Policy Number	**RX501.063**
Policy Effective Date	**04/01/2024**
Policy End Date	**12/31/2025**

Compounded Drug Products

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Related Policies (if applicable)
SUR707.008: Implantable Infusion Pump for Pain and Spasticity
RX501.062 Progesterone Therapy as a Technique to Reduce Preterm Delivery in High-Risk Pregnancies

Disclaimer

Medical policies are a set of written guidelines that support current standards of practice. They are based on current peer-reviewed scientific literature. A requested therapy must be proven effective for the relevant diagnosis or procedure. For drug therapy, the proposed dose, frequency and duration of therapy must be consistent with recommendations in at least one authoritative source. This medical policy is supported by FDA-approved labeling and/or nationally recognized authoritative references to major drug compendia, peer reviewed scientific literature and acceptable standards of medical practice. These references include, but are not limited to: MCG care guidelines, DrugDex (IIa level of evidence or higher), NCCN Guidelines (IIb level of evidence or higher), NCCN Compendia (IIb level of evidence or higher), professional society guidelines, and CMS coverage policy.

Carefully check state regulations and/or the member contract.

Each benefit plan, summary plan description or contract defines which services are covered, which services are excluded, and which services are subject to dollar caps or other limitations, conditions or exclusions. Members and their providers have the responsibility for consulting the member's benefit plan, summary plan description or contract to determine if there are any exclusions or other benefit limitations applicable to this service or supply. **If there is a discrepancy between a Medical Policy and a member's benefit plan, summary plan description or contract, the benefit plan, summary plan description or contract will govern.**

Legislative Mandates

EXCEPTION: For HCSC members residing in the state of Ohio, § 3923.60 requires any group or individual policy (Small, Mid-Market, Large Groups, Municipalities/Counties/Schools, State Employees, Fully-Insured, PPO, HMO, POS, EPO) that covers prescription drugs to provide for the coverage of any drug approved by the U. S. Food and Drug Administration (FDA) when it is prescribed for a use recognized as safe and effective for the treatment of a given indication in one or more of the standard medical reference compendia adopted by the United States Department of Health and Human Services or in medical literature even if the FDA has not approved the drug for that indication. Medical literature support is only satisfied when safety and efficacy has been confirmed in two articles from major peer-reviewed professional medical journals that present data supporting the proposed off-label use or uses as generally safe and effective. Examples of accepted journals include, but are not limited to, Journal of

American Medical Association (JAMA), New England Journal of Medicine (NEJM), and Lancet. Accepted study designs may include, but are not limited to, randomized, double blind, placebo controlled clinical trials. Evidence limited to case studies or case series is not sufficient to meet the standard of this criterion. Coverage is never required where the FDA has recognized a use to be contraindicated and coverage is not required for non-formulary drugs.

Coverage

This medical policy has become inactive as of the end date above. There is no current active version and this policy is not to be used for current claims adjudication or business purposes.

NOTE 1:

- Refer to medical policy SUR707.008 Implantable Infusion Pump for Pain and Spasticity for the intrathecal use of compounded drugs.
- Refer to RX501.062 for use of vaginal progesterone therapy to reduce preterm delivery in high-risk pregnancies.

Compounded Medication Therapy

Compounded medication therapy, the process of mixing, combining or altering of ingredients to create a customized medication **may be considered medically necessary** when ALL the following criteria are met:

- Documented failure, contraindication per Food and Drug Administration (FDA) label, or intolerance to ALL FDA-approved commercially available pharmaceutical alternatives that require a prescription, and approved for the same route of administration; AND
- The compound must contain at least one FDA-approved prescription ingredient that is not otherwise excluded in the plan benefit language; AND
- Compounding drug products that are commercially available in the marketplace or that are essentially copies of commercially available FDA-approved drug products must be a distinguishable variation that is medically necessary for a particular patient; AND
- The compound does not contain ingredients that have been removed from the market for safety or efficacy reasons (refer to Table 1: FDA Exemption List); AND
- The compound contains only human, pharmaceutical grade ingredients; AND
- Components of the compound formula are safe and effective for the prescribed purpose as evidenced by EITHER of the following:
    - Support from results of at least 2 different controlled clinical studies published in peer-reviewed English language, biomedical journals or appropriate compendia, American Hospital Formulary Service (AHFS); or
    - The prescription ingredient's FDA-approved indication;
- When coverage is available and medically necessary, the dosage, frequency, duration of therapy, and site of care should be reasonable, clinically appropriate, and supported by evidence-based literature and adjusted based upon severity, alternative available treatments, and previous response to therapy.

