c850e98f-fc7e-4ac2-85da-f79d59ace5fc/636590827677530000/table-of-common-drugs-apr-2018-pdf?inline=1
- NCD numbers: www.accessdata.fda.gov/scripts/cder/ndc/index.cfm
- Buy a HCPCS book: aao.org/store.