COMMONWEALTH OF VIRGINIA

SCOTT A. WHITE
COMMISSIONER OF INSURANCE
STATE CORPORATION COMMISSION
BUREAU OF INSURANCE

P.O. BOX 1157 RICHMOND, VIRGINIA 23218

1300 E. MAIN STREET RICHMOND, VIRGINIA 23219

TELEPHONE: (804) 371-9741 www.scc.virginia.gov/boi

REVISED 6-27-2023

July 28, 2020

Administrative Letter 2020-04

To: Pharmacy Benefits Managers; All Carriers Licensed to Write Accident and Sickness Insurance in Virginia; All Health Services Plans and Health Maintenance Organizations Licensed in Virginia; and Life and Health Interested Parties

Re: Licensure Requirements, Rebate Reporting, and Certain Prohibited Conduct

During its 2020 Session, the Virginia General Assembly passed Acts of Assembly Chapters 219 and 1288 (House Bill 1290 and Senate Bill 251, respectively), related to the licensing of pharmacy benefits managers, rebate reporting, and certain prohibited conduct by carriers and pharmacy benefits managers. Please see §§ 38.2-3465 through 38.2-3470 of the Code of Virginia (Code). This legislation is effective October 1, 2020.

Under § 38.2-3466 of the Code, any person providing pharmacy benefits management services or otherwise acting as a pharmacy benefits manager in the Commonwealth on or after October 1, 2020, shall obtain a license from the Bureau of Insurance (Bureau), unless otherwise covered by a carrier's license. To obtain this initial license, a person must complete and submit an application via SIRCON and pay a \$250 nonrefundable fee. The Bureau will begin accepting applications immediately. Please allow up to 30 days for processing.

Licenses will be renewable annually for the period October 1 through September 30 in the year following initial issuance. To renew the license, a licensed pharmacy benefits manager must submit a renewal application via SIRCON and pay a \$100 nonrefundable renewal fee.

¹ If pharmacy benefits management is performed within and under the authority of the carrier's license, then no separate pharmacy benefits manager license is required.

The Bureau also encourages carriers and pharmacy benefits managers to be aware of the rebate reporting requirements in § 38.2-3468 B and the conduct prohibited under the new law in § 38.2-3467, related to advertisements, claims adjudication fees, reimbursements for services, network restrictions or adequacy determinations, retaliation for exercising rights and spread pricing.

Questions concerning this administrative letter should be addressed to:

For inquiries related to licensure, please email AgentLicensing@scc.virginia.gov or call (804) 371-9631.

For all other inquiries such as rebate reporting, please e-mail BureauofInsurance@scc.virginia.gov or call (804) 371-9741.

This administrative letter was revised on June 26, 2023, to amend the contact information for the person to whom questions about the administrative letter should be addressed, to remind PBMs of their obligations for rebate reporting, and offer an online application and renewal process.

Sincerely,

Scott A. White

Commissioner of Insurance

State Corporation Commission Bureau of Insurance PHARMACY BENEFIT MANAGER ("PBM") APPLICATION / RENEWAL