Compounded Bioidentical Hormone Replacement Therapy

Compounded bioidentical hormone replacement therapy (BHRT) **is considered experimental, investigational and/or unproven.**

All Other Compounded Drugs
All other compounded drugs NOT meeting the medically necessary criteria above, as well as those listed in the FDA Exemption List (Table 1), **are considered experimental, investigational and/or unproven**.

FDA EXEMPTION LIST
Per Code of Federal Regulations Title 21, Volume 4, Section 216.24, the following drug products were withdrawn or removed from the market because such drug products or components of such drug products have been found to be unsafe or not effective.

The following drug products **may NOT be compounded** under the exemptions provided by section 503A(a) or section 503B(a) of the Federal Food, Drug, and Cosmetic Act. This is not an all-inclusive list, therefore, refer to <https://www.ecfr.gov> to review the current FDA exemption list.

Table 1: FDA Exemption List as of February 8, 2024 (1)

Compound Name	Comments
Adenosine phosphate	All drug products containing adenosine phosphate.
Adrenal cortex	All drug products containing adrenal cortex.
Alatrofloxacin mesylate	All drug products containing alatrofloxacin mesylate.
Aminopyrine	All drug products containing aminopyrine.
Astemizole	All drug products containing astemizole.
Azaribine	All drug products containing azaribine.
Benoxaprofen	All drug products containing benoxaprofen.
Bithionol	All drug products containing bithionol.
Bromfenac sodium	All drug products containing bromfenac sodium (except ophthalmic solutions).
Bromocriptine mesylate	All drug products containing bromocriptine mesylate for prevention of physiological lactation.
Butamben	All parenteral drug products containing butamben.
Camphorated oil	All drug products containing camphorated oil.
Carbetapentane citrate	All oral gel drug products containing carbetapentane citrate.
Casein, iodinated	All drug products containing iodinated casein.
Cerivastatin sodium	All drug products containing cerivastatin sodium.
Chloramphenicol	All oral drug products containing chloramphenicol.
Chlorhexidine gluconate	All tinctures of chlorhexidine gluconate formulated for use as a patient preoperative skin preparation.
Chlormadinone acetate	All drug products containing chlormadinone acetate.
Chloroform	All drug products containing chloroform.

Cisapride	All drug products containing cisapride.
Cobalt	All drug products containing cobalt salts (except radioactive forms of cobalt and its salts and cobalamin and its derivatives).
Dexfenfluramine hydrocholride	All drug products containing dexfenfluramine hydrochloride.
Diamthazole dihydrochloride	All drug products containing diamthazole dihydrochloride.
Dibromsalan	All drug products containing dibromsalan.
Diethylstilbestrol	All oral and parenteral drug products containing 25 milligrams or more of diethylstilbestrol per unit dose.
Dihydrostreptomycin sulfate	All drug products containing dihydrostreptomycin sulfate.
Dipyrone	All drug products containing dipyrone.
Encainide hydrochloride	All drug products containing encainide hydrochloride.
Esmolol hydrochloride	All parenteral dosage form drug products containing esmolol hydrochloride that supply 250 milligrams/milliliter of concentrated esmolol per 10-milliliter ampule.
Etretinate	All drug products containing etretinate.
Fenfluramine hydrochloride	All drug products containing fenfluramine hydrochloride.
Flosequinan	All drug products containing flosequinan.
Gatifloxacin	All drug products containing gatifloxacin (except ophthalmic solutions)
Gelatin	All intravenous drug products containing gelatin.
Glycerol, iodinated	All drug products containing iodinated glycerol.
Gonadotropin, chorionic	All drug products containing chorionic gonadotropins (of animal origin).
Grepafloxacin	All drug products containing grepafloxacin.
Mepazine	All drug products containing mepazine hydrochloride or mepazine acetate.
Metabromsalan	All drug products containing metabromsalan.
Methamphetamine hydrochloride	All parenteral drug products containing methamphetamine hydrochloride.
Methapyrilene	All drug products containing methapyrilene.
Methopholine	All drug products containing methopholine.
Methoxyflurane	All drug products containing methoxyflurane.
Mibefradil dihydrochloride	All drug products containing mibefradil dihydrochloride.
Nitrofurazone	All drug products containing nitrofurazone (except topical drug products formulated for dermatologic application).
Nomifensine maleate	All drug products containing nomifensine maleate.
Novobiocin sodium	All drug products containing novobiocin sodium.
Ondansetron hydrochloride	All intravenous drug products containing greater than a 16-milligram single dose of ondansetron hydrochloride.
Oxyphenisatin	All drug products containing oxyphenisatin.
Oxyphenisatin acetate	All drug products containing oxyphenisatin acetate.

