



Issue Brief

PHARMACY BENEFIT MANAGERS: GENERAL INFORMATION, FEDERAL AND STATE REGULATION, AND SUMMARY OF WYOMING EXISTING AND PROPOSED LAWS

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By Donna Shippen, Research and Evaluation Deputy Administrator

INTRODUCTION

During the 2021 interim, at the request of over 20 Wyoming independent pharmacists, the Joint Labor, Health and Social Services Committee studied pharmacy benefit manager (PBM) regulation. The Committee heard extensive testimony from a variety of stakeholders and formed a task force to develop proposed legislation. The resulting Committee-sponsored bill, SF 36 - Pharmacy Benefit Managers Act Enhancements, was considered but not passed by the 2022 Legislature.

This issue brief provides a general overview of the role of PBMs in the prescription drug marketplace and federal and state regulation of PBM practices. The brief also provides a summary of current Wyoming statutes regulating PBMs, and how SF 36 proposed to amend those statutes.

PHARMACY BENEFIT MANAGERS: PRESCRIPTION DRUG MARKET INTERMEDIARIES¹

Pharmacy Benefit Managers (PBMs) are companies that manage prescription drug benefits on behalf of health insurers with the goal of reducing or containing prescription drug costs. PBMs act as intermediaries between the health insurer, drug manufacturers, and pharmacies by

¹ NCSL, *State Policy Options and PBMs*, March 17, 2021; Prime Therapeutics, *Can you follow the money?*, March 17, 2017; U.S. Supreme Court, *Rutledge v Pharmaceutical Care Management Association*, December 10, 2020; Wyoming Department of Health, *Prescription Drugs in Wyoming: Evaluating State policy options for lowering costs*, October 1, 2020; and Wyoming Department of Insurance, *Wyoming Insurance Topics* report to the Joint Corporations, Elections, and Political Subdivisions Committee, June 3, 2015.

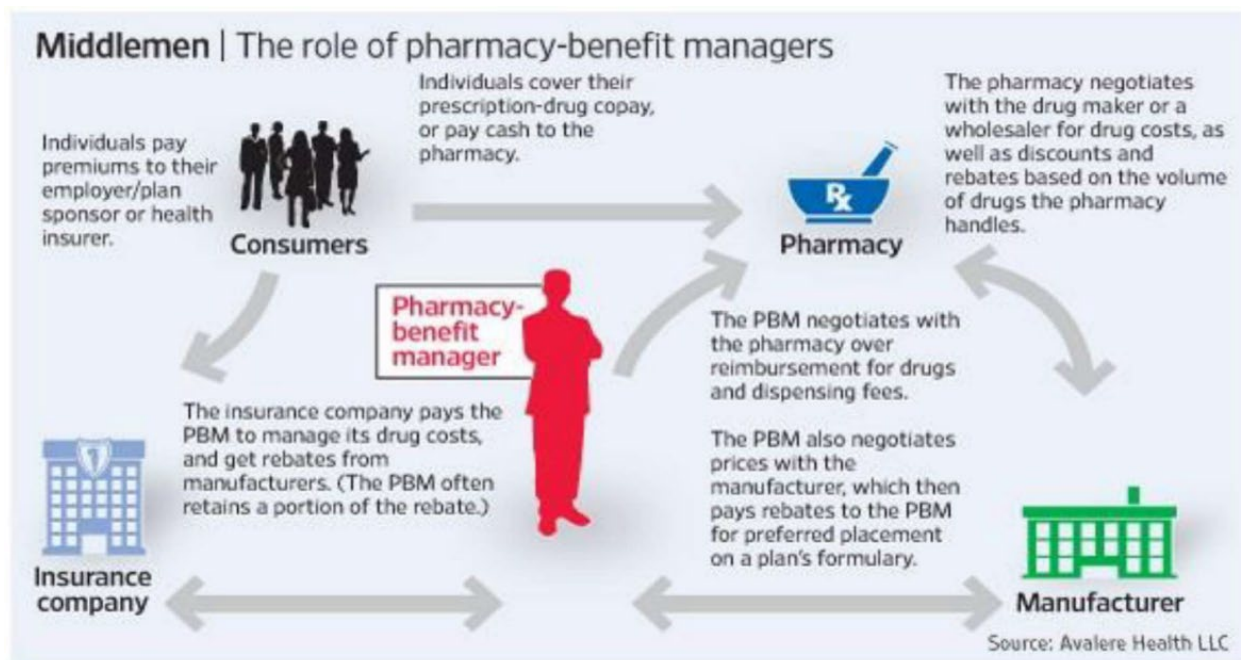
negotiating discounts, rebates, and reimbursements. PBMs reimburse pharmacies for the cost of drugs covered by insurer prescription drug plans. The health insurer, in turn, reimburses the PBM.

