

- 1 PUBLIC PROTECTION CABINET
- 2 Department of Insurance
- 3 Division of Health, Life, Managed Care
- 4 (Amendment)
- 5 806 KAR 9:360. Pharmacy Benefit Manager License.
- 6 RELATES TO: KRS 14A.4-010, KRS 304.1-050, KRS 304.2-290, KRS 304.2-310, KRS 304.9-
- 7 020, KRS 304.9-053, KRS 304.9-054, KRS 304.9-055, KRS 304.9-133, KRS 304.10-030, KRS
- 8 304.10-040, KRS 304.17A-005, KRS 304.17A-162, KRS 304.17A-163, KRS 304.17A-165,
- 9 [KRS 304.17A-440,] KRS 304.17A-535, KRS 304.17A-607, KRS 304.17A-617 to 304.17A-
- 10 633, KRS 304.99-020, 45 C.F.R. 156.122
- 11 STATUTORY AUTHORITY: KRS 304.2-110(1), KRS 304.9-053(2), KRS 304.9-054(3)[(6)],
- 12 KRS 304.9-054(4), KRS 304.9-055
- 13 NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-110(1) authorizes the
- 14 commissioner to promulgate reasonable administrative regulations necessary for or as an aid to
- the effectuation of the Kentucky Insurance Code as defined in KRS 304.1-010. KRS 304.9-
- 16 053(2) requires a pharmacy benefit manager seeking a license to apply to the commissioner in
- writing on a form provided by the department. KRS 304.9-054(3)[(6)] requires the department to
- promulgate administrative regulations to implement and enforce the provisions of KRS 304.9-
- 19 053, KRS 304.9-054, KRS 304.9-055, and 304.17A-162. KRS 304.9-054(4) permits the

- 1 department to impose a fee upon pharmacy benefit managers, in addition to a license fee, to
- 2 cover the costs of implementation and enforcement of KRS 205.647 and any provision of KRS
- 3 Chapter 304 applicable to pharmacy benefit managers, including but not limited to this section
- 4 and KRS 304.9-053, 304.9-055, and 304.17A-162. This administrative regulation establishes
- 5 requirements for the licensure of pharmacy benefit managers.
- 6 Section 1. Definitions.
- 7 (1) "Admitted insurer" is defined by KRS 304.10-030(1).
- 8 (2) "Commissioner" is defined by KRS 304.1-050(1).
- 9 (3) "Department" is defined by KRS 304.1-050(2).
- 10 (4) "Nonadmitted insurer" is defined by KRS 304.10-030(8).
- 11 (5) "Pharmacy benefit manager" is defined by KRS 304.9-020(15).
- 12 Section 2. Initial License and Renewal.
- 13 (1) An applicant for a pharmacy benefit manager license or renewal license from the
- commissioner shall submit the following to the department in the format as outlined in the
- instructions on the Pharmacy Benefit Manager License Application:
- 16 (a) Form PBM, The Pharmacy Benefit Manager License Application;
- 17 (b) The fee set forth in KRS 304.9-053(3) and the penalty fee, if applicable, set forth in KRS
- 18 304.9-053(4[5]);
- 19 (c) The following evidence of financial responsibility:
- 20 1. A certificate of insurance from either an admitted insurer or a nonadmitted insurer, in
- accordance with KRS 304.10-040, stating that the insurer has and will keep in effect on behalf
- of the pharmacy benefit manager a policy of insurance covering the legal liability of the
- 23 licensed pharmacy benefit manager's erroneous acts or failure to act in its capacity as a

