April 12, 2018

To: Persons Interested in Workers’ Compensaion Issues

From: Steve Nichols, Manager, Workers’ Compensation Services

Re: Compound Drugs to Be Subject to Preauthorization Effective July 1st

Commissioner of Workers’ Compensation Ryan Brannan has adopted amended Rules 134.500, 134.530, and 134.540, regarding preauthorization for compounded drugs with an effective date of July 1, 2018. The DWC’s adoption notice memorandum can be viewed here.

The adopted amendments to Rule 134.500 excludes from the closed formulary all prescription drugs created through compounding prescribed and dispensed on or after July 1, 2018.

The adopted amendments to Rules 134.530 and 134.540 will require preauthorization of these drugs for claims subject to and not subject to certified networks. The rule change does not prohibit the use of compounded drugs for injured employees when medically necessary; however, it does require that medical necessity be determined prior to prescribing and dispensing these drugs on or after July 1, 2018.

The amended rules and rule adoption preamble can be viewed here.