The amount that PBMs reimburse pharmacies is not necessarily based on the pharmacy acquisition cost, i.e. how much the pharmacy paid to purchase the drug from a manufacturer or wholesaler. Instead, PBMs reimburse contracted pharmacies according to PBM lists specifying the maximum allowable cost for each drug. PBMs typically negotiate reimbursements and develop unique maximum allowable cost lists for each pharmacy network they administer.

Contracts between PBMs and health insurers utilize either a “spread pricing” or “pass-through pricing” model. Under spread pricing, the reimbursement a PBM receives from a health insurer exceeds the PBM’s reimbursement to a pharmacy; the difference is the PBM’s profit. PBMs may also negotiate brand-name prescription drug rebates from manufacturers, but pass on only part of the rebate to the health insurer. Under a pass-through contract model, PBMs pass through the same discounts and dispensing fees charged by the pharmacy to the health insurer. Since no “spread” is collected, PBMs typically earn income under pass-through contracts by charging administrative fees.

See **Figure 1** for a diagram showing the role of PBMs in the pharmaceutical payment system.

Figure 1. The Role of PBMs



Source: Wyoming Department of Insurance, Wyoming Insurance Topics report to the Joint Corporations, Elections, and Political Subdivisions Committee, June 3, 2015.

REGULATION OF PBMs²

PBMs are largely regulated by states rather than the federal government. While no federal law or agency provides specific oversight of PBMs, the Affordable Care Act (ACA) includes transparency requirements for PBMs that manage prescription drug coverage for Medicare Part D prescription drug plans or healthcare exchange plans.³ PBMs that administer these plans are required to submit information for each contract year to the U.S. Department of Health and Human Services regarding prescriptions provided through retail versus mail order pharmacies; percentage of generic drugs dispensed; the aggregate amount and type of rebates, discounts or price concessions negotiated; the aggregate amount passed through to the plan sponsor; and the aggregate amount of the difference between the reimbursements received by the PBM from the plan sponsor and paid to retail and mail order pharmacies by the PBM.

All 50 states and the District of Columbia have enacted legislation regulating PBMs. State statutes address a variety of issues with PBMs, which can be categorized into twelve areas of regulation:

- Cost-disclosure/gag-clause
- Fiduciary responsibilities
- Maximum allowable cost (MAC) reimbursement lists
- Network adequacy
- Patient steering
- Pharmacy auditing standards/appeals process
- Pharmacy reimbursement/clawbacks
- Registration/licensure
- Regulatory agency/enforcement
- Reporting/transparency requirements
- Spread pricing
- Utilization management tools

A few states, such as Kentucky and Louisiana, regulate PBM practices in all twelve regulation areas. Other states, such as Nebraska and Massachusetts, regulate PBMs in only one or two areas. Most states fall somewhere in between. Wyoming's Pharmacy Benefit Managers Act, enacted in 2016 and amended in 2019, addresses four of the twelve regulatory areas listed above.⁴

See **Appendix A** for a description of the twelve categories of PBM legislation.

² NCSL, [State Policy Options and PBMs, March 17, 2021](#)

³ 42 U.S. Code 1320b-23 Pharmacy benefit managers transparency requirements

⁴ See W.S. 26-52-101 through 26-52-104.