- pharmacy benefit manager, and payable to the benefit of any aggrieved party in the sum of
- 2 not less than \$1,000,000; or
- 2. A cash surety bond issued by a corporate surety authorized to issue surety bonds in this
- 4 commonwealth, in the sum of \$1,000,000, which shall be subject to lawful levy of execution
- by any party to whom the licensee has been found to be legally liable;
- 6 (d) The name of at least one (1) responsible individual who shall be responsible for the
- 7 pharmacy benefit manager's compliance with KRS Chapter 304 and KAR Title 806 and who
- 8 is:
- Licensed as an administrator in Kentucky; and
- 2. Designated in accordance with KRS 304.9-133;
- 11 (e) If performing utilization review in accordance with KRS 304.17A-607, the pharmacy benefit
- manager's utilization review registration number;
- 13 (f) The following written policies and procedures to be used by the pharmacy benefit manager:
- 1. An appeals process for any pricing system used to determine the cost of a generic drug
- required by KRS 304.17A-162;
- 2. Exceptions policy required by 45 C.F.R. 156.122(c) and KRS 304.17A-535(4); and
- 3. Pharmacy and Therapeutics committee membership standards and duties required by 45
- 18 C.F.R. 156.122(a);
- 19 (g) Proof of a registered agent and office with the Kentucky Secretary of State in accordance
- 20 with KRS 14A.4-010;
- 21 (h) Provide a listing of all clients PBM provides services to including any non-ERISA self-
- 22 funded or governmental plans; and

- 1 (i) Provide a listing of any delegated or contracted companies that perform part of the PBM
- 2 services.
- 3 (2)
- 4 (a) Upon receipt of a complete application as required by subsection (1) of this section, the
- 5 commissioner shall review the application and:
- 6 1.
- 7 a. Approve the application; and
- 8 b. Issue the applicant the pharmacy benefit manager license;
- 9 2. Notify the applicant that additional information is needed in accordance with paragraph (b)
- of this subsection; or
- 3. Deny the application in accordance with paragraph (c) of this subsection.
- 12 (b)
- 1. If supplemental or additional information is necessary to complete the application, the
- applicant shall submit that information within thirty (30) days from the date of the notification
- from the commissioner.
- 2. If the missing or necessary information is not received within thirty (30) days from the date
- of the notification, the commissioner shall deny the application unless good cause is shown.
- To determine if the applicant has demonstrated good cause, the commissioner shall weigh the
- justification provided against any other issues, including if the applicant had submitted any
- 20 prior good cause excuses for the same request. Some examples of good cause include:
- 21 a. Personnel-related issues, including the individual responsible for responding was
- transferred, terminated, or became incapacitated due to illness;

- b. A need to obtain information that was not immediately available and had to be requested
- 2 from other sources;
- 3 c. A lack of sufficient resources to respond to large requests; and
- d. Information technology, operational, or equipment malfunctions causing unexpected
- 5 delays.
- 6 (c) If the commissioner determines that the applicant does not meet the requirements for
- 7 licensure, or if the application is denied pursuant to paragraph (b)2. of this subsection, the
- 8 commissioner shall:
- 9 1. Provide written notice to the applicant that the application has been denied; and
- 2. Advise the applicant that a request for a hearing may be filed in accordance with KRS 304.2-
- **11** 310.
- 12 (3)
- 13 (a) A[Except as provided in paragraph (b) of this subsection,a] pharmacy benefit manager
- 14 license shall:
- 15 1. Be renewed annually as required by subsection (4) of this section; or
- 2. Expire on March 31.
- 17 (b) An applicant for a pharmacy benefit manager license shall pay a registration fee of ten
- thousand dollars (\$10,000) and a license application fee of one thousand dollars (\$1,000) within
- 19 thirty (30) days of initial licensure and annually thereafter on or before March 31.[ If the license
- 20 was issued on or before January 1, 2017, the license shall expire on March 31, 2018, if not
- 21 renewed as required by subsection (4) of this section].
- 22 (4)
- 23 (a) A renewal application shall include the items required by subsection (1) of this section.

- 1 (b) If the renewal application is submitted after the renewal date of March 31 but between April
- 2 1 and May 31, the application required by subsection (1) of this section shall be accompanied
- by a penalty fee of \$500 in accordance with KRS 304.9-053(4[5]). A license approved by May
- 4 31 shall be considered continuously active.
- 5 Section 3. Notice of Changes. Within thirty (30) days of any change, a licensee shall notify the
- 6 commissioner of all changes among its members, directors, officers, and other individuals
- 7 designated or registered to the license, any changes to the listing of clients and delegated
- 8 contractors provided in the most recent application filed by the licensee, and any changes to its
- 9 written policies and procedures submitted pursuant to Section 2(1)(f) of this administrative
- 10 regulation.
- 11 Section 4. Incorporation by Reference.
- 12 (1) "Pharmacy Benefit Manager License Application", Form PBM, 10/2024[4], is incorporated by
- 13 reference.

