

Compound Medications

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Definition

1 | What is a compounded medication?

A compounded medication is a prescription that is custom made by a pharmacy to meet a specific medical need when a standard, FDA approved medication does not work for a patient.

Compounded drugs are not U.S. Food & Drug Administration (FDA)-approved. This means the agency does not review their safety, effectiveness or quality before they are marketed.

Insurance coverage

2 | Are compounded medications covered?

Some compounded medications may be considered for coverage, but many compounds are excluded under the plan's benefit.

For a compounded medication to be covered, all the individual ingredients within the compound must be covered under the plan. To check if a compound is covered you may obtain a full list of ingredient names and NDC numbers from the pharmacy and call CVS Caremark to verify coverage of those ingredients. Ingredients not approved by the FDA are typically excluded from coverage unless pre-approved for medical necessity.

Compounds that cost more than \$300 will require prior authorization.

3 | What types of compounded medications are excluded ?

Compounded medications are generally not covered if they are:

- Made from bulk ingredients when an FDA approved drug is available.
- Made with compounding kits
- Made with costly bases

4 | Why are some compounds excluded?

These exclusions help ensure that medications covered on the benefit are:

- Safe and clinically appropriate
- Cost effective
- Used only when medically necessary
- Compounded drugs are not FDA approved, which means the agency does not review their safety, effectiveness or quality before they are marketed. Although compounded drugs

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can serve an important medical need for certain patients, they also may pose risks to patients.

5 | **Can I still request reimbursement for a compounded medication?**

Yes. Most compounding pharmacies do not bill insurance. If you paid out of pocket, you may submit a paper claim for review.

Submitting a claim does not guarantee reimbursement.

6 | **When might a compounded medication be reimbursed?**

A compound may be considered when:

- No FDA approved alternative exists.
- Medical necessity is documented.
- The compound is prepared by a licensed pharmacy.

Each request is reviewed individually.

Submitting a claim

7 | **How do I submit a paper claim for a compounded medication?**

- To submit a paper claim download and print the CVS Caremark Prescription Reimbursement Claim Form from Caremark.com. Complete all required sections and sign the form. Attach original, itemized pharmacy receipts. Mail the form and receipts to the address listed on the claim form. Keep copies of everything you send. Do not staple or tape receipts to the form.
- Receipt requirements include:
 - Patient name
 - Prescription number
 - Drug name and NDC number for each ingredient used.
 - Date filled
 - Quantity and days' supply
 - Total amount paid
 - Pharmacy name and address

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8 | How will I know if my claim is approved?

An Explanation of Benefits document will be sent in the mail explaining whether the claim was approved or denied. If denied, there will be information about how to appeal the decision.

Support

9 | Who can help if I have questions?

Call Member Services using the phone number on your ID card.

Have your receipt and prescription available when you call.

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