WYOMING PHARMACY BENEFIT MANAGERS ACT⁵

The 2016 Legislature passed HB 35, Pharmacy Benefit Manager Regulation, sponsored by the Joint Corporations, Elections and Political Subdivisions Committee, enacting Wyoming's first statutes regulating PBMs. House Bill 35 was the product of a 2015 interim working group organized by the Department of Insurance at the request of the Committee. The working group included representatives of PBMs, pharmacies, the Wyoming Pharmacy Association, health insurers, and a Committee member.⁶

The original Act addressed three areas of PBM regulation: PBM licensure by the Department of Insurance, maximum allowable costs, and PBM pharmacy auditing. In 2019, the Legislature passed HB 63 amending the Act to add a fourth area of regulation regarding cost disclosures/gag clauses. A summary of how the Act addresses these four regulatory areas is provided below.

PBM Licensure by the Department of Insurance⁷

The Wyoming PBM Act requires PBMs operating in the State to be licensed by the Department of Insurance and the Department to establish PBM licensure requirements and procedures through rule. The Act specifies that PBM license requirements, "shall only provide for the adequate identification of licensees and the payment of the required licensing fees."

The Department requires PBMs to complete and submit a PBM license application and \$500 license fee. The license term is one year and must be renewed annually by payment of a \$500 renewal fee. Beginning July 1, 2022, PBMs applying for licensure must document their pharmacy audit and maximum allowable cost list appeal procedures under W.S. 26-52-103(1)(viii) and 26-52-104(e), respectively, on the license application.⁸

The Pharmacy Benefit Manager Act tasks the Department with licensure of PBMs only and does not provide specific enforcement mechanisms. The Insurance Commissioner, however, has broad enforcement powers and duties over the entire Insurance Code, of which the PBM Act is a part. With regard to PBM compliance with federal regulations, the Centers for Medicare and Medicaid Services (CMS) directly enforces the provisions of the ACA in coordination with the Department.

Thirty-six PBMs are currently licensed in Wyoming.⁹ See **Appendix B** for a list of current licensees.

Maximum Allowable Costs (MAC)¹⁰

The Wyoming PBM Act requires that before placing a drug on a maximum allowable cost list, a PBM must ensure the drug meets certain national rating requirements and is available for purchase by retail pharmacies in the State from national or regional wholesalers. In setting the maximum

⁵ W.S. 26-52-101 through 26-52-104.

⁶ [Appendix 11, Joint Corporations, Elections & Political Subdivisions Committee Minutes, September 8-9, 2015.](#)

⁷ W.S. 26-52-101 and [Department of Insurance PBM webpage](#), accessed May 2022.

⁸ [Department of Insurance, New Licensing & Renewal Application Requirements for PBMs, April 26, 2022.](#)

⁹ Information provided by the Department of Insurance, May 2022.

¹⁰ W.S. 26-52-104.

allowable cost for a drug, the Act requires a PBM or insurer to consider “only the price” of that drug and any therapeutically equivalent generic. The PBM must make available to each network provider pharmacy¹¹ the sources utilized to determine the maximum allowable cost and provide a process for network providers to readily access the maximum allowable cost list. The PBM is also required to update maximum allowable cost price information at least once every seven business days to reflect any modification of maximum allowable cost pricing.

The Act also requires PBMs to establish a process by which a contracted pharmacy can appeal the maximum allowable cost reimbursement for a drug. A contracted pharmacy has up to ten business days after dispensing the drug to submit an appeal to the PBM and the PBM must respond to the appeal within ten business days. If the PBM upholds the appeal, the PBM is required to make an adjustment to the drug’s maximum allowable cost within one day after the date of the determination and apply the adjustment to all similar situated network pharmacy providers. If the PBM denies the appeal, the PBM must provide to the appealing pharmacy the reason for the denial and the National Drug Code (NDC) number that indicates where the drug is available for purchase from national or regional wholesalers at a price at or below the maximum allowable cost.

Cost-Disclosure/Gag-Clause¹²

The 2019 Wyoming Legislature amended the Wyoming PBM Act to add statutory language prohibiting PBMs from preventing or penalizing a pharmacy or pharmacist for the disclosure of prescription drug cost information to customers or for offering customers a more affordable prescription drug alternative.