18

- 14 (2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at
- the Kentucky Department of Insurance, Mayo-Underwood Building, 500 Mero Street, Frankfort,
- 16 Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m. This material is also available on
- the Web site at: http://insurance.ky.gov/ppc/CHAPTER.aspx.

# **READ AND APPROVED:**

Sharon P. Clark

Sharon P. Clark
Commissioner, Department of Insurance

11-14-2024

Date

Ray A. Perry

Secretary, Public Protection Cabinet

Date

### PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held at 9:00 AM on January 23, 2025, at 500 Mero Street, Frankfort, KY 40601. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. If held, this hearing will be open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 PM on January 31, 2025. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

Contact Person: Shaun T. Orme

Title: Executive Advisor

Address: 500 Mero Street, Frankfort, KY 40601

Phone: +1 (502) 782-1698 Fax: +1 (502) 564-1453 Email: shaun.orme@ky.gov REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

806 KAR 9:360

Contact Person: Shaun T. Orme

Phone: 502-782-1698

Email: shaun.orme@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes an

annual registration fee for pharmacy benefit managers, pursuant to 2024 Regular Session Senate Bill 188.

(b) The necessity of this administrative regulation: This administrative regulation is

necessary to provide the additional funds to support the new requirements of 2024 Regular Session

Senate Bill 188.

(c) How this administrative regulation conforms to the content of the authorizing statutes:

KRS 304.9-054(7) says that we can impose a fee, in addition to license fee, to cover the costs of

implementation of KRS 304.9-054. 2024 Regular Session Senate Bill 188 requires the regulation to

provide for additional programs and administrative review that will result in increased expense to

the Department, which may be offset by the licensees. This amendment provides the amount

required by the new registration fee.

(d) How this administrative regulation currently assists or will assist in the effective

administration of the statutes: This amendment provides the amount required by the new

registration fee.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This

amendment establishes an annual registration fee.

9

- (b) The necessity of the amendment to this administrative regulation: This amendment is required to offset the expenses resulting from the implementation of 2024 Regular Session Senate Bill 188.
- (c) How the amendment conforms to the content of the authorizing statutes: 2024 Regular Session Senate Bill 188 requires the regulation to provide for additional programs and administrative review that will result in increased expense to the Department, which may be offset by the licensees.
- (d) How the amendment will assist in the effective administration of the statutes: This amendment provides the amount required by the new registration fee.
- (3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Over 50 pharmacy benefit management entities will be impacted by this administrative regulation.
- (4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:
- (a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: The pharmacy benefit management entities will have to pay the annual registration fee upon issuance of a license and annually thereafter.
- (b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): This amendment will cost the pharmacy benefit management entities ten thousand dollars (\$10,000), annually.

- (c) As a result of compliance, what benefits will accrue to the entities identified in question (3): Pharmacy benefit management entities will be able to pay a uniform fee to share in the cost of the increased burden placed on the industry to protect consumers from unregulated practices.
- (5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:
  - (a) Initially: Approximately six hundred sixty thousand dollars (\$660,000).
  - (b) On a continuing basis: Approximately six hundred sixty thousand dollars (\$660,000).
- (6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: The Department of Insurance's operational budget and the new annual registration fee.
- (7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: The purpose of this amendment is to increase fees.
- (8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: Yes, this regulation establishes a ten thousand dollar (\$10,000) annual fee.
- (9) TIERING: Is tiering applied? (Explain why or why not) Tiering is not applied as the provisions of this administrative regulation apply to all entities equally.

#### FISCAL IMPACT STATEMENT

806 KAR 9:360

Contact Person: Shaun T. Orme

Phone: 502-782-1698

Email: shaun.orme@ky.gov

(1) Identify each state or federal statute or federal regulation that requires or authorizes the

action taken by the administrative regulation. KRS 304.2-110(1), 304.9-053(2), 304.9-054(6), and

KRS 304.9-055.

(2) Identify the promulgating agency and any other affected state units, parts, or divisions:

The Kentucky Department of Insurance as the implementer.

