

Billing Tips for the Medicare Part B Drug CAP

*****Please give these instructions to your Medicare billing staff*****

To get your Part B drug CAP claims processed quickly, please remember to

- Include the CPT code for CAP drug administration and/or office visit associated with a CAP drug administration on the same claim as the CAP drug(s)
- Include the appropriate CAP modifiers so that your drug administration claim and the CAP vendor's claim will process correctly
- Order all CAP drugs from the approved CAP Vendor – list of CAP drugs is at www.cms.hhs.gov/CompetitiveAcquisforBios/15_Approved_Vendor.asp
- Purchase drugs not available through the CAP using ASP (“Buy and Bill”) methodology
- Be sure that your billing software and or/clearinghouse support CAP claim submission, including prescription order number and NDC elements described below

CAP claims must be submitted within 14 days of administering a CAP drug

Physician's CAP claims must include

- HCPCS code(s) claim line for each CAP drug along with the appropriate CAP modifier.
- A billed amount for each CAP drug; do not leave blank or bill a zero amount
- Approved CAP vendor provided prescription order number (Rx order #)
 - Reported in Item 19 on the CMS-1500 or for ANSI 4010A1 electronic claims at the line level in the 2410 Loop, REF02 (REF01=XZ).
- National Drug Code (NDC) required on only electronic claims
 - NDC must be submitted in 2410 Loop, LIN03 (LIN02=N4)

Appropriate CAP modifier(s) must be put on all drugs obtained through the approved CAP vendor. The CAP modifier codes are:

- J1 CAP, no-pay submission for a prescription order number (Rx order #). May be combined on the same line with a J2 modifier
- J2 CAP, restocking of drugs used in an emergency (as defined by the CAP). These claims should include
 - Approved CAP vendor provided prescription order (Rx order #) number.
 - HCPCS code(s) for CAP drug with the “J1” no-pay modifier and the “J2” modifier on that same line
 - HCPCS code(s) that include the administration of each CAP drug on separate lines
- J3 CAP, drug not available through CAP as written, reimbursed under average sales price (ASP) methodology. Use J3 for “**furnish as written**” drugs to be paid outside the CAP program. The J3 modifier should not be added to a claim line with a J1 or J2 modifier

Physicians are responsible for resubmitting correct CAP drug administration claims that have failed to match a corresponding CAP vendor's claim.

Detailed terms about your office's participation in the CAP are stated in the CAP physician election agreement available at www.cms.hhs.gov/CompetitiveAcquisforBios/

Questions about billing CAP claims should be directed to a physician's current local carrier



CAP Billing Example with J1 Modifier

19. RESERVED FOR LOCAL USE Q103J2357X001											20. OUTSIDE LAB? <input type="checkbox"/> YES <input type="checkbox"/> NO \$ CHARGES						
21. DIAGNOSIS OR NATURE OF ILLNESS OR INJURY. (RELATE ITEMS 1,2,3 OR 4 TO ITEM 24E BY LINE)											22. MEDICAID RESUBMISSION CODE ORIGINAL REF. NO.						
1. <u>250 00</u> 3. _____											23. PRIOR AUTHORIZATION NUMBER						
2. _____ 4. _____																	
24. A DATE(S) OF SERVICE From To						B	C	D PROCEDURES, SERVICES, OR SUPPLIES (Explain Unusual Circumstances) CPT/HCCPCS MODIFIER			E	F	G	H	I	J	K
MM	DD	YY	MM	DD	YY	Place of Service	Type of Service				DIAGNOSIS CODE	\$ CHARGES	DAYS OR UNITS	EPSDT Family Plan	EMG	COB	RESERVED FOR LOCAL USE
08	15	2006	08	15	2006	11		90772			1	10 00	1				
08	15	2006	08	15	2006	11		J2357	J1		1	25 00	1				

CAP Billing Example with J2 Modifier

19. RESERVED FOR LOCAL USE Q103J1745AZ117											20. OUTSIDE LAB? <input type="checkbox"/> YES <input type="checkbox"/> NO \$ CHARGES						
21. DIAGNOSIS OR NATURE OF ILLNESS OR INJURY. (RELATE ITEMS 1,2,3 OR 4 TO ITEM 24E BY LINE)											22. MEDICAID RESUBMISSION CODE ORIGINAL REF. NO.						
1. <u>714 0</u> 3. _____											23. PRIOR AUTHORIZATION NUMBER						
2. <u>710 2</u> 4. _____																	
24. A DATE(S) OF SERVICE From To						B	C	D PROCEDURES, SERVICES, OR SUPPLIES (Explain Unusual Circumstances) CPT/HCCPCS MODIFIER			E	F	G	H	I	J	K
MM	DD	YY	MM	DD	YY	Place of Service	Type of Service				DIAGNOSIS CODE	\$ CHARGES	DAYS OR UNITS	EPSDT Family Plan	EMG	COB	RESERVED FOR LOCAL USE
08	16	2006	08	16	2006	11		96413			1	100 00	1				
08	16	2006	08	16	2006	11		96415			1	80 00	1				
08	16	2006	08	16	2006	11		J1745	J1 J2		1	1600 00	1				

CAP Billing Example with J3 Modifier

19. RESERVED FOR LOCAL USE											20. OUTSIDE LAB? <input type="checkbox"/> YES <input type="checkbox"/> NO \$ CHARGES						
21. DIAGNOSIS OR NATURE OF ILLNESS OR INJURY. (RELATE ITEMS 1,2,3 OR 4 TO ITEM 24E BY LINE)											22. MEDICAID RESUBMISSION CODE ORIGINAL REF. NO.						
1. <u>797 02</u> 3. _____											23. PRIOR AUTHORIZATION NUMBER						
2. _____ 4. _____																	
24. A DATE(S) OF SERVICE From To						B	C	D PROCEDURES, SERVICES, OR SUPPLIES (Explain Unusual Circumstances) CPT/HCCPCS MODIFIER			E	F	G	H	I	J	K
MM	DD	YY	MM	DD	YY	Place of Service	Type of Service				DIAGNOSIS CODE	\$ CHARGES	DAYS OR UNITS	EPSDT Family Plan	EMG	COB	RESERVED FOR LOCAL USE
08	15	2006	08	15	2006	11		90782			1	10 00	1				
08	15	2006	08	15	2006	11		J1260	J3		1	500 00	1				

Note: The above billing examples are for illustrative purposes only.