Address City State ZIP b. Address City State ZIP c. Nam Address City State ZIP d. Address City State ZIP	1.	This is: ☐ an Application.	□ a Re	newal.					
b) Street d) City e) State f) Zip Code or Country g) Phone Number Ext. ()	2.	Name of PBM			a)	FEIN of PBM or, i	f an indi	vidual, last 4 digits of the SS#	
b) Street d) City e) State f) Zip Code or Country g) Phone Number Ext. ()									
b) Street d) City e) State f) Zip Code or Country g) Phone Number (Busi	ness Address (P. O. Box is not an acceptab	le Busines	s Address)					
g) Phone Number				,	c)	Suite			
g) Phone Number (b) Ext. (c) Number (c) Business E-mail (c) Business E-mail (c) Suite	d)	City	e)	State			f)	Zin Code or Country	
Mailing Address) Street or P.O. Box k) Suite) City m) State n) Zip Code or Country 3. Name of person applying for or renewing the license of the PBM a) Title or Position Business Address c) Suite	۵,	ony .	,	Ciaio			.,	Lip double of obtaining	
Mailing Address j) Street or P.O. Box	g) (h)	Fax Number			i)	Business E-mail	
Street or P.O. Box K) Suite	Maili	,	()					
3. Name of person applying for or renewing the license of the PBM a) Title or Position Business Address b) Street c) Suite d) City e) State f) Zip Code or Country g) Phone Number h) Fax Number i) Business E-mail Address 4. PBM Structure: a.) Individual -OR- b.) Partnership or Other Unincorporated Association c.) Limited Liability Company d.) Corporation If other than an Individual application, provide the total number of partners, members, or stockholders who each directly or indirectly own, control, or hold the power to vote, 10% or more of the entity's ownership -AND/OR- hold proxies representing 10% or more of the voting securities: # S. Name and Addresses of each individual or entity with management or control over the pharmacy benefits manager: a. Name Address City State ZIP b. Address City State ZIP d. Address City State ZIP e. Name Address City State ZIP					k)	Suite			
3. Name of person applying for or renewing the license of the PBM a) Title or Position Business Address b) Street c) Suite d) City e) State f) Zip Code or Country g) Phone Number h) Fax Number i) Business E-mail Address 4. PBM Structure: a.) Individual -OR- b.) Partnership or Other Unincorporated Association c.) Limited Liability Company d.) Corporation If other than an Individual application, provide the fotal number of partners, members, or stockholders who each directly or indirectly own, control, or hold the power to vote, 10% or more of the entity's ownership -AND/OR- hold proxies representing 10% or more of the voting securities: # 5. Name and Addresses of each individual or entity with management or control over the pharmacy benefits manager: a. Name Address City State ZIP b. Address City State ZIP d. Address City State ZIP d. Address City State ZIP e. Name Address City State ZIP	1)	City	m)	State			n)	Zip Code or Country	
Business Address b) Street c) Suite d) City e) State f) Zip Code or Country g) Phone Number h) Fax Number i) Business E-mail Address () Ext. () 4. PBM Structure: a.) Individual -OR- b.) Partnership or Other Unincorporated Association c.) Limited Liability Company d.) Corporation If other than an Individual application, provide the *total number* of partners, members, or stockholders who each directly or indirectly own, control, or hold the power to vote, 10% or more of the entity's ownership -AND/OR- hold proxies representing 10% or more of the voting securities: # 5. Name and Addresses of each individual or entity with management or control over the pharmacy benefits manager: a. Name Address City State ZIP b. Address City State ZIP d. Address City State ZIP d. Address City State ZIP d. Address City State ZIP		•	,		a)	Title or Position		p	
b) Street c) Suite d) City e) State f) Zip Code or Country g) Phone Number () Ext. () Fax Number () Business E-mail Address 4. PBM Structure: a.) Individual -OR- b.) Partnership or Other Unincorporated Association c.) Limited Liability Company d.) Corporation If other than an Individual application, provide the fotal number of partners, members, or stockholders who each directly or indirectly own, control, or hold the power to vote, 10% or more of the entity's ownership -AND/OR- hold proxies representing 10% or more of the voting securities: # 5. Name and Addresses of each individual or entity with management or control over the pharmacy benefits manager: a	0.	Maine of person applying for or renewing	the neer	Se of the Lim	a)	Title of Fosition			
b) Street c) Suite d) City e) State f) Zip Code or Country g) Phone Number () Ext. () Fax Number () Business E-mail Address 4. PBM Structure: a.) Individual -OR- b.) Partnership or Other Unincorporated Association c.) Limited Liability Company d.) Corporation If other than an Individual application, provide the fotal number of partners, members, or stockholders who each directly or indirectly own, control, or hold the power to vote, 10% or more of the entity's ownership -AND/OR- hold proxies representing 10% or more of the voting securities: # 5. Name and Addresses of each individual or entity with management or control over the pharmacy benefits manager: a	Ruei	nase Addrase							
