



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation - Office of General Counsel (MS-15)

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memo

To: Workers' Compensation System Participants

From: Emily McCoy, Associate General Counsel, Division of Workers' Compensation

Date: April 12, 2018

RE: Adopted Rule: Amend 28 TAC §§134.500, 134.530, and 134.540, regarding preauthorization for compounded drugs

On March 29, 2018, Commissioner of Workers' Compensation Ryan Brannan adopted amended 28 Texas Administrative Code §§134.500, regarding Definitions; 134.530, regarding Requirements for Use of the Closed Formulary for Claims Not Subject to Certified Networks; and 134.540, regarding Requirements for Use of the Closed Formulary for Claims Subject to Certified Networks. The adoption was filed with the Office of the Secretary of State on April 2, 2018. The adoption will be published in the April 13, 2018 issue of the *Texas Register* and may be viewed on the on the Secretary of State website at www.sos.state.tx.us/texreg/index.shtml. A courtesy copy of the adoption is available on the Texas Department of Insurance website at www.tdi.texas.gov/wc/rules/2018rules.html.

The adopted amendments to §134.500 will exclude from the closed formulary all prescription drugs created through compounding prescribed and dispensed on or after July 1, 2018. The adopted amendments to §§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. Prescriptions for compounded drugs not requiring preauthorization that are written before July 1, 2018, and refills for those prescriptions, will not be impacted by this rule change.