Clinical Policy: Pharmacy Compounds

Reference Number: OH.PHAR.PPA.03
Effective Date: 04/2016 Revision Log
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IMPORTANT REMINDER

This Clinical Policy has been developed by appropriately experienced and licensed health care professionals based on a thorough review and consideration of currently available generally accepted standards of medical practice; peer-reviewed medical literature; government agency/program approval status; evidence-based guidelines and positions of leading national health professional organizations; views of physicians practicing in relevant clinical areas affected by the policy; and other indicia of medical necessity. Centene Corporation makes no representations and accepts no liability with respect to the content of any external information used or relied upon in developing this policy.

The purpose of this Clinical Policy is to provide a guide to medical necessity. Benefit determinations should be based on the applicable contract provisions governing plan benefits ("Benefit Plan Contract") and applicable state and federal requirements, as well as applicable plan-level administrative policies and procedures. To the extent there are any conflicts between this Clinical Policy and the Benefit Plan Contract provisions, the Benefit Plan Contract provisions will control.

Clinical policies are intended to be reflective of current scientific research and clinical thinking. This policy is current at the time of approval, may be updated and therefore is subject to change. This Clinical Policy is not intended to dictate to providers how to practice medicine, nor does it constitute a contract or guarantee regarding payment or results. Providers are expected to exercise professional medical judgment in providing the most appropriate care, and are solely responsible for the medical advice and treatment of members.

Purpose

This policy applies to medications which are compounded by a retail or mail order pharmacy and adjudicated by our contracted PBM. The intent of the criteria is to ensure that patients follow selection elements established by Buckeye Health Plan medical policy for pharmacy compounded topical medications.

Policy/Criteria

It is the policy of Buckeye Health Plan to review compound topical medications for medical appropriateness. This policy will not cover oral medications or bulk powders compounded to external formulations due to an overall lack of absorption and lack of clinical evidence of efficacy. Buckeye Health Plan will not pay compounding fees on medications compounded with non-PDL products.

Procedure:

A. Medications for topical products submitted as part of a compound prescription will invoke a POS (point of sale) message requiring prior authorization review by PBM Pharmacist.

B. Oral medications compounded to external dosage forms which will not be covered.

C. During review, certain compounds would not be covered. Examples include but are not limited to bulk powders and compounds containing non formulary products only.

D. Compounds for any medications removed or discontinued in a certain form by the FDA for safety concerns would not be permitted for compounding back to the original form.

E. If medication(s) is/are listed on the PDL and used in the requested compound the PBM Pharmacist will review for:

1. The prescription ingredient is FDA-approved for medical use in the United States and #2 or #2 and #3. Bulk powders are not FDA approved.
2. The compounded product is not a copy of commercially available FDA-approved drug product
3. The safety and effectiveness of use for the prescribed indication is supported by adequate medical and scientific evidence in the medical literature. Dosing, indication and rationale for use are checked for appropriateness as part of the review process. Examples of appropriate medical literature include but are not limited to peer reviewed, medical and scientific literature published in or accepted for publication by medical journals that meet nationally recognized requirements, biomedical compendia, and other medical literature appearing for example in the National Institute of Health's National Library of Medicine, or other such index, etc.

F. During the review process, the burden of proof noting efficacy will fall to the requesting Provider. Provider must document a) why a commercially available product on the PDL is not appropriate AND 2) demonstrate studies of clinical effectiveness of the compound requested.

Reviews, Revisions, and Approvals	Date	Approval Date
New policy	03/16	04/16
No changes deemed necessary	04/17	04/17
No changes deemed necessary	04/18	04/18