



MASSACHUSETTS

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Pharmacy Medical Policy **Compounded Medications**

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Policy Number: 579

BCBSA Reference Number: None

Related Policies

Compound Medications Exclusion Drug List #[705](#)
Opioid and Opioid Combination Medication Management #[102](#)
Sexual Dysfunction Diagnosis and Therapy #[078](#)

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.

Prior Authorization Information

<input checked="" type="checkbox"/> Prior Authorization <input type="checkbox"/> Step Therapy <input type="checkbox"/> Quality Care Dosing		Pharmacy Operations: Tel: 1-800-366-7778 Fax: 1-800-583-6289	
		Policy last updated	1/2024
Pharmacy (Rx) or Medical (MED) benefit coverage	<input checked="" type="checkbox"/> Rx <input type="checkbox"/> MED	To request for coverage: Physicians may call, fax, or mail the attached form (Formulary Exception/Prior Authorization form) to the address below.	
Policy applies to Commercial Members: <ul style="list-style-type: none"> • Managed Care (HMO and POS), • PPO and Indemnity • MEDEX with Rx plan • Managed Major Medical with Custom BCBSMA Formulary • Comprehensive Managed Major Medical with Custom BCBSMA Formulary • Managed Blue for Seniors with Custom BCBSMA Formulary 		Blue Cross Blue Shield of Massachusetts Pharmacy Operations Department 25 Technology Place Hingham, MA 02043 Individual Consideration: Policy for requests that do not meet clinical criteria of this policy, see section labeled Individual Consideration	

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 EXCLUSION LIST IS SUBJECT TO CHANGE.

NOTE: AS OF 1/1/2021 THERE IS A \$300 TOTAL COST LIMIT FOR ALL COMPOUND MEDICATIONS. THIS WILL BE APPLIED ON A PER CLAIM BASIS. IF THE COMPOUND NEEDS TO EXCEED THE \$300 LIMIT THE BELOW CRITERIA MUST BE MET.

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 met¹:

- A DIAGNOSIS and ICD 9 or 10 CODE, **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

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

Policy History

Date	Action
1/2024	Clarified policy regarding the policy is applied at the claim level.
7/2023	Reformatted Policy.
1/2023	Updated to remove the Inclusion list and update the Exclusion list as part of our PBM transition.
1/1/2021	Updated to add \$300 Cost exceeds maximum edit.
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.

References

1. <http://www.fda.gov/Drugs/GuidanceComplianceRegulatoryInformation/PharmacyCompounding/ucm339764.htm>
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. Compounded Bioidentical Menopausal Hormone Therapy.

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/acquiadam-assets/023%20E%20Form%20medication%20prior%20auth%20instruction%20pm.pdf>