Pemoline	All drug products containing pemoline.
Pergolide mesylate	All drug products containing pergolide mesylate.
Phenacetin	All drug products containing phenacetin.
Phenformin hydrochloride	All drug products containing phenformin hydrochloride.
Phenylpropanolamine	All drug products containing phenylpropanolamine.
Pipamazine	All drug products containing pipamazine.
Polyethylene glycol 3350, sodium chloride, sodium bicarbonate, potassium chloride, and bisacodyl	All drug products containing polyethylene glycol 3350, sodium chloride, sodium bicarbonate, and potassium chloride for oral solution, and 10 milligrams or more of bisacodyl delayed-release tablets.
Potassium arsenite	All drug products containing potassium arsenite.
Potassium chloride	All solid oral dosage form drug products containing potassium chloride that supply 100 milligrams or more of potassium per dosage unit (except for controlled-release dosage forms and those products formulated for preparation of solution prior to ingestion).
Povidone	All intravenous drug products containing povidone.
Propoxyphene	All drug products containing propoxyphene.
Rapacuronium bromide	All drug products containing rapacuronium bromide.
Reserpine	All oral dosage form drug products containing more than 1 milligram of reserpine.
Rofecoxib	All drug products containing rofecoxib.
Sibutramine hydrochloride	All drug products containing sibutramine hydrochloride.
Sparteine sulfate	All drug products containing sparteine sulfate.
Sulfadimethoxine	All drug products containing sulfadimethoxine.
Sulfathiazole	All drug products containing sulfathiazole (except those formulated for vaginal use).
Suprofen	All drug products containing suprofen (except ophthalmic solutions).
Sweet spirits of nitre	All drug products containing sweet spirits of nitre.
Tegaserod maleate	All drug products containing tegaserod maleate.
Temafloxacin hydrochloride	All drug products containing temafloxacin hydrochloride.
Terfenadrine	All drug products containing terfenadine.
3,3', 4', 5-tetrachlorosalicylanilide	All drug products containing 3,3', 4', 5-tetrachlorosalicylanilide.
Tetracycline	All liquid oral drug products formulated for pediatric use containing tetracycline in a concentration greater than 25 milligrams/milliliter.
Ticrynafen	All drug products containing ticrynafen.
Tribomsalan	All drug products containing tribromsalan.
Trichloroethane	All aerosol drug products intended for inhalation containing trichloroethane.
Troglitazone	All drug products containing troglitazone.

Trovafloxacin mesylate	All drug products containing trovafloxacin mesylate.
Urethane	All drug products containing urethane.
Valdecoxib	All drug products containing valdecoxib.
Vinyl chloride	All aerosol drug products containing vinyl chloride.
Zirconium	All aerosol drug products containing zirconium.
Zomepirac sodium	All drug products containing zomepirac sodium.

Policy Guidelines

Compounded medications are exempt by law from having National Drug Code (NDC) identification numbers.

Description

Compounding is a practice in which a licensed pharmacist (in a state licensed pharmacy or federal facility), a licensed physician or, in the case of an outsourcing facility, a person under the direct supervision of a licensed pharmacist, combines, mixes, or alters ingredients of a drug to create a customized medication for an individual in response to a licensed practitioners' prescription. (1-3) The process of compounding includes combining two or more drugs that are changed from the original United States (U.S.) Food and Drug Administration (FDA) dosage form. Compounded drugs are not approved by the FDA although they may be necessary in select situations in which an FDA-approved medication is not medically appropriate to treat an individual. (2)

Compounding does not generally include mixing or reconstituting commercial products in accordance with the manufacturer's instructions or the product's approved labeling. Pharmacy compounding is customized in a way that is not available from major drug manufacturers. The quality of a finished compounded drug product can be affected by numerous factors including the quality of the active pharmaceutical ingredient used and the compounding practices of the pharmacy in which the product is created. (3)