Pharmacy Auditing Standards and Appeals Process¹³

The Wyoming PBM Act establishes procedures and deadlines that PBMs must adhere to when conducting audits of contracted pharmacies. The Act limits pharmacy audits to a lookback period of not more than two years from the date an audited claim was adjudicated. PBMs are required to establish a process whereby pharmacies may appeal the audit findings. PBMs must deliver the preliminary audit report within 120 days after the conclusion of the audit, allow the pharmacy at least 30 days to provide documentation addressing any audit findings, and deliver the final audit report within 120 days of the preliminary audit report or submission of a final internal appeal. The Act specifies that recoupment of any overpayments to the pharmacy shall occur after final internal disposition of the audit, including the appeals process.

¹¹ W.S. 26-52-102 defines network providers as those pharmacies that provide covered health care services or supplies to an insured or a member pursuant to a contract with a network plan to act as a participating provider.

¹² W.S. 26-52-104(j).

¹³ W.S. 26-52-103.

2022 SF 36 PHARMACY BENEFIT MANAGERS ACT ENHANCEMENTS¹⁴

The 2022 Wyoming Legislature considered but did not pass SF 36, Pharmacy Benefit Managers Act Enhancements, sponsored by the Joint Labor, Health and Social Services Committee.¹⁵ The bill proposed to enhance the Wyoming Pharmacy Benefit Act by strengthening the Act's provisions regarding PBM licensure, maximum allowable costs, and pharmacy auditing and appeals, and by adding provisions that address five additional categories of PBM regulation: network adequacy, pharmacy reimbursements or clawbacks, regulatory agency enforcement, reporting/transparency requirements, and spread pricing.

A summary of SF 36 provisions addressing nine areas of PBM regulation is provided below.

PBM Licensure/Registration¹⁶

Senate File 36 proposed to amend Wyoming's PBM licensure requirements by requiring the State Insurance Commissioner to adopt rules as necessary to carry out the Act, including rules that establish licensing requirements.

Maximum Allowable Costs (MAC)¹⁷

Senate File 36 would have added statutory definitions of maximum allowable cost list and the prices and costs used to calculate maximum allowable costs. Senate File 36 also proposed to strengthen Wyoming's maximum allowable cost list regulations by requiring PBMs to reimburse a pharmacy for a drug:

- using the price that was in effect on the date the prescription was filled;
- not less than the amount the PBM reimburses a PBM affiliate for providing the same drug; and
- not less than the national average drug acquisition cost (NADAC) or the wholesale acquisition cost of the drug.

The bill also proposed to allow pharmacies to decline to provide a drug if the maximum allowable cost list reimbursement price is less than the pharmacy's acquisition cost.

Pharmacy Auditing Standards/Appeals Process¹⁸

Senate File 36 proposed to amend the PBM Act's pharmacy auditing requirements by shortening the audit lookback period from two years to six months and the audit delivery deadline from 120 days to 60 days for preliminary reports and 90 days for final reports. The bill also proposed to allow pharmacies additional time to withdraw and resubmit claims after receiving a preliminary audit report that identifies a discrepancy.

¹⁴ **2022 SF 36**

¹⁵ 2022 SF 36 passed the Senate but died in the House Corporations Committee.

¹⁶ 2022 SF 36 proposed amendment to W.S. 26-52-101(a).

¹⁷ 2022 SF 36 proposed W.S. 26-52-102(a)(viii), amendments to W.S. 26-52-104, and W.S. 26-52-107.

¹⁸ 2022 SF 36 proposed amendments to W.S. 26-52-103.

Network Adequacy¹⁹

Senate File 36 proposed to prohibit PBMs from imposing pharmacy accreditation standards or recertification requirements on a pharmacy as a condition for network participation that are inconsistent with or more stringent than applicable federal and State licensure requirements.

Pharmacy Reimbursement/Clawbacks²⁰

Senate File 36 proposed to prohibit PBMs from:

- retroactively denying or reducing a pharmacy drug reimbursement claim after the claim has been finally adjudicated unless the original claim was submitted fraudulently;
- charging pharmacies a fee for adjudication of drug reimbursement claims; or
- basing pharmacy reimbursement for a drug based on patient outcomes, scores or metrics.