g) Phone Number () Ext. () Fax Number () Business E-mail Address 4. PBM Structure: a.) Individual -OR- b.) Partnership or Other Unincorporated Association c.) Limited Liability Company d.) Corporation If other than an Individual application, provide the total number of partners, members, or stockholders who each directly or indirectly own, control, or hold the power to vote, 10% or more of the entity's ownership -AND/OR- hold proxies representing 10% or more of the voting securities: # 5. Name and Addresses of each individual or entity with management or control over the pharmacy benefits manager: a					c)	Suite			
g) Phone Number () Ext. () Has Number () Business E-mail Address E-mail Address () Business E-mail Address E-mail Address () Business E-mail Address E-mail Add	1)	0.1		01.1				7: 0 1 0 1	
4. PBM Structure: a.) Individual -OR- b.) Partnership or Other Unincorporated Association c.) Limited Liability Company d.) Corporation If other than an Individual application, provide the total number of partners, members, or stockholders who each directly or indirectly own, control, or hold the power to vote, 10% or more of the entity's ownership -AND/OR- hold proxies representing 10% or more of the voting securities: #	a)	City	e)	State			T)	Zip Code or Country	
4. PBM Structure: a.) Individual -OR- b.) Partnership or Other Unincorporated Association c.) Limited Liability Company d.) Corporation If other than an Individual application, provide the total number of partners, members, or stockholders who each directly or indirectly own, control, or hold the power to vote, 10% or more of the entity's ownership -AND/OR- hold proxies representing 10% or more of the voting securities: # Shame and Addresses of each individual or entity with management or control over the pharmacy benefits manager: Address City State ZIP	g)		h)	Fax Number			i)	Business E-mail Address	
□ a.) Individual -OR- □ b.) Partnership or Other Unincorporated Association □ c.) Limited Liability Company □ d.) Corporation If other than an Individual application, provide the total number of partners, members, or stockholders who each directly or indirectly own, control, or hold the power to vote, 10% or more of the entity's ownership -AND/OR- hold proxies representing 10% or more of the voting securities: # 5. Name and Addresses of each individual or entity with management or control over the pharmacy benefits manager: a	() EXt.	()					
b.) Partnership or Other Unincorporated Association c.) Limited Liability Company d.) Corporation If other than an Individual application, provide the <u>fotal number</u> of partners, members, or stockholders who each directly or indirectly own, control, or hold the power to vote, 10% or more of the entity's ownership -AND/OR- hold proxies representing 10% or more of the voting securities: # Solution	4.	PBM Structure:							
If other than an Individual application, provide the total number of partners, members, or stockholders who each directly or indirectly own, control, or hold the power to vote, 10% or more of the entity's ownership -AND/OR- hold proxies representing 10% or more of the voting securities: # Solution State State		a.) Individual -OR-							
If other than an Individual application, provide the total number of partners, members, or stockholders who each directly or indirectly own, control, or hold the power to vote, 10% or more of the entity's ownership -AND/OR- hold proxies representing 10% or more of the voting securities: # Solution State State		b.) Partnership or Other Unincorporated A	ssociation	□ c.) Limited	d Liability (Company 🗆 d.)	Corpor	ation	
power to vote, 10% or more of the entity's ownership -AND/OR- hold proxies representing 10% or more of the voting securities: #	If oth	,		,	-		•		or hold the
Address City State ZIP b. Name N									or riola trie
Address City State ZIP b. Name N	#								
Address City State ZIP b. Nam Address City State ZIP c. Nam Address City State ZIP d. Nam Address City State ZIP e. Nam	π								
Address City State ZIP b. Nam Address City State ZIP c. Nam Address City State ZIP d. Nam Address City State ZIP e. Nam	5	Name and Addresses of each individual	or ontity w	uith management	or contro	l over the pharma	cy bone	fite manager:	
Address City State ZIP b. Name Address City State ZIP c. Name Name Address ZIP Name Name Name ZIP ZIP <t< td=""><td>J.</td><td>Name and Addresses of each mulvidual (</td><td>or entity w</td><td>ntii illallayelllelli</td><td>or contro</td><td>or over the phanile</td><td>icy belle</td><td>into manager.</td><td></td></t<>	J.	Name and Addresses of each mulvidual (or entity w	ntii illallayelllelli	or contro	or over the phanile	icy belle	into manager.	
b	a		Address			C	City	State	Name ZIP
Address City State ZIP c. Name Name Name ZIP Name Name Name Name ZIP Name Nam	h						,		
Address City State ZIP d. Name Name Name ZIP Name Na	υ		Address			C	City	State	
Address City State ZIP d.	C.								Name
Address City State ZIP e. Nam			Address			C	City	State	
e. Nam	d								Name
eNan Address City State ZIP			Address			C	City	State	ZIP
Audicos Oily State ZIP	e		Address				`itv	Ctoto	Name
Attach a separate sheet titled "Management or Control Overflow Sheet" if more than 5 names and addresses							•	Sidle	ΔIΓ