(a) Estimate the following for the first year:

Expenditures: -\$660,000

Revenues:

\$570,000

Cost Savings: None

(b) How will expenditures, revenues, or cost savings differ in subsequent years? No

difference.

(3) Identify affected local entities (for example: cities, counties, fire departments, school

districts): No local entities affected.

(a) Estimate the following for the first year:

Expenditures:

Revenues:

**Cost Savings:** 

(b) How will expenditures, revenues, or cost savings differ in subsequent years? No

difference.

(4) Identify additional regulated entities not listed in question (2) or (3): Pharmacy

Benefit Managers (PBMs) that apply for a PBM license or renew a PBM license.

12

(a) Estimate the following for the first year:

Expenditures: \$10,000 per PBM

Revenues: None Cost Savings: None

- (b) How will expenditures, revenues, or cost savings differ in subsequent years? No difference. Expenditures will be \$10,000 per year.
- (5) Provide a narrative to explain the:
  - (a) Fiscal Impact of this administrative regulation: This administrative regulation will increase fees paid by PBMs to obtain and renew a PBM license. An additional \$10,000 registration fee is required of PBMs, in addition to the current license fee of \$1,000. There are currently 57 licensed PBMs in Kentucky. This will result in an overall revenue increase for the Department of \$570,000.
  - (b) Methodology and resources used to determine the fiscal impact.

## (6) Explain:

- (a) Whether this administrative regulation will have an overall negative or adverse major economic impact to the entities identified in questions (2)-(4). (\$500,000 or more, in aggregate). Yes, this administrative regulation will have a major economic impact.
- (b) The Methodology and resources used to reach this conclusion.

Yes, this administrative regulation will have major impact in the aggregate for both the Department and PBMs. SB 188 was enacted during the 2024 legislative session. SB 188 significantly increased the Department's regulatory oversight of PBMs, including requiring the Department to conduct a study, at least every two years, to determine the average dispensing fee for pharmacies in Kentucky. To properly conduct the study, the Department will need to contract with a firm that has experience conducting similar studies. The estimated cost for performing this work, along with hiring additional staff, is \$660,000. This estimate is based on similar contract work performed for the Department by contract actuaries and the cost of adding the necessary additional staff. PBMs currently pay a \$1,000 application fee to obtain or renew a PBM license. The regulation proposes to impose an additional \$10,000 registration fee for each PBM that requests a PBM license or renews a PBM license. There are currently 57 licensed PBMs in Kentucky. Therefore, the overall cost imposed on the PBMs will be \$570,000.

### SUMMARY OF MATERIAL INCORPORATED BY REFERENCE 806 KAR 9:360

The "Pharmacy Benefit Manager License Application", Form PBM, 10/20241, is the four (4)-page application form that pharmacy benefit managers are required to file for initial licensure and annually thereafter and is incorporated by reference. KRS 304.9-053 requires pharmacy benefit managers to apply on a form provided by the department.

#### SUMMARY OF CHANGES TO MATERIAL INCORPORATED BY REFERENCE

The "Pharmacy Benefit Manager License Application", Form PBM, 10/20241, is the four (4)-page application form that pharmacy benefit managers are required to file for initial licensure and annually thereafter. The date of the form was updated in the header of all 4 pages in the upper left-hand corner. Item number 14 near the bottom of page 3 was updated to include the new licensing fee total of eleven thousand dollars (\$11,000). On the bottom of page 3, the language was clarified to make it clear that mailed applications must include the check and that checks should never be sent without accompanying paperwork.

### Form PBM (09/2024)

Check appropriate box for license requested:

Resident License
Non-Resident License Identify Home State:

Identify Home State License	#:
(if applicable)	



# **COMMONWEALTH OF KENTUCKY DEPARTMENT OF INSURANCE**

P. O. Box 517

Frankfort, Kentucky 40602-0517 email: DOI.LicensingMaii@ky.gov https://insruance.ky.gov Ph. 502-564-6004 Fax 502-564-6030 (PLEASE PRINT OR TYPE)

For Office Use	Only
Amt. Rec'd	
Date Rec'd	
Tracking No	
Cashier:	

