

PHARMACY FACTS

Program Updates from Louisiana Medicaid

December 8, 2023

Compound Drug Coverage

Magellan [the Single Pharmacy Benefits Manager (PBM) for Managed Care Organizations (MCO)] is processing compounded drugs when submitted using the NCPDP version D.0 standard multi-ingredient compound functionality. Magellan posted a notification about **current** compound coverage at <https://www.lamcopbmpharmacy.com/announcements> on December 6, 2023. All ingredients must be identified, their units must be indicated, and the ingredient cost for each ingredient must be submitted on the claim.

At least one item in the compound must be a covered drug. Any component of a compound requiring Prior Authorization will necessitate an approval prior to receiving payment. For additional information, refer to the Payer Specification document or the Provider Manual on the Plan Portal at <https://www.lamcopbmpharmacy.com/>

All state and federal rules and regulations for compounds must be followed, including but not limited to, not compounding drugs that are currently commercially manufactured and FDA approved.

Magellan will reimburse an additional amount for compound Level of Effort (LOE) when one of the following values is entered in NCPDP field 474-8E (DUR/PPS Level of Effort):

NCPDP Level of Effort Value and Description	Type of Product/Dosage Form Examples	Compound Fee
11 (Straightforward)	Compounded drug does not contain an active pharmaceutical bulk powder ingredient or excipient <ul style="list-style-type: none">• Magic Mouth Wash• Combination of manufactured cream/ointments	\$15.00
12 (Low Complexity)	Compounded drug containing at least one (1) active pharmaceutical bulk powder ingredient <ul style="list-style-type: none">• Simple suspensions• Dermatological preparations	\$20.00
13 (Moderate Complexity)	Compounded drug requiring <ul style="list-style-type: none">• pH adjustment for stability• Use of liposomal bases• Troches• Rapid dissolve tablets• Suppository• Capsules (any route of administration)• Suspensions – Lansoprazole/Omeprazole• Pain cream in liposomal bases	\$30.00

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14 (High Complexity)	Compounds drug containing <ul style="list-style-type: none">• Hormone (any dosage)• Topical pain creams containing controlled substances• Chemotherapy	\$45.00
15 (Comprehensive)	Sterile compounded drug – must be compounded in a <797> compliant environment and are dispensed as sterile finished preparation <ul style="list-style-type: none">• Any sterile compounded drug	\$60.00

Magellan will contact network Pharmacy Services Administrative Organizations (PSAO), chains and individual pharmacies, depending on how they are contracted, to agree to the new LOE compound fee schedule.

Ciprodex®

Brand Ciprodex®, the preferred product, has been discontinued. As of December 7, 2023, Ciprofloxacin/Dexamethasone Suspension (generic Ciprodex®) moved to a preferred status. The PDL document will be updated January 1, 2024 to reflect this change.

Specialized Behavioral Health Recipients

Recipients who are Medicaid eligible for Specialized Behavioral Health coverage will continue to get their pharmacy benefits through Fee-for-Service. Fee-for-Service pharmacy claims are billed to Gainwell (BIN: 610514, PCN: LOUIPROD, no group).