

Blue Cross Blue Shield of Massachusetts is an Independent Licenses of the Blue Cross and Blue Shield Association

# Pharmacy Medical Policy Compounded Medications

# **Table of Contents**

- Policy: Commercial
- Policy History
- Policy: Medicare
  - Coding Information
- Policy Number: 579 BCBSA Reference Number: None

# **Related Policies**

Compound Medications Inclusion Drug List #704Compound Medications Exclusion Drug List #705Opioid and Opioid Combination Medication Management #102Sexual Dysfunction Diagnosis and Therapy #078

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# Policy

# Commercial Members: Managed Care (HMO and POS), PPO, and Indemnity

**Note:** All requests for outpatient retail pharmacy for indications listed and not listed on the medical policy guidelines may be submitted to BCBSMA Clinical Pharmacy Operations by completing the Prior Authorization Form on the last page of this document. Physicians may also call BCBSMA Pharmacy Operations department at (800)366-7778 to request a prior authorization/formulary exception verbally. Patients must have pharmacy benefits under their subscriber certificates.

Information Pertaining to All Policies

Please refer to the chart below for the formulary and step status of the medications affected by this policy.

NOTE: REGULATORY AUTHORIZATION FOR FACILITY OR PERSONNEL TO COMPOUND PRESCRIPTIONS DOES NOT SUPPORT CLINICAL SAFETY AND EFFECTIVENESS EVIDENCE FOR A COMPOUNDED PRODUCT. WE WILL NO LONGER PAY FOR BULK CHEMICALS IN COMPOUNDED MEDICATIONS. AS AN EXCEPTION IF THERE IS A MEDICAL NEED FOR A BULK INGREDIENT TO BE ADDED TO COMPOUND IT WILL REQUIRE PRIOR AUTHORIZATION AS STATED BELOW. COVERED COMPOUNDED MEDICATIONS THAT REQUIRE A PRESCRIPTION WILL BE PROCESSED AT YOUR HIGHEST PHARMACY BENEFIT TIER, REGARDLESS OF THE INGREDIENTS IN THE MEDICATION. OUR INCLUSION & EXCLUSION LISTS ARE SUBJECT TO CHANGE.

We may approve and cover for up to six (6) months the compounded prescription(s) including those submitted with HCPCS/CPT codes like J7999 - when medically necessary and **all** of the following criteria are met<sup>1</sup>:

• A DIAGNOSIS and ICD 9 or 10 CODE

- References
- Forms

#### AND

• Provide history of treatment failures to two (2) prescription alternatives (by prescription claims history), or documented contraindication alternative medication,

AND

- Accompanied by those portions of the patient's medical records stating the clinical diagnosis and confirmatory laboratory and or other tests for the clinical diagnosis,
- AND
- Submit with the request two (2) peer reviewed published studies in the medical and/or scientific literature, reviewed by an independent panel of experts, that provides evidence for the prescription's intended clinical indication and use, route of administration, dose, and dose frequency, for single or multiple drugs to be compounded, in a population age of the intended patient, demonstrating safety, efficacy and outcomes comparable or superior to existing therapy,

AND

• Excluding pharmaceutical aids and bulk powders, with attestation that the resulting compounded product is not a copy or similar to a commercially available product, or a product or product formulation withdrawn from the market (voluntarily or by regulatory action) due to safety or efficacy concerns,

AND

• A copy of the prescription which includes a complete list of ingredients.

AND

• The requested compounded prescription's active pharmacologic agent(s) is/are approved to cure, mitigate, treat, or prevent disease or to affect the structure or any function of the human body consistent with the diagnosis provided in the request for coverage,

\*\*Requests based exclusively on the use of samples will not meet coverage criteria for exception. Additional clinical information demonstrating medical necessity of the desired medication must be submitted by the requesting prescriber for review.

We may approve and cover for up to six (6) months the compounded prescription(s) of proton pump inhibitor and all of the following criteria are met:

- The patient is less than 18 years of age.
- The Compound meets criteria outlined in Policy 030

# CPT Codes / HCPCS Codes / ICD-9 Codes

The following codes are included below for informational purposes. Inclusion or exclusion of a code does not constitute or imply member coverage or provider reimbursement. Please refer to the member's contract benefits in effect at the time of service to determine coverage or non-coverage as it applies to an individual member.

Providers should report all services using the most up-to-date industry-standard procedure, revenue, and diagnosis codes, including modifiers where applicable.

There is no specific CPT code for this service.

## **CPT Codes**

#### **Diagnosis coding**

ICD-9-CM	
diagnosis codes:	Code Description
Coding that aligns with	policy coverage statement.

#### Diagnosis coding- After 10/1/2013

	ICD-10-CM	Code Description
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diagnosis codes:

Coding that aligns with policy coverage statement.

#### Individual Consideration

All our medical policies are written for the majority of people with a given condition. Each policy is based on medical science. For many of our medical policies, each individual's unique clinical circumstances may be considered in light of current scientific literature. As an example, a child with an incurable Metabolic Disease might be allowed to have an authorization which exceeds the current authorization period. Physicians may send relevant clinical information for individual patients for consideration to:

Blue Cross Blue Shield of Massachusetts Pharmacy Operations Department 25 Technology Place Hingham, MA 02043 Tel: 1-800-366-7778 Fax: 1-800-583-6289

## **Managed Care Authorization Information**

- Physicians may call BCBSMA Pharmacy Operations department to request a review for prior authorization. Pharmacy Operations: (800)366-7778
- Physicians may also fax or mail the attached form to the address above. The Formulary Exception/Prior Authorization form is included as part of this document for physicians to submit for patients.

# **PPO and Indemnity Authorization Information**

- Physicians may call BCBSMA Pharmacy Operations department to request a review for prior authorization. Pharmacy Operations: (800)366-7778
- Physicians may also fax or mail the attached form to the address above. The Formulary Exception/Prior Authorization form is included as part of this document for physicians to submit for patients.

Date	Action
7/2019	Updated to clarify that Compounds for PPI for members under 18 may be covered when a
	Prior Authorization is submitted.
6/2017	Updated address for Pharmacy Operations.
1/2016	Updated to include Prior Authorization for J7999.
7/2015	Updated note section.
3/2015	Updated note to include benefit tier information.
1/1/2015	Update policy and include new criteria and remove old criteria, add new inclusion list, and
	add new exclusion list.
1/1/2014	Implementation of the policy.
9/2013	Pharmacy and Therapeutics Committee Review.

## **Policy History**

#### References

- 1. <u>http://www.fda.gov/Drugs/GuidanceComplianceRegulatoryInformation/PharmacyCompounding/ucm3</u> <u>39764.htm</u>
- 2. Androgen Therapy in Women: A Reappraisal: An Endocrine Society Clinical Practice Guideline; *J Clin Endocrinol Metab* 99: 3489–3510, 2014
- 3. The American College of Obstetrics and Gynecologists, Committee on Gynecologic Practice and the American Society for Reproductive Medicine Practice Committee: Committee Opinion Number 532 August 2012, Reaffirmed 2014. <u>Compounded Bioidentical Menopausal Hormone Therapy.</u>

To request prior authorization using the Massachusetts Standard Form for Medication Prior Authorization Requests (eForm), click the link below: http://www.bluecrossma.org/medical-policies/sites/g/files/csphws2091/files/acquiadamassets/023%20E%20Form%20medication%20prior%20auth%20instruction%20prn.pdf