



STATE OF WEST VIRGINIA
Offices of the Insurance Commissioner
Company Analysis and Examinations Division

Pharmacy Benefit Manager (PBM) Licensure FAQ's

Updated 03/10/2021

Licensing and Application

Question: Is there a common renewal date for the PBM license?

Answer: The initial PBM license will expire on October 1, 2022 regardless of the effective date. The license will have a biennial renewal on October 1.

Question: How is the application fee calculated if the license is effective after October 1, 2020?

Answer: The amount due for your initial application is \$2,500 (the fee is non-refundable). Regardless of the effective date of the initial application the fee is \$2,500. The renewal fee is TBD.

Question: Do PBMs that only handle claims for Workers' Compensation need to be licensed in West Virginia?

Answer: Yes, the Workers' Compensation only PBMs do need to be licensed because they administer pharmacy benefits and that while workers' comp insurers are not traditional health insurers, the broad definition of health insurance policy in the Pharmacy Audit Integrity Act includes any policy or plan that provides prescription drug coverage.

Question: Do PBMs that only administer claims for self-funded employee benefit plans (ERISA) need to be licensed as a PBM in West Virginia?

Answer : No, but they do need to register and annually maintain their registration as a TPA (see [TPA Registration](#)). If the PBM administers claims for other entities in addition to ERISA plans, then the PBM must be licensed.

Audits and Examinations and Reporting

Question: How are the costs of an examination or audit covered?

Answer: W.Va. Code §33-2-9, gives the Commissioner the authority to assess the cost to the PBM.

Question: How often is a PBM Audit performed?

Answer: An audit can be called by the Insurance Commissioner anytime.

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Question: Network adequacy reporting requirement?

Answer: The PBM is responsible for updating changes in our portal within 30 days of a change to the network. Each PBM is assigned a unique link to the portal upon registering. If you need help with this change, please email OICPBM@wv.gov.

Question: How are PBM corporate changes reported?

Answer: All changes should be reported on the [Corporate Change Form](#).

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