Compound Drug Policy



Eligibility

Claims for compounded products are eligible for coverage if:

- 1) It does not duplicate the formulation, specifically the strength and route of administration, of a commercially manufactured product marketed in Canada, nor can the desired dose be obtained using commercially manufactured products; AND
- 2) The main therapeutic ingredient aligns with any frequency restrictions or requirements on the plan; AND
- 3) The compound is not listed as ineligible in "Section A"; AND
- 4) For topical compounds (creams, ointments, and lotions), the base is listed as an eligible base under "Section B," and all ingredients with a DIN (Drug Identification Number), NPN (Natural Product Number) or DIN-HM (Drug Identification Number – Homeopathic Medicine) are covered by the plan. Raw materials not containing ingredients with a DIN, NPN, or DIN-HM are considered eligible ingredients; OR
- 5) For all other compounds containing ingredients with a DIN, NPN, or DIN-HM, at least one of these ingredients must be covered by the plan. If there are no such ingredients, the compound is still eligible

Compounding two or more creams/ointments that are already covered by the plan are eligible.

For Quebec plan members only, any compounded product is eligible for coverage if it is an eligible benefit of the Régie de l'assurance maladie du Québec (RAMQ).

Considerations for duplicates of commercially manufactured products will be made in the event of a backorder if there are no therapeutic alternatives available within the same therapeutic class.

Section A : Ineligible Compounds

- Compounds for cosmetic purposes
- Compounds for gummies, lollipops, lozenges, or troches
- Compounds for slow, sustained, or timed-release products
- Compounds with active pharmaceutical ingredients that are not available as a DIN, NPN, or DIN-HM product in Canada
- Topical pain compounds, defined as any topical compound containing any of the following ingredients: Anticonvulsants, baclofen, clonidine, ketamine and non-steroidal anti-inflammatory drugs

• Bioidentical hormone replacement therapy, defined as any compound containing any of the following ingredients: Estrogens, progestins and dehydroepiandrosterone (DHEA)

Section B : Eligible Bases

- Aquafor Ointment (02009609)
- Dermabase (00067350)
- Glaxal Base (00295604)
- Anhydrous Lanolin (50725)
- Petrolatum Jelly (00094854)
- Eucerin Ointment (00900907)
- Rougier Base (00964956)
- Mediderm Cream Base (00961582)
- Transal Base (00962511)
- Schering Base (985554)

Reimbursement

The eligible drug cost is the combined total cost of all ingredients used within the compound, including the therapeutically inactive components such as diluents, solvents, fillers, preservatives, sweeteners, stabilizers, etc. Costs for units beyond those used in the compound (e.g. the remainder of vials or bottles) will not be considered for reimbursement. GreenShield requires a breakdown of all the ingredients used in the compound via computer generated pharmacy software to process the claim.

Any compounds being submitted to the insurer may be subject to post-adjudication validation to ensure alignment to clinical and pricing policy requirements. Claims will be reversed should the audit determine they are ineligible based on GreenShield's Compound Drug Policy.

Claims pay to rendered subject to post-adjudication validation with allowed amounts as follows:

GreenShield reimburses at \$1.10/min when calculating the eligible compounding fee. Listed below are the allowable charges GreenShield will reimburse for eligible compounds. Please refer to the table below when submitting claims for compound mixtures.

Compound Code	Type of Compound	Maximum Allowed Time for Billing Purposes
0	Compounded topical cream	20 Minutes
1	Compounded topical ointment	20 Minutes
2	Compounded external lotion	20 Minutes

3	Compounded internal use liquid	20 Minutes
4	Compounded external powder	20 Minutes
5	Compounded internal powder	30 Minutes
6	Compounded injection or infusion	20 Minutes
7	Compounded eye/ear drop	30 Minutes
8	Compounded suppository	30 Minutes
9	Compounded other	20 Minutes

Some plan designs may have a fee cap for dispensing fees. In this case, the compounding fee will be calculated up to the amount set by the plan design, and the remaining compounding fee can be charged to the member.

As per our National Pricing Policy, a pharmacy cannot balance bill the member the differential between GreenShield's allowed compounding fee and the pharmacy's compounding fee except for in the province of Ontario.

Please note that the above fee structure is not applicable in Quebec.