

## Policy: Compounded Medications

Reference Number: OR.CP.PMN.1006

Effective Date: 01.01.22

Last Review Date: 10.22

Line of Business: Medicaid – Trillium Oregon Health Plan

[Revision Log](#)

See [Important Reminder](#) at the end of this policy for important regulatory and legal information.

### Description

This policy applies to requests for compounded medications.

### FDA Approved Indication

Varies by drug product.

### Policy/Criteria

*Provider must submit documentation (such as office chart notes, lab results or other clinical information) supporting that member has met all approval criteria.*

It is the policy of health plans affiliated with Centene Corporation® that compounded medications are **medically necessary** when the following criteria are met:

#### I. Initial Approval Criteria

##### A. All FDA-Approved Indications (must meet all):

1. For the treatment of a condition found on a covered line as defined by the Prioritized List;
2. The dosage and/or formulation requested is not commercially available;
3. Compound ingredients are FDA-approved;
4. One of the following (a or b):
  - a. Medical justification supports inability to use commercially available products, including preferred drug list agents;
  - b. Prescribed for pediatric dosing in the absence of commercially available products;
5. Medical literature supports efficacy and safety for the intended use as defined in the member's Evidence of Coverage;
6. Prescribed dose does not exceed the FDA approved maximum recommended dose for the relevant indication;
7. The use of the compounded medication will substantially reduce the risk for increased health care costs if approved.

**Approval duration: up to 1 year**

##### B. Other diagnoses/indications

1. Refer to the off-label use policy for the relevant line of business if diagnosis is NOT specifically listed under section III (Diagnoses/Indications for which coverage is NOT authorized): CP.CPA.09 for commercial.

## II. Continued Therapy

### A. All FDA-Approved Indications (must meet all):

1. Currently receiving medication via Centene benefit or member has previously met initial approval criteria;
2. Member is responding positively to therapy;
3. If request is for a dose increase, new dose does not exceed the FDA approved maximum recommended dose for the relevant indication.

**Approval duration: up to 1 year**

### B. Other diagnoses/indications(must meet 1 or 2):

1. Currently receiving medication via Centene benefit and documentation supports positive response to therapy.  
**Approval duration: Duration of request or 12 months (whichever is less);** or
2. Refer to the off-label use policy for the relevant line of business if diagnosis is NOT specifically listed under section III (Diagnoses/Indications for which coverage is NOT authorized): CP.PMN.53.

## III. Diagnoses/Indications for which coverage is NOT authorized:

- ### A. Non-FDA approved indications, which are not addressed in this policy, unless there is sufficient documentation of efficacy and safety according to the off-label use policy – CP.PMN.53 or evidence of coverage documents;

## IV. Appendices/General Information

*Appendix A: Abbreviation/Acronym Key*

FDA: Food and Drug Administration

*Appendix B: Therapeutic Alternatives*

Not applicable

*Appendix C: Contraindications/Boxed Warnings*

Varies by drug product

*Appendix D: General Information*

- Highest tier copay will be charged even if generic products are used.

## V. Dosage and Administration

Indication	Dosing Regimen	Maximum Dose
Varies by drug product	Varies by drug product	Varies by drug product

## VI. Product Availability

Varies by drug product

## VII. References

Not applicable

Reviews, Revisions, and Approvals	Date	P&T Approval Date
Policy created: adapted from previously approved policy TCHP.PHAR.18000 Compounded Medications. No significant changes.	09.21.21	10.21.21
4Q 2022 annual review: no significant changes; references reviewed and updated.	09.16.22	10.06.22

**Important Reminder**

This clinical policy has been developed by appropriately experienced and licensed health care professionals based on a 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 this clinical policy; and other available clinical information. The Health Plan makes no representations and accepts no liability with respect to the content of any external information used or relied upon in developing this clinical policy. This clinical policy is consistent with standards of medical practice current at the time that this clinical policy was approved. “Health Plan” means a health plan that has adopted this clinical policy and that is operated or administered, in whole or in part, by Centene Management Company, LLC, or any of such health plan’s affiliates, as applicable.

The purpose of this clinical policy is to provide a guide to medical necessity, which is a component of the guidelines used to assist in making coverage decisions and administering benefits. It does not constitute a contract or guarantee regarding payment or results. Coverage decisions and the administration of benefits are subject to all terms, conditions, exclusions and limitations of the coverage documents (e.g., evidence of coverage, certificate of coverage, policy, contract of insurance, etc.), as well as to state and federal requirements and applicable Health Plan-level administrative policies and procedures.

This clinical policy is effective as of the date determined by the Health Plan. The date of posting may not be the effective date of this clinical policy. This clinical policy may be subject to applicable legal and regulatory requirements relating to provider notification. If there is a discrepancy between the effective date of this clinical policy and any applicable legal or regulatory requirement, the requirements of law and regulation shall govern. The Health Plan retains the right to change, amend or withdraw this clinical policy, and additional clinical policies may be developed and adopted as needed, at any time.

This clinical policy does not constitute medical advice, medical treatment or medical care. It is not intended to dictate to providers how to practice medicine. 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. This clinical policy is not intended to recommend treatment for members. Members should consult with their treating physician in connection with diagnosis and treatment decisions.

Providers referred to in this clinical policy are independent contractors who exercise independent judgment and over whom the Health Plan has no control or right of control. Providers are not agents or employees of the Health Plan.

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