

CHAPTER 7

OUTPATIENT MEDICATION PROGRAM

BWC utilizes the services of a pharmacy benefit management (“PBM”) vendor to process outpatient medication bills for State-Fund, Black Lung and Marine Industrial Fund claims. The PBM is a single source for accepting and adjudicating prescription drug information and is separate from the Managed Care Organizations (MCOs). This program does not apply to claims managed by self-insured employers. Questions related to self-insured claims should be referred to the injured worker’s employer.

As part of its responsibilities, the PBM:

- Performs on-line, point-of-service adjudication of outpatient medication bills with prescription information transmitted electronically between a pharmacy and PBM;
- Enrolls pharmacy providers in a BWC-specific network;
- Maintains a prior authorization (PA) system for certain outpatient medications identified by BWC and
- Utilizes review editing for prescribed medications.

For information pertaining to medication reimbursement services provided by the PBM, please reference Chapter 3, Section D of the BWC Billing and Reimbursement Manual.

A. COMPOUND MEDICATIONS

BWC will not reimburse for compounded medications purchased at a pharmacy through the PBM. Compounded drugs are products that have no scientifically proven efficacy or safety, are not FDA-approved, and in accordance with *Miller*, the costs of such products are not "medically reasonable" in comparison to commercially-available, FDA-approved drugs that have the same intended use as that of the compounded product. MCOs who receive requests for authorization/approval for compounded medications should reject them as non-covered services unless they are for home infusion therapy drugs, compounded drugs used in iontophoresis, and drugs that are compounded for administration via an implanted pump.

BWC has instructed the PBM to reject requests for compounded medications and state: “Compounded drugs are not covered as outpatient drugs. Requests for drugs used in home infusion therapy, iontophoresis or implanted pumps should be submitted to the appropriate MCO.” If the MCO believes there is medical necessity for a compounded medication that doesn't fall into these categories, please contact the BWC's Pharmacy Department via the following e-mail address: Pharmacy.Benefits@bwc.state.oh.us.

B. ELIGIBLE PROVIDERS

Only those providers designated as “pharmacy providers” are eligible to receive reimbursement for medications dispensed to injured workers. A provider who meets all the following criteria can obtain a pharmacy provider designation and provider number:

- Has a valid “Terminal Distributor of Dangerous Drugs” license if located within Ohio; or an equivalent state license if located outside of Ohio;
- Has a valid Drug Enforcement Agency (DEA) registration
- Has a licensed pharmacist in full and actual charge of a pharmacy;
- Has the ability to submit required bill data at the time of service to BWC’s pharmacy benefit manager or bill processor using on line bill adjudication, at the point of service.

Pharmacy enrollments are handled by BWC’s PBM. MEDCO-13As will be forwarded to the PBM for processing and validation. A BWC provider number will be issued after the PBM has completed its process.

All state and federal laws relating to the practice of pharmacy and the dispensing of medication by a duly licensed pharmacist must be observed.

Non-pharmacy providers are not eligible for reimbursement for outpatient medications supplied to injured workers. Drugs supplied to an injured worker in a physician’s office are not considered outpatient medication and are not reimbursed by either the PBM or MCOs. Medications supplied to an injured worker during an outpatient hospital visit are billed using the appropriate revenue center codes on the approved hospital bill form.

C. INJECTABLE MEDICATION

BWC follows the guideline that injectable drugs or products administered by a physician or in a medical facility must be obtained by the provider administering the injection and billed to the MCO responsible for the management of the injured worker’s claim. Reimbursement should be submitted by the provider using HCPCS “J” codes.

D. COVERED SERVICES

FDA-approved legend and over-the-counter (OTC) drugs prescribed by a practitioner whose scope of practice includes prescriptive authority for the the treatment of an allowed compensable injury or disease are reimbursable by BWC. The bureau will reimburse medication prescribed for the treatment of an allowed compensable injury or occupational disease if the medicine prescribed is approved or widely accepted as a treatment for the allowed condition. The pharmacist or prescriber may verify the allowed conditions in a claim by logging on to www.ohiobwc.com or by calling 1-800-OHIOBWC (1-800-644-6292).

E. NON-COVERED SERVICES

BWC will not approve payment for:

- Treatment for conditions/diseases unrelated to the allowed conditions of the claim;
- Samples or other medications dispensed by the treating physician;
- Investigational drugs;
- Medications that are not approved for use in the United States.

- Injectable drugs which are not intended to be “self-administered” or for at-home use by the injured worker or which are to be administered by the physician or in a physician’s office or ambulatory treatment facility.
- Drugs administered via iontophoresis. The drugs are delivered/administered to the patient in a provider’s office/facility and, as a result, are not outpatient drugs. The provider of the iontophoresis treatment may pay the pharmacy provider directly for the cost for the drug being administered and bundle the cost of the drug with the charge for the procedure. Or, the pharmacy provider may bill the drug using code J3490-unclassified drugs in addition to the provider billing for the iontophoresis procedure..
- Herbal products/ nutritional supplements;
- New or existing drug products that have been designated for review or not approved by the BWC Pharmacy and Therapeutics Subcommittee.
- FDA approved prescription smoking deterrent drugs- BWC does not reimburse FDA approved prescription smoking deterrent drugs dispensed by a pharmacy provider. BWC and the MCO may consider reimbursement of these drugs only when used as part of an approved smoking cessation program.

Weight Control Drugs - BWC does not reimburse for weight control/loss drugs dispensed by a pharmacy provider. BWC and the MCO may consider reimbursement of weight control/loss drugs only when used as part of an approved/accredited weight control program.

F. CONTACTS

- **PBM:** BWC’s PBM is prepared to answer inquiries from injured workers and employers regarding the Outpatient Medication Prior Authorization Programs. To contact them, call **1-800-OHIOBWC**, and follow the prompts.
- **BWC Pharmacy Department:** The MCO, injured workers, employers and providers may send questions or comments about outpatient drug benefits or other related matters to BWC’s Pharmacy Department at Pharmacy.Benefits@bwc.state.oh.us or by mail to: Pharmacy Department, Ohio Bureau of Workers’ Compensation, 30 W. Spring St. , L-21, Columbus, OH 43215-2256.