Compounded drugs can present risks to the patient since they are not evaluated by the FDA for safety, efficacy and quality. Compounded bioidentical hormone replacement therapy (BHRT) products (e.g., progesterone and testosterone) is one example in which compounded products have been used instead of the FDA-approved hormone replacement therapy. Since compounded products are not approved by the FDA, there is no assurance of the safety and efficacy of these products, including quality control during the manufacturing process. (4)

In response to the potential risks to individuals, the FDA created a compounding program to assist in protecting individuals from poor-quality compounded drugs, while preserving access to lawfully marketed compounded drugs for select individuals who have a medical need for compounded products. (4) The Pharmaceutical Compounding Quality and Accountability Act of 2013 establishes a clear boundary between traditional compounders and compounding

manufacturers which make sterile products without or in advance of a prescription and sell those products across state lines. This act grants certain exemptions to traditional compounders, and compounding manufacturers that meet certain requirements, while giving the FDA more regulatory power over compounding manufacturers. (5)

Regulatory Status
Compounded drugs, including but not limited to compounded BHRT, are not FDA-approved therefore the FDA does not verify the safety or effectiveness of these products. Federal law addresses compounding within an outsourcing facility in the 2013 Drug Quality and Security Act. Facilities that register with the FDA as an outsourcing facility under section 503B are inspected by the FDA and are subject to increased quality standards. (2, 4)

Compounded drugs serve an important medical need for select patients, however, they also present risks. On November 14, 2018, the FDA issued a safety communication to use caution with implanted pumps for intrathecal administration of medications for pain management. This safety report was published after the FDA reviewed medical device reports, premarket device applications, mandated FDA post approval studies, scientific literature, device labeling, and information from health care providers and device manufacturers. The document acknowledges that the FDA is aware that patients undergoing treatment or management of pain are commonly given pain medicines intrathecally that are not FDA approved for use with the implanted pump. The FDA alerted providers that using pain medicines not approved for intrathecal administration in implanted pumps may create serious risks to the patient including dosing errors, pump failures, and other safety concerns. The FDA wants to ensure that patients, healthcare providers and caregivers are aware of these risks to make informed treatment decisions. When considering a medicine for use in an implanted pump the FDA recommends, in part, awareness of medicines not FDA approved for intrathecal administration or intrathecal implanted pump use. Health care providers should review the implanted pump labeling to identify the specific medicines and dosage recommended for use with each specific pump. (6) In addition, the FDA maintains a comprehensive list of drug products that are withdrawn or removed from the market as the drug or components of such drug has been identified as unsafe and/or not effective. Refer to <https://www.ecfr.gov > to review the current “FDA Exemption List”. (1)

Rationale

This policy was originally created in May 2007 and has been updated with searches of the PubMed and the United States Food and Drug Administration (FDA) database. Most recently, the literature was searched through February 13, 2024. Following is a summary of the key literature to date.

While drug compounding is an important part of ensuring that medicines are available to meet individual patient care, the quality and extent of drug compounding problems that have occurred raises legitimate concern about the quality and safety of compounded drugs and the

oversight of pharmacies that compound them. The practices of compounding products that already exist in commercially available forms are likely to be harming consumers and violating the law. Compounding can result in increased potency of the active ingredient and possible contamination due to improper practices (2) Some states are taking steps to strengthen state oversight and national pharmacy organizations are developing standards that might help strengthen oversight, although individual states would need to adopt and enforce these standards. While increased oversight may ensure the quality and safety of compounded drugs, state-specific factors such as available resources for inspections and enforcement may impact the oversite. However, the effectiveness of these measures is unknown, and factors such as the availability of resources may also affect the extent of state oversight. (7)

In 1997, the FDA Modernization Act was enacted. This legislation focused on reforming the regulations related to food, medical products and cosmetics. This act created a special exemption to ensure continued availability of pharmacist prepared compound drug products to provide access to individualized therapies not available commercially. The law, however, seeks to prevent manufacturing under the guise of compounding by establishing specific parameters in which compounding is appropriate and lawful. (8)