Regulatory Agency Enforcement²¹

Senate File 36 proposed to repeal the current PBM Act limitation that Department of Insurance PBM rulemaking authority address identification of licensees and payment of licensing fees only, and expand the Insurance Commissioner's regulatory powers by requiring the Commissioner to adopt rules as necessary to carry out the PBM Act.

Reporting/Transparency Requirements²²

Senate File 36 would have added PBM reporting requirements by proposing that each PBM track, monitor, and report to the Insurance Commissioner each quarter regarding pharmacy appeals, outcomes, and cost adjustments.

Spread Pricing²³

Senate File 36 proposed to amend the Wyoming State Employees and Officials Group Insurance Act to require any contract with a PBM to be based on a pass-through pricing model and to prohibit spread pricing. Under the proposed pass-through pricing model, any payment made for a covered prescription drug to a PBM would have been limited to ingredient costs and a professional dispensing fee in an amount not less than the dispensing fee that would have been paid without the services of the PBM, and the payment would have been passed through in its entirety to the pharmacy that dispensed the drug. PBM administrative services fees would have been limited to "a reasonable fee that covers the cost of providing the administrative services."

¹⁹ 2022 SF 36 proposed W.S. 26-52-108.

²⁰ 2022 SF 36 proposed W.S. 26-52-106.

²¹ 2022 SF 36 proposed amendment to W.S. 26-52-101.

²² 2022 SF 36 proposed W.S. 26-52-105.

²³ 2022 SF 36 proposed W.S. 9-3-205(f).

Other²⁴

In addition to the PBM regulatory areas addressed above, SF 36 proposed to prohibit PBMs from amending existing contracts with pharmacies without adequate notice and agreement of the pharmacy unless the change is required by State or federal law. The bill also would have prohibited PBMs from retaliating against a pharmacy for the pharmacy's exercise of any right or remedy under the Act.

See **Appendix C** for a comparison of the existing Wyoming PBM Act and the changes and additions proposed by 2022 SF 36.

SF 36 Fiscal and Non-Administrative Impacts²⁵

Senate File 36, as amended, included a proposed appropriation of \$189,000 from fees collected from licensed insurers to the Department of Insurance to hire one full-time employee and one at-will contract employee. The bill also included an appropriation of \$250,000 from collected insurance fees to be expended on contractual service costs to hire experts to train employees to receive, investigate, and adjudicate complaints against PBMs and to review PBM reports as required by the proposed legislation.

The Senate File 36 fiscal note reported a non-administrative impact to the State Employee Group Insurance (EGI) program due to increased claims costs totaling \$7.4 million in FY 2023. These increased claims cost estimates were based on the following assumptions:

- Elimination of pharmaceutical manufacturer's coupon program as a result of removing mandatory specialty medication mail order services would increase EGI claim costs by approximately \$2.4 million in FY 2023.
- Moving to national average drug acquisition costs (NADC) was estimated to increase ingredient costs by a minimum of 5 percent. Based on actual claims from October 2020 to September 2021, this would increase costs by approximately \$2.4 million in FY 2023.
- Moving to a national average for pharmacist services would increase dispensing fee costs by approximately \$2.7 million in FY 2023.

Based on a calculated growth rate in claims of 6 percent per year, increased EGI claims costs were estimated to be \$7.84 million in FY 2024 and \$8.3 million in FY 2025.

If you have any further questions, please do not hesitate to contact LSO Research and Evaluation at 777-7881.

²⁴ 2022 SF 36 proposed W.S. 26-52-109.

²⁵ 2022 SF 36 fiscal note and non-administrative impacts.

