

Policy Name:	OUTPATIENT MEDICATION PRIOR AUTHORIZATION PROGRAM
Policy #:	BRM-2025-04
Code/Rule Reference:	OAC 4123-6-21 - Payment for outpatient medication OAC 4123-6-21.1 - Payment for outpatient medication by self-insuring employer OAC 4123-6-21.2 - Pharmacy and therapeutics committee OAC 4123-6-21.3 - Outpatient medication formulary and Appendix to the Formulary List of Medications Covered by OAC 4123-6-21.4 - Coordinated services program OAC 4123-6-21.5 - Standard Dose Tapering Schedule and Appendix to Weaning List OAC 4123-6-21.6 - First Fill Program and Appendix to the First Fill Drug List OAC 4123-6-21.7 - Opioid Prescribing OAC 4123-6-21.8 - Discontinuation of medications
Effective Date:	04/15/2025
Origin:	Medical Policy
Supersedes:	All medical policies and procedures, directives, and memos regarding two physicians treating at the same time.
History:	Revised 04/15/2025; 10/1/2024; 4/1/21; 7/1/19
Review date:	10/01/2029

I. POLICY PURPOSE

The purpose of this policy is to ensure that BWC provides direction for the authorization and billing of outpatient medications.

II. APPLICABILITY

This policy applies to all actions relevant to the request, approval, and reimbursement of outpatient medications within the Ohio Workers' Compensation System.

III. DEFINITIONS

Compound prescription (sterile and non-sterile): A prescription that meets the following criteria: two (2) or more solid, semi-solid, or liquid ingredients, excluding saline, that are weighed or measured then prepared according to the prescriber's order and the pharmacist's art.

Prescriber: an individual who is authorized by law to prescribe medications in the course of the individual's professional practice

Off-label use: using an FDA approved drug for an unapproved use to treat a disease or medical condition.

IV. POLICY

A. Outpatient Medication Coverage:

1. BWC shall only reimburse for:
 - a. Medications for the treatment of an allowed injury or illness;
 - b. Medications prescribed by the treating provider or provider of record;
 - c. Medications listed in the outpatient medication formulary and first fill formulary rules or appendices.
2. The prescriber may verify the allowed conditions in a claim by visiting our website at www.bwc.ohio.gov or by calling 1-800-644-6292.

B. Pharmacy Benefits Manager (PBM)

1. BWC requires outpatient medication to be authorized and adjudicated through a PBM. The PBM:
 - a. Processes outpatient medication bills for state-fund, Black Lung and Marine Industry Fund claims;
 - b. Is a single source for accepting and adjudicating prescription drug bills;
 - c. Is separate from the Managed Care Organization (MCO).
2. The PBM's responsibilities are:
 - a. Performing on-line, point-of-service adjudication of outpatient medication bills with prescription information transmitted electronically between a pharmacy and PBM;
 - b. Enrolling pharmacy providers in a BWC-specific network;
 - c. Processing prescription bills based on the BWC closed formulary list of covered medications and restrictions;
 - d. Utilizing drug relatedness editing for prescribed medications; and
 - e. Performing desktop and on-site prescription audits of pharmacies.

C. Outpatient Medication Prior Authorization

1. BWC may require prior authorization for any reimbursable medication as defined in A1.
2. The prescriber must complete the [Request for Prior Authorization of Medication Form \(MEDCO-31\)](#) to request prior authorization.
3. BWC requires prior authorization for:
 - a. Medical Only claims beyond sixty (60) days from the date of injury;
 - b. All claims beyond two-hundred seventy (270) days of last paid prescription;
 - c. Prescriptions exceeding \$3,000; and
 - d. Medication related to approved surgery.
 - i. To request pain medication or other post-surgically related

medications subsequent to the MCO approval yet prior to the surgery date.

- ii. The surgery date must be included on the request for consideration.
 - iii. A medication request of this type would be limited to a thirty (30) day fill.
4. To access BWC's formulary covered drugs, restrictions and prior authorization visit our [website](#).

D. Generic & Brand Name Drugs

- 1. An injured worker shall be subject to out-of-pocket cost liability when:
 - a. An injured worker requests a brand name drug. or
 - b. A prescriber specifies a brand name drug designated by "dispense as written" on the prescription for a medication, and
 - c. Generic medications exist that are pharmaceutically and therapeutically equivalent.
 - d. In this circumstance, the injured worker shall be liable for the product cost difference between:
 - i. The established maximum allowable cost price of the generic drug product, and
 - ii. The AWP discounted rate of the dispensed brand name drug.
- 2. BWC may approve reimbursement of the dispensed brand name drug at the AWP discounted rate if:
 - a. The injured worker has a documented, systemic allergic reaction which is consistent with known symptoms or clinical findings of a medication allergy.
 - b. The injured worker has been prescribed, and has tried, another generic equivalent and the intended therapeutic benefit has not been achieved or an unacceptable adverse event has occurred.

E. Compounded Medication

- 1. Compounded medications must be billed with a National Drug Code (NDC) for each ingredient that is included in the compounded product.
- 2. All compounded medications require prior authorization.
- 3. All compounded medications must be obtained from a licensed pharmacy provider.
- 4. Compounded medication (as defined within this policy) used in pain pump refills must be prior authorized for reimbursement by BWC using the MEDCO 31.

