The Department of Management Services Division of State Group Insurance is clarifying the State Employees’ HMO Plan administered by AvMed. Effective February 1, 2015, the clarifications below add to or replace the information in the Group Health Insurance Plan Booklet and Benefits Document as indicated.

Page 47  
Section VI – Limitations and Exclusions, insert alphabetically the following:

“Bulk powders, bulk chemicals, and proprietary bases used in compounded medications and over-the-counter products used in compounded medications.”

Page 59  
Section VIII – Prescription Drug Program, subsection Covered by the Prescription Drug Program, delete “3. Compounded Medications” and insert the following:

“3. Compounded medications when all of the following criteria are satisfied:
   a. All active ingredients are federal legend drugs;
   b. The compounded medication is not used in place of a commercially available federal legend drug in the same strength and formulation unless medically necessary;
   c. The compounded medication is specifically produced for use by a covered person to treat a covered condition;
   d. The compounded medication including all sterile compounded products is made in compliance with Chapter 465, Florida Statutes.

Additionally:
   a. Over-the-counter (OTC) products and bulk powders, bulk chemicals, and proprietary bases used in compounded medications are not covered; and,
   b. Reconstitution of oral powders is not considered compounding. The compounding pharmacist must bill the NDC of the product used in the quantity of final reconstituted volume.”

Page 60  
Section VIII – Prescription Drug Program, subsection Not Covered by the Prescription Drug Program, delete “5. Non-federal legend or over-the-counter drugs” and insert the following:

“5. Non-federal legend drugs, over-the-counter (OTC) products, and bulk powders, bulk chemicals, and proprietary bases used compounded medications;”