

PHARMACY FACTS

Program Updates from Louisiana Medicaid

February 22, 2024

Updated Compound Drug Coverage Level of Effort (LOE)

Magellan, the Single Pharmacy Benefits Manager (PBM) for Managed Care Organizations (MCO), will contact network Pharmacy Services Administrative Organizations (PSAO) chains and individual pharmacies, depending on how they are contracted, to agree to the new level of effort (LOE) compound fee schedule starting April 1, 2024.

LOE Value and Description	Compound Containing (all compounds must contain at least one active/payable ingredient)	Compound Fee
11 (Straightforward) Must be compounded using USP <795> standards	<ul style="list-style-type: none">Single active ingredient capsule.Any combination of commercially available products. Examples: Magic Mouthwash, GI cocktails.	\$15.00
12 (Low Complexity) Must be compounded using USP <795> standards	<ul style="list-style-type: none">Two ingredient capsule/suppositoryTransdermal gel	\$30.00
13 (Moderate Complexity) Must be compounded using USP <795> standards.	<ul style="list-style-type: none">Three or less ingredient cream/ointment/gel.Three-ingredient capsule/suppository.Two or less ingredient troche.Non-complex suspension.Tablet triturate. Examples: folic acid liquid, captopril suspension, lansoprazole/omeprazole suspension, non-hazardous creams and suspensions.	\$35.00
14 (High Complexity) Must be compounded using USP <795> standards and USP <800> where applicable.	<ul style="list-style-type: none">Topical-containing controlled substance.Three or more ingredient troche.Four or more ingredient capsule/suppository/cream/ointment/gel.	\$55.00

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	<ul style="list-style-type: none">• Complex suspensions (e.g., pediatric/altering pH/base to salt conversion).• Chemotherapy cream/ointment/gel.• Hormone therapy capsules/troches/suppositories.	
15 (Comprehensive) Must be compounded in a USP <797> compliant environment and compounds are dispensed as sterile finished preparation.	Sterile compounded drugs limited to: <ul style="list-style-type: none">• aqueous bronchial and nasal inhalations,• injections,• irrigations for wounds, and• ophthalmic drops and ointments. (Does not include nasal sprays or nasal irrigations.) Examples: fortified antibiotic eye drops, IV antibiotics, atropine eye drops.	\$75.00

Magellan will continue to process compounded drug claims when submitted using the National Council for Prescription Drug Program (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.

Dispensing of Contraceptives

This is a reminder that effective January 1, 2023, the MCOs and Medicaid Fee-for-Service implemented an allowance of a 6-month supply for contraceptive agents when the recipient has a previous history of the same contraceptive agent, in accordance with Louisiana R.S. 40:1248.21.