F. Medication approved by the MCO, not requiring a MEDCO 31: Per OAC 4123-6-21 (F)

drugs which fall into one of the following categories may be approved and reimbursed by an MCO (with a C-9) as part of a comprehensive treatment plan submitted by the physician of record or treating provider/prescriber:

- 1. Drugs for the treatment of obesity;
- 2. Drugs for the treatment of fertility;
- 3. Non-compounded parenteral drugs not intended for self-administration, including but not limited to:

- a. Pain pump refills;
 - b. Home health infusions;
 - c. Infusions performed in the physician's office or outpatient clinic.
- 4. Drugs used to aid in smoking cessation;
- 5. Drugs dispensed to an injured worker while the injured worker is admitted to a hospital during an approved admission or during the course of an outpatient visit in a hospital, which can include:
 - a. Hospice care;
 - b. Skilled nursing facilities.

G. Billing

- 1. Existing Claims
 - a. A pharmacy provider is required to submit bills for outpatient medications at the point-of-service in all claims. To submit a bill at the point-of-service, the pharmacy must be in network and transmit the following billing information
 - i. BIN
 - ii. PCN
 - iii. Member ID
 - b. The PBM shall verify the information, process the bill and send the pharmacist an appropriate message based on the claim's status, allowed conditions and formulary coverage and restrictions.
 - c. The PBM shall pay pharmacy provider bills according to OAC 4123-6-21.
- 2. First Fill Program:
 - a. BWC has established a program to provide reimbursement for the first fill of prescription drugs for medical conditions identified in a pending workers' compensation claim.
 - b. The program is limited to the first fill list (Appendix to OAC 4123-6-21.6) of prescription drugs that occur prior to the date BWC issues an initial claim determination order.
 - c. Prescription reimbursement is limited to the following:
 - i. Quantity limits listed in the Appendix to OAC 4123-6-21.6, and no refills shall be approved;
 - ii. One (1) drug per therapeutic drug class listed in the appendix to OAC 4123- 6-21.3 with the exception of antivirals and antibiotics; and
 - iii. Extemporaneous compounded prescriptions are not eligible for reimbursement under the first fill program.
 - d. In cases of medical necessity supported by clinical documentation and evidence of need BWC may, with prior authorization, reimburse for the first fill of medications that are listed in the Appendix to OAC 4123-6-21.3, but are not listed in the Appendix to OAC 4123-6-21.6.
 - e. The prescriber or the prescriber's agent must write 'work- related injury' on and sign the prescription for the prescription to be eligible for the first fill program.
 - i. The pharmacist and pharmacy intern is permitted to write the phrase and

- sign telephone prescriptions.
- ii. BWC shall guarantee payment for reimbursement for prescription drugs to a pharmacy provider when the first fill program requirements are followed, regardless of final claim acceptance or denial.
- f. First fill prescriptions are reimbursed in the same manner as other prescriptions.
 - i. The pharmacy provider should follow the steps outlined in Section IV.F.1 of this policy for billing guidelines.
- 3. Durable Medical Equipment and Medication Approved by the MCO as described in IV.F. of this policy
 - a. The PBM does not reimburse for durable medical equipment, medical supplies purchased at a pharmacy, or medication approved by the MCO as described above.
 - b. Durable medical equipment, medical supplies and medication approved by the MCO are reimbursed pursuant to the BWC Professional Provider Fee Schedule [OAC 4123-6-08](#).
 - c. Durable medical equipment and medical supplies must be billed to the MCO on the CMS-1500 using the appropriate HCPCS codes.

H. Reimbursement Rates

1. Refer to [OAC 4123-6-21](#) for reimbursement rates and/or calculations for state-fund employers for the following:
 - a. Single source drug ingredient;
 - b. Multisource drug ingredient; and
 - c. Dispensing fees for non-sterile and sterile compounds and non-compounded prescriptions; and
 - d. The maximum reimbursement for any one (1) compounded prescription.
2. BWC does not distinguish between legend and over the counter medications when determining reimbursement. Over the counter drugs must be prescribed by a provider licensed to prescribe medications for the drug to be considered for reimbursement.

I. Supply Limits

1. Any claim may receive up to a ninety (90) day supply of medication.

J. Payment for outpatient medication by a self-insuring employer

1. The PBM program defined in this policy **does not apply to self-insured employers.**
2. Questions related to self-insured claims, including billing and reimbursement should be referred to the injured worker's employer.
3. Payment for outpatient medication by a self-insuring employer will be made pursuant to [OAC 4123-6-21.1](#).

K. Forms

1. The prescriber uses the MEDCO-31 form to request prior authorization for medications. Please fax completed forms to 1-866-213-6066.
2. The prescriber uses the *Formulary Medication Request Form* (MEDCO-35) to ask the Pharmacy & Therapeutics Committee to consider additions or deletions of a particular

drug to the formulary.

3. The injured worker uses the *Request for Injured Worker Outpatient Medication Reimbursement* (C-17) to obtain reimbursement for prescribed outpatient medication only.
 - a. This form is not used for medical supplies, durable medical equipment (e.g., crutches, walkers) and other non-drug items regardless of the prescribing provider.
 - b. The pharmacy provider is expected to submit bills electronically
 - c. The completed C-17 form shall be submitted to BWC with the medication labels, pricing information or a pharmacy printout with pricing information and the pharmacist's signature.

L. Contacts

1. The PBM is prepared to answer technical support inquiries from the pharmacy provider and inquiries from the injured worker regarding the status of a submitted C-17. To contact the PBM call 1-844-268-9789 and follow the prompts.
2. BWC Pharmacy Department: Providers, injured workers, employers and their representatives can inquire about the prior authorization program or other drug coverage related questions by calling 1-877-543-6446.
3. Questions and comments about pharmacy benefits should be sent to the BWC Pharmacy Department by email to Pharmacy.benefits@bwc.ohio.gov, by phone at 1-877-543-6446, or by mail to: Ohio Bureau of Workers' Compensation, Pharmacy Department, 30 W. Spring St. L-21, Columbus, OH 43215-2256.