

State Corporation Commission

2020 Fiscal Impact Statement

1. Bill Number: SB251

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Edwards

3. Committee: Passed Senate

4. Title: Pharmacy benefits managers; licensure and regulation.

5. Summary: Provides that, beginning October 1, 2020, no person is authorized to provide pharmacy benefits management services or otherwise act as a pharmacy benefits manager without first obtaining a license from the State Corporation Commission. Such licenses are to be renewed annually. The bill also outlines prohibited conduct by carriers and pharmacy benefit managers. The bill applies to all contracts delivered, renewed, reissued or extended on or after October 1, 2020. The State Corporation Commission shall establish a procedure to be in effect by August 1, 2020 for any pharmacy benefits manager to apply for licensure, prior to October 1, 2020, for a license to be issued on or after October 1, 2020.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: No fiscal impact on the State Corporation Commission

8. Fiscal Implications: None on the State Corporation Commission

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission
Bureau of Insurance

10. Technical Amendment Necessary: No

11. Other Comments: All the amendments suggested by the State Corporation Commission Bureau of Insurance were incorporated into the amendment in the nature of a substitute to Senate Bill 251. The Commission can administer the provisions of the bill with current staffing and resources.

Date: 2/4/20/V.Tompkins