Since 1990, the FDA has become aware of quality issues associated with compounded products, many of which resulted in product recalls. In 2001, the FDA Division of Prescription Drug Compliance and Surveillance conducted a limited survey of drugs compounded by a group of community pharmacies located throughout the U.S. The goal of the survey was to gather information on the quality, purity, and potency of compounded drug products. The compounded products surveyed were selected from a cross-section of commonly compounded dosage forms based on the FDA's assessment of the potential health risks resulting from improper compounding. The survey was conducted from June to December 2001. Samples of the products to be analyzed were collected from 12 compounding pharmacies that allowed specific compound products to be ordered over the internet. Ten (34%) of the 29 sampled products failed one or more standard quality tests. Nine of the ten products with failing analytical results failed assay or potency testing. All the sampled products that failed potency analyses had sub-potent results, indicating that the products contained a reduced amount of the active ingredient(s). The average percent of declared potency for these products was calculated from the original and repeat analyses performed for each sample, with a range of 59 to 89 percent of the expected potency. In addition to the potency failures, two other analytical test failures were noted during the survey (i.e., a failed Limulus amebocyte lysate (LAL) test for an injectable product and a content uniformity failure for an oral product that also failed potency testing). None of the compounded products analyzed in this survey failed identity testing. In addition, none of the compounded products sampled and subjected to sterility testing (sterile injectables, pellet implants and ophthalmic products) or testing for microbial limits (the single inhalation product) failed the analytical tests. (3)

Each year, the FDA routinely samples drug products made by commercial manufacturers and analyzes these samples in FDA laboratories. More than 3,000 drug products from commercial manufacturers have been sampled and analyzed by the FDA since fiscal year 1996. The

analytical testing failure rate for commercially produced samples has been less than 2 percent. When compared to this failure rate, the percentage of sampled compounded products failing analytical testing in this survey (34%) was higher than expected. In addition, this survey had several limitations including a small sample size, the inability to collect and complete original and repeat analysis on all product samples originally identified and the fact that the compounding pharmacies were limited to those permitting internet purchase of the drug products chosen for sampling. Despite these limitations, this survey provided valuable, preliminary information on the quality of selected compounded drug products currently marketed. (3)

In addition to the FDA survey, several studies, have reported quality problems with various pharmacy-compounded drugs, including sub-potency, super-potency, and contamination. (9-11) To explore these quality issues, the FDA conducted an additional survey of compounded drug products in 2006. The FDA collected both active pharmaceutical ingredient (API) and finished compounded drug product samples during unannounced visits to compounding pharmacies located throughout the country. Among 198 samples evaluated, 125 were active pharmaceutical ingredient (API) and 73 were compounded (non-FDA-approved) finished drug products. All 125 API samples passed analysis. Of the 73 compounded (non-FDA-approved) finished drug products, two-thirds (66%) either could not be tested or failed the analytical testing. Most of the products that failed analysis did so due to sub or super-potency, called assay, or a lack of uniformity of individual dosage units, called content uniformity. Potency ranged from 67.5% (one-third less potent than intended) to 268.4% (2.5 times more potent than intended) of the amount of drug declared on the product label. For content uniformity analysis of products containing multiple active components, both sub- and super-potent active components were found within the same product samples. Such variability can lead to uncertainty in dosing and raises concern for patient. The results of the survey suggest that problems with the quality of compounded drugs occur throughout the country supporting the notion that the observed failures of the finished drug products may be causally related to the compounding processes at pharmacies.

On November 27, 2013, the Drug Quality and Security Act (DQSA) was signed into law and amended the Federal Food, Drug, and Cosmetic Act (FFDCA) with respect to the regulation of compounding drugs. This law changes some provisions to the FDCA. This legislation contains important provisions relating to the oversight of compounding drugs. Section 503A describes the conditions under which certain compounded drug products are entitled to exemptions from 3 sections of the FDCA which requires compliance with good manufacturing practices (CGMP), labeling with adequate directions for use and FDA approval prior to marketing of product. In addition, this law allows a compounder to become an outsourcing facility (Section 503B). An outsourcing facility (OF) is a facility in one geographical location that is engaged in the compounding of sterile products and has voluntarily registered as a OF with the FDA and complies with the requirements of the law. An outsourcing facility will be able to qualify for exemptions from the FDA approval requirements and the requirement to label products with adequate directions for use but is not exempt from the CGMP requirements. Outsourcing facilities must comply with CGMP requirements and will be inspected by FDA according to a

risk-based schedule, and must meet certain other conditions, such as reporting adverse events and providing FDA with certain information about the products they compound. (12, 13) Additionally, the DQSA is periodically amended to include a list of bulk drug substances (active pharmaceutical ingredients) that can be used for compounding in accordance with the FDCA, although they are neither the subject of an applicable U.S. Pharmacopeia or National Formulary monograph nor components of FDA-approved drugs. (14)