Form VA PBM (July 2020) Page 1 of 2

4.c above, each officer, ma 4.d above, each of its office	inager, or member; ers, directors, and stockholders with greater than 5% owl	nership interest:		
a				Nam
	Address	City	State	ZIP
b	Address	City	State	Nam ZIP
c		O.		Nan
	Address	City	State	ZIP
d	Address	City	State	Nan ZIP
e				
		Cit.	State	ZIP
Except where prohibited by statements of the license. Such a	Address Ownership Interest Overflow Sheet" if more than 5 names an ice: ate or federal law, by submitting an application for a license, to service of process on the applicant in any action or proceeding applicant of the clerk of the Commission as agent for service applicant may arise out of transactions with respect to subject	he applicant shall be deemed to g arising in the Commonwealth on the of process shall be irrevocable	have appointed the cle out of or in connection versions and the period with	rk of th vith the in whicl
Attach a separate sheet titled ' 7. Service of Process Not Except where prohibited by sta Commission as the agent for se exercise of the license. Such a a cause of action against the a Service of process on the clerk	Cownership Interest Overflow Sheet" if more than 5 names an ice: ate or federal law, by submitting an application for a license, the service of process on the applicant in any action or proceeding appointment of the clerk of the Commission as agent for service.	the applicant shall be deemed to g arising in the Commonwealth are of process shall be irrevocable s of pharmacy benefits manage at 8 of title 38.2-800.	have appointed the cle out of or in connection versions and the period with	rk of the
Attach a separate sheet titled ' 7. Service of Process Not Except where prohibited by sta Commission as the agent for sexercise of the license. Such a a cause of action against the a Service of process on the clerk 8. Felony Conviction and	Cownership Interest Overflow Sheet" if more than 5 names an ice: ate or federal law, by submitting an application for a license, to service of process on the applicant in any action or proceeding appointment of the clerk of the Commission as agent for service applicant may arise out of transactions with respect to subject to of the Commission shall conform to the provisions of Chapter	the applicant shall be deemed to garising in the Commonwealth are of process shall be irrevocable s of pharmacy benefits manage at 8 of title 38.2-800.	have appointed the cle out of or in connection v e during the period with ment in the Commonwe	rk of the
Attach a separate sheet titled ' 7. Service of Process Not Except where prohibited by sta Commission as the agent for sexercise of the license. Such a a cause of action against the a Service of process on the clerk By checking one of the boxes No officer with management	Cownership Interest Overflow Sheet" if more than 5 names an ice: ate or federal law, by submitting an application for a license, to service of process on the applicant in any action or proceeding applicant may arise out of transactions with respect to subject to of the Commission shall conform to the provisions of Chapter for Violations of State Law Requirements Applicable to Planta.	the applicant shall be deemed to grarising in the Commonwealth of the of process shall be irrevocable of pharmacy benefits manage of 8 of title 38.2-800.	have appointed the cle out of or in connection v e during the period with ment in the Commonwe	rk of the vith the in which ealth.
Attach a separate sheet titled ' 7. Service of Process Not Except where prohibited by sta Commission as the agent for s exercise of the license. Such a a cause of action against the a Service of process on the clerk 8. Felony Conviction and By checking one of the boxes No officer with management	Cownership Interest Overflow Sheet" if more than 5 names an ice: ate or federal law, by submitting an application for a license, the service of process on the applicant in any action or proceeding applicant may arise out of the Commission as agent for service of the Commission as agent for service of the Commission shall conform to the provisions of Chapter of the Commission shall conform to the provisions of Chapter or Violations of State Law Requirements Applicable to Place of the Commission shall conform to the provisions of Chapter or Violations of State Law Requirements Applicable to Place of the Commission of State Law Requ	the applicant shall be deemed to grarising in the Commonwealth of the of process shall be irrevocable of pharmacy benefits manage of 8 of title 38.2-800.	have appointed the cle out of or in connection v e during the period with ment in the Commonwe	rk of the vith the in which ealth.
Attach a separate sheet titled ' 7. Service of Process Not Except where prohibited by sta Commission as the agent for sexercise of the license. Such a a cause of action against the a Service of process on the clerk 8. Felony Conviction and By checking one of the boxes No officer with managemerequirements of state law apple OR- The following officer(s) with requirements of state law apples	Cownership Interest Overflow Sheet" if more than 5 names an ice: ate or federal law, by submitting an application for a license, the service of process on the applicant in any action or proceeding applicant may arise out of the Commission as agent for service of the Commission as agent for service of the Commission shall conform to the provisions of Chapter of the Commission shall conform to the provisions of Chapter or Violations of State Law Requirements Applicable to Place of the Commission shall conform to the provisions of Chapter or Violations of State Law Requirements Applicable to Place of the Commission of State Law Requ	the applicant shall be deemed to garising in the Commonwealth on the of process shall be irrevocable sof pharmacy benefits manage at 8 of title 38.2-800. BM To the best of the signer's knowled prove has been convicted of a fellowing the signer of the signer of the signer's knowled by the sig	have appointed the cle but of or in connection of eduring the period with ment in the Commonwe dge: ony or has violated any victed of a felony or has Officer Conviction/Law	rk of the with the in which alth.

The fee for initial licensure is \$250. The fee for license renewal is \$100. All fees are non-refundable. Make check payable to Treasurer of Virginia. Submit applicable fees with your completed application to:

Overnight Address:

PBM Licensing Agent Licensing Bureau of Insurance 1300 E. Main Street Richmond, VA 23219

Mailing Address:

PBM Licensing Agent Licensing Bureau of Insurance P.O. Box 1157 Richmond, VA 23218

If you have any questions regarding this form, please e-mail AgentLicensing@scc.virginia.gov or call (804) 371-9741.

For additional information, please see Administrative Letter 2020-04 at https://scc.virginia.gov/typedfiles/Administrative-Letters.

Form VA PBM (July 2020) Page 2 of 2