



STATE OF WEST VIRGINIA
Offices of the Insurance Commissioner

James A. Dodrill
Insurance Commissioner

NOTICE

REGARDING LICENSURE OF PHARMACY BENEFIT MANAGERS AND THE PHARMACY AUDIT INTEGRITY ACT

To: Insurers, Pharmacy Benefit Managers, Third-Party Administrators and Pharmacy Auditing Entities
From: West Virginia Offices of the Insurance Commissioner
Date: July 2, 2019

West Virginia Senate Bill 489, signed into law on March 1, 2019, amended the 2017 *Pharmacy Audit Integrity Act* to provide for the regulation and licensing of Pharmacy Benefit Managers (PBMs). The amendments provide that a PBM may not operate in West Virginia without first obtaining a license from the Insurance Commissioner, provided that a PBM currently registered in West Virginia may continue to do business in this state until the Insurance Commissioner has completed its rulemaking process and finalized the application process for licensure.

In order for the Insurance Commissioner to collect useful data regarding its new regulatory responsibilities and determine the amount of the application fee sufficient to fund the Insurance Commissioner's new duties in regard to these responsibilities, it is necessary that all PBMs currently operating in West Virginia, including those licensed as Third-Party Administrators or Insurers, and all interested entities anticipating becoming licensed PBMs, complete the pre-licensure form at www.wvinsurance.gov/PBMPre_license as soon as possible. The contact information you provide will be used to distribute additional information once the PBM licensure process has been finalized.

Also, please review W.Va. Code § 33-51-8, and the definition of "pharmacy benefits manager" and "pharmacy benefits management," should you have questions or concerns as to whether your entity will be subject to the new licensure requirements. While a properly licensed PBM, licensed insurer or other licensed entity may not be required to register separately as a pharmacy auditing entity, all entities providing pharmacy benefits management in West Virginia must be licensed as PBMs pursuant to the 2019 amendments to the *Pharmacy Audit Integrity Act*.

For further information you may contact:

OIC Company Examinations and Analysis Division
Phone (304) 558-6279 ext. 1119
OICPBM@wv.gov

James A. Dodrill,
Insurance Commissioner