The FDA acknowledges that compound drugs can serve an important role for select patients whose clinical needs cannot be met by an FDA-approved drug product, such as a patient who has an allergy and needs a medication to be made without a certain dye, or an elderly patient or a child who cannot swallow a tablet or capsule and needs a medicine in a liquid dosage form that is not otherwise available, or for appropriate pediatric or weight-based dosing but recognize they do not have the same safety, quality, and efficacy assurances as FDA approved drugs. Unnecessary use of compounded drugs exposes patients to potentially serious health risks. In addition, poor compounding practices can result in serious drug quality problems, such as contamination or a drug that contains too much or too little active ingredient potentially causing serious health risks to patients. (15, 16)

Compounding is intended to address the needs of individual patients; therefore, compounded drugs should only be produced on a patient-by-patient basis. If there is an FDA-approved product that can be used, it should be used.

Professional Guidelines and Position Statements

Compounded Hormone Products

North American Menopause Society (NAMS): The 2017 Hormone Therapy Position Statement

In 2022, NAMS released a position statement on hormone therapy, including bioidentical hormone replacement therapy (BHRT). (17) Key points include:

- Compounded BHRT presents safety concerns such as minimal government regulation and monitoring, overdosing or underdosing, presence of impurities or lack of sterility, lack of scientific efficacy and safety data, and lack of a label outlining risks. (Level 1)
- Salivary hormone testing to determine dosing is unreliable. Serum hormone testing is rarely needed. (Level II/III)
- Shared decision-making is important, but patient preference alone should not be used to justify the use of compounded bioidentical hormone preparations, particularly when government-regulated bioidentical hormone preparations are available. (Level III)
- Situations in which compounded bioidentical hormones could be considered include allergies to ingredients in a government-approved formulation or dosages not available in government-approved products. (Level III)

NAMS recommendations are graded according to these categories:

- Level I: Based on good and consistent scientific evidence.
- Level II: Based on limited or inconsistent scientific evidence.
- Level III: Based primarily on consensus and expert opinion.

The Endocrine Society
The 2015 Endocrine Society recommends treatment with FDA approved products as there are no published studies that demonstrate: 1) that non-FDA-approved compounded bioidentical menopausal hormonal preparations are safer or more effective than the FDA-approved formulations that are the standard of care; 2) that they carry less risk than FDA-approved products; 3) that salivary testing is a reliable measure on which to safely and effectively base dosing; or 4) that they prevent or do not cause breast or uterine cancer. (18) In addition, there are safety concerns about custom-compounded bioidentical hormones due to the paucity of safety and efficacy data available in the literature as well as quality control concerns about purity, predictable blood and tissue levels, and batch-to-batch consistency.

The society recognizes the use of compounded BHT is increasing in popularity although they recommend against the use of these custom compound preparations due to the lack of safety, efficacy and quality control. (18, 19)

International Menopause Society (IMS)
The 2016 IMS guidelines state that the use of compounded BHRT is not recommended due to the lack of quality control and regulatory oversight, together with lack of evidence of safety and efficacy. The guidance states that individuals should be encouraged to consider using regulated hormone containing products since compounded BHRT offers no proven advantages over similar regulated products and lacks the protection to the patient offered by strict regulation and oversight. (20)

American College of Obstetricians and Gynecologists (ACOG) and the Practice Committee of the American Society for Reproductive Medicine (ASRM)
The 2023 ACOG and the Practice Committee of the ASRM make the following guidance related to compounded BHRT:

- There is a lack of high-quality data on the safety and efficacy of custom, compounded bioidentical hormone therapy for the management of menopausal symptoms. Compounded bioidentical menopausal hormone therapy should not be prescribed routinely when FDA-approved formulations exist.
- There is no FDA-approved testosterone formulation for the management of menopausal symptoms. Clinicians and patients should use a shared decision-making framework when considering the use of compounded testosterone for this indication. Based on the lack of safety data and inability to remove the pellet, ACOG recommends preparations other than pellet therapy for the delivery of testosterone.
- Clinicians should counsel patients that FDA-approved menopausal hormone therapies are recommended for the management of menopausal symptoms over compounded bioidentical menopausal hormone therapy preparations.
- If a patient requests the use of compounded bioidentical menopausal hormone therapy, clinicians should educate them on the lack of FDA approval of these preparations and their potential risks and benefits, including the risks specific to compounding.