# PHARMACY RENEET MANAGER LICENSE ADDITION

☐ New License Application	IACT BENEFIT	WIANAGER LIGI		Renewal	Application
Section 1 - Demographic Informati	on			as Sulfissed	
Entity Name		Incorporation/Formation Da	ite (MM/DD/YY)	FEIN	THE STATE OF THE S
If assigned, National Producer Number (NPN)		State of Domicile	· · · · · · · · · · · · · · · · · · ·	UR Regis	tration #:
List any other assumed, fictitious, alias or trade name	es under which you are doing t	usiness or intend to do busine	ess.		
Address of Home Office		City	S	tate ZIP	Code
Business Address (Physical Street)	····	City	s	tate ZIP	Code
Phone Number (include extension)	Fax Number	Business E-Mai	I Address	Bus	iness Website Address
Mailing Address	P.O. Box	City	s	tate ZIP	Code
Listing of entities/individuals for which the PBM provi	des services (within Kentucky	only):			
Applicant Background Information		Market at Previouse	31 - 20 0 15 mail 6 11.	02 8	
Attach a full explanation and/or the request or any omissions may result in the denial o	ed information for question f this application.	ons below as an attachm	ent to this application. Failure to	provide the r	equired attachments
Has the applicant been refused a regis Pharmacy Benefit Manager, Pharmacy Administrator, Third Party Provider, of denied, suspended, revoked or non-re- details separately.)	y Benefit Management etc., or has any registra	t Plan, Pharmacy Ben ation, license or certif	efits Processor, Third Party ication to act as such been	Y	ES NO
Has the applicant ever been found lial illegal or dishonest activities in conne (Attach specific details separately.)				s?	ES NO
Has the applicant had a business relati illegal or dishonest activities in conne (Attach specific details separately.)				?   l	ES NO
Has the applicant, parent company or Benefit Manager experienced any data pertinent information concerning any immediately to the Kentucky Departm	security breaches or land the data security breach.	HIPAA security bread	ches? (If YES please attach a	<i>ill</i>   L	ES NO
Does the applicant own, operate or affi delivers in any manner, controlled sub				ا ا	ES NO

ame				
			State	ZIP Code
one Nu	mber ( )	E-Mail Address	-	
ection	3 –Licensed Administrator Acting o	n Behalf of the Pharmacy	Benefit Manager	
Accordi	ng to KRS 304.9-133, a business entity shall have commissioner at all times. List primary licensed	e at least one licensed individual wit	h same line of authority and shall have at I or regulatory compliance on behalf of th	east one licensed individual designa e Pharmacy Benefit Manager:
	Email:			A .
Name_			Official Title	
Phone	Email: _		NPN or DOI ID#:	
Name_			Official Title	
Phone	Email:		NPN or DO! ID#:	
ction	4 – Individuals Responsible for the	Compliance and Conduct of	of Affairs for Pharmacy Benefit	t Manager
		ffairs of the Pharmacy Benefit Mar	iager.	
		ngng of the Fried mack beliefly was	lager.	
		·		
1.	Name	·	Official Title	
1.	Address		Official Title Professional Qualifications	
1.			Official Title Professional Qualifications	
	Address		Official Title Professional Qualifications	
	Address		Official Title Professional Qualifications Official Title Professional Qualifications	
2	AddressAddress		Official Title Professional Qualifications Official Title Professional Qualifications	
2	Address Name Name		Official Title Professional Qualifications Official Title Professional Qualifications Official Title Professional Qualifications	
3.	Address Name Address Address		Official Title	
3.	Address		Official Title	
3.	Address Name Address Address Name Address		Official Title	
3.	Address		Official TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional Qualifications	
2. 3. 4.	Address Name Address Name Address Name Address Name Address Name Address Name		Official TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial Title	
2. 3. 4. 5.	Address Name Address Name Address Name Address Name Address Name Address Address Address Address		Official TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional Qualifications	
2. 3. 4.	Address Name		Official TitleProfessional QualificationsOfficial Title	
2. 3. 4. 5.	Address Name Address Name Address Name Address Name Address Name Address Address Address Address		Official TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional QualificationsOfficial TitleProfessional Qualifications	

(Attach additional sheets if necessary)

#### Section 5 - Administration and Operation: The following documentation must be submitted with this application.

The documentation required to be submitted in this section should be submitted as a Portable Document Format (PDF) bookmarked document in accordance with the items listed below and submitted to the Department via email to DOI.PharmacyBenefitManager@ky.gov.

- 1. Attach a detailed description of the generic drug pricing dispute appeal process to be used by contracted pharmacies, pharmacy services and administration organizations or group purchasing organization, including the appeals policy and procedure, pursuant to KRS 304.17A-162 (1) (b).
- 2. Attach the policy and procedure used for making price updates warranted as a result of an appeal granted under KRS 304.17A-162, including PBM's means of providing notification to all other contracted pharmacies in the network.
- 3. Identify the national drug pricing compendia or sources used to obtain drug price data for every drug for which the PBM establishes a maximum allowable cost to determine the product reimbursement, pursuant to KRS 304.17A-162(3).
- 4. Identify the location of PBM's comprehensive list of every drug subject to generic drug pricing, per KRS 304.17A-162(4).
- 5. Attach the policy and procedure to be used for updating generic drug pricing every seven days and the PBM's ability to provide notification to all contracted pharmacies (KRS 304.17A-162 (6) and (7)).
- 6. Attach the policy and procedure that ensures that every drug subject to generic drug pricing meets requirements set forth in KRS 304.17A-162(8) through KRS 304.17A-162(13).
- 7. Attach the policy and procedure relating to the resolution of generic drug pricing complaints which are filed with the Kentucky Department of Insurance, including timeframes and sample appeal response letter. Provide a contact person's name, address, email, and telephone number for complaints.
- 8. Attach the *Exceptions Policy* that allows an enrollee, designee, or prescribing provider to gain access to clinically appropriate drugs not otherwise covered by the plan, and includes a standard and expedited procedure. (45 CFR 156.122 and KRS 304.17A-535).
- 9. Provide the policy that explains the process that gives the ability to access prescriptions from an in-network retail, unless special handling or another reason proves that the prescription cannot be provided by a retail pharmacy. (45 CFR 156.122).
- 10. Attach the policy explaining any Pharmacy and Therapeutics committee membership standards and duties, including how often the committee meets, structure, and the decision-making process. (45 CFR 156.122)
- 11. Provide a listing of any delegated/contracted companies that perform part of the PBM services.
- 12. Attach proof of financial responsibility in the amount of one million dollars (\$1,000,000).
- 13. Attach proof of a registered agent and office with the Kentucky Secretary of State in accordance with KRS 14A.4-010
- 14. Attach \$11,000 non-refundable fee (KRS 304.9-200(4)), made payable to the Kentucky State Treasurer, or paid electronically through Kentucky eServices account.

When the PBM application is emailed, pay fees through the eServices account. When the PBM application is mailed to DOI, make check payable to Kentucky State Treasurer, and include with the mailing. Checks should never be mailed without explanation, application, or documentation.

Form PBM (09/2024) Pharmacy Benefit Manager

#### Section 6 - Applicant's Certification and Attestation

On behalf of the Pharmacy Benefit Manager, applicant hereby certifies, under penalty of perjury, that:

- All of the information submitted in this application and attachments is true and complete and I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license or registration revocation and may subject me and the applicant to civil or criminal penalties.
- 2. The applicant grants permission to the Kentucky Department of Insurance or other appropriate party in the Commonwealth of Kentucky to verify any information supplied with any federal, state, or local government agency, current or former employer, or insurance company.
- 3. I authorize the Kentucky Department of Insurance to give any information they may have concerning me, as permitted by law, to any federal, state or municipal agency, or any other organization and I release the Kentucky Department of Insurance, and any person acting on their behalf, from any and all liability of whatever nature by reason of furnishing such information.
- 4. I acknowledge that I understand and shall comply with the insurance laws and regulations of Kentucky.
- 5. I hereby certify that I will furnish any additional information upon request.

Must be signed by an officer, director, or partner of the entity, or member or manager of a limited liability company who has authority to act on behalf of the entity:

Signature		Date	
Typed or Printed Name		Title	
Address line 1			
Address line 2			
City	State	ZIP	