- To understand the benefits and harms of compounded bioidentical menopausal hormone therapy, high-quality placebo-controlled randomized controlled trials with long-term follow-up comparing custom-compounded products with FDA-approved menopausal hormone therapy are needed. Long-term data are needed on adverse effects of testosterone, including cardiovascular disease and breast and endometrial cancers. Studies are needed on the comparative effectiveness of compounded testosterone products with FDA-approved medications, such as testosterone gel. Additionally, future research should focus on the safety and efficacy of testosterone pellet therapy. (21)

Coding

Procedure codes on Medical Policy documents are included **only** as a general reference tool for each policy. **They may not be all-inclusive.**

The presence or absence of procedure, service, supply, or device codes in a Medical Policy document has no relevance for determination of benefit coverage for members or reimbursement for providers. **Only the written coverage position in a Medical Policy should be used for such determinations.**

Benefit coverage determinations based on written Medical Policy coverage positions must include review of the member's benefit contract or Summary Plan Description (SPD) for defined coverage vs. non-coverage, benefit exclusions, and benefit limitations such as dollar or duration caps.

CPT Codes	11980
HCPCS Codes	G0333, J3490, J3590, J7599, J7604, J7607, J7609, J7610, J7615, J7622, J7624, J7627, J7628, J7629, J7632, J7634, J7635, J7636, J7637, J7638, J7640, J7641, J7642, J7643, J7645, J7647, J7650, J7657, J7660, J7667, J7670, J7676, J7680, J7681, J7683, J7684, J7685, J7699, J7799, J7999, J8499, J8999, J9999, Q0513, Q0514, S9430

*Current Procedural Terminology (CPT®) ©2023 American Medical Association: Chicago, IL.

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Centers for Medicare and Medicaid Services (CMS)

The information contained in this section is for informational purposes only. HCSC makes no representation as to the accuracy of this information. It is not to be used for claims adjudication for HCSC Plans.

The Centers for Medicare and Medicaid Services (CMS) does have a national Medicare coverage position. Coverage may be subject to local carrier discretion.

A national coverage position for Medicare may have been changed since this medical policy document was written. See Medicare's National Coverage at <http://www.cms.hhs.gov>.

Policy History/Revision

Date	Description of Change
12/31/2025	Document became inactive.
04/01/2024	Document updated with literature review. Minor editorial refinements in coverage (date/website) although no change to intent. No new references added; some updated.
05/01/2023	Reviewed. No changes.
11/15/2022	Document updated with literature review. The following changes were made in Coverage: 1) Updated policy titles in Note 1; and 2) Updated Table 1 (U.S. Food and Drug Administration exemption list) to include "All drug products containing temafloxacin hydrochloride". Added reference 9; others updated.
06/15/2021	Document updated with literature review. The following changes were made to Coverage: 1) Changed coverage for compounded medication therapy from experimental, investigational and/or unproven to medically necessary when criteria are met; 2) Added U.S. Food and Drug Administration exemption list. Added references 1, 5, 6, 8, 15-16, and 18; other updated, some removed.
03/15/2020	Document updated with literature review. Coverage unchanged. Added references 1-4, 6, 11. Some references removed.
11/01/2018	Reviewed. No changes.
11/01/2017	Document updated with literature review. Removed the following Exception language: "See RX501.062 for coverage criteria on Progesterone Therapy as a Technique to Reduce Preterm Delivery in High-Risk Pregnancies".
08/01/2016	Reviewed. No changes.

07/01/2015	Document updated with literature review. The following changes were made in Coverage: 1) Added "Compounded bioidentical hormone replacement therapy (BHRT) is considered experimental, investigational and/or unproven." 2) Added note to refer to policy RX501.076 Testosterone Replacement Therapies for the testosterone replacement treatment for men.
09/01/2014	Document updated with literature review. Coverage unchanged.
05/01/2012	Rationale revised, 2012 Hormone therapy position statement of the North American Menopause Society (NAMS), (Bioidentical Hormones) was added to policy.
01/01/2012	Document updated with literature review. Coverage unchanged.
09/15/2009	Revised/updated entire document, no change in coverage position. Compounded drugs are considered experimental, investigational and unproven.
09/15/2007	Codes Revised/Added/Deleted
05/15/2007	New Medical Document