APPENDIX A. CATEGORIES OF STATE PBM STATUTES

Category	Description
Cost-Disclosure/ Gag-Clause	Contracts between a pharmacy and a PBM are a common feature in the prescription drug distribution and sales chain. The terms of these arrangements are often proprietary and unknown to consumers and some purchasers, like employers. The terms can include a “gag clause,” which restricts pharmacists from informing consumers of lower cost options, such as if a consumer purchases a prescription out of pocket rather than using the drug benefit through their insurance plan. Over two-thirds of states have laws that address this issue.
Fiduciary responsibilities	A fiduciary is a person or entity who holds a legal or ethical responsibility to act in the best interests of their clients. A PBM’s clients typically are health plans whose primary stakeholders are plan enrollees. While some states impose fiduciary responsibilities on PBMs, others require PBMs to exercise good faith and fair dealing while performing their contractual duties. More than a quarter of states have this type of legislation in place.
Maximum Allowable Cost (MAC) or Reimbursement Lists	PBMs may choose to establish an upper limit or maximum amount they will reimburse a pharmacy for generic and multi-source drugs. PBMs develop MAC lists using a variety of data, resources and information, and these lists may consist of thousands of products. A state may choose to regulate the frequency MAC lists are updated, such as every 7 days. Another common approach is providing for an appeals process when a pharmacy disputes an amount it was reimbursed. Only a handful of states have not enacted legislation in this area.
Network Adequacy	A pharmacy network is a list of pharmacies or pharmacists that a health plan or PBM has contracted with to provide prescription drug services to their members. Pharmacy network adequacy is often defined as the distance between a patient’s residence and where services can be physically accessed. Existing state laws generally set adequacy and eligibility standards for network participation.
Patient Steering	Some PBMs require contracted health plan enrollees to visit affiliated pharmacies, or pharmacies in which they have an ownership interest including retail, mail-order or specialty. Four states—Georgia, Louisiana, Minnesota and Utah—have passed legislation specifically banning this practice.
Pharmacy Auditing Standards/ Appeals Process	Audits on pharmacies by PBMs to detect fraud, waste and abuse are routine; however, some states have implemented laws to ensure pharmacies are audited fairly and are given a process for appeal. Over two-thirds of states have enacted some form of a fair pharmacy audit bill which provides guidelines on when and how pharmacy audits are conducted by PBMs.

Pharmacy Reimbursement/ Clawbacks	<p>In addition to MAC laws, state laws may provide reimbursement standards for pharmacies with which the PBM contracts. For example, a state might prohibit a PBM from denying or reducing the amount they reimburse to a pharmacy or pharmacist for a claim.</p> <p>Clawbacks occur when a health plan enrollee’s copayment exceeds the total cost of the drug to their insurer, and the PBM “claws back” some, or all, of the overpayment from the pharmacy. Some states have chosen to prohibit these types of retroactive payments and at least 22 states have enacted some form of clawback legislation.</p>
Registration/ Licensure	<p>States may require PBMs to register or obtain licensure to conduct business, often through the state department of insurance or board of pharmacy. At least thirty states have this type of law.</p>
Regulatory Agency/ Enforcement	<p>Many of the same states that require PBM registration or licensure authorize a specific agency to promulgate rules and regulations. Maine has approached the issue uniquely by requiring insurers that contract with PBMs to monitor the PBM's activities.</p> <p>Most states that opt to give regulatory oversight of PBM business practices to a specific state agency also give that agency the authority to establish and assess fines, impose civil penalties, and suspend or revoke a license of a PBM that is found to be noncompliant.</p>
Reporting/ Transparency requirements	<p>Some states have implemented laws that require PBMs to disclose certain pricing and cost information such as data on rebates, payments and fees collected from drug manufacturers, insurers, and pharmacies.</p>
Spread pricing	<p>Health plans choose contracts with PBMs that commonly use either a spread pricing reimbursement model or pass-through pricing model. In a spread pricing model, the PBM keeps a portion of the amount, or spread, between what the health plan pays the PBM and the amount that the PBM reimburses the pharmacy for a beneficiary’s prescription. With a pass-through contract, the PBM passes through the amount charged by the pharmacy to the health insurer. Since no spread is collected, PBMs typically charge an administrative fee. More than a dozen states bar the use of spread pricing models in PBM and health plan contracts.</p>
Utilization management tools	<p>Utilization management tools are used by payers to manage the use and mix of drugs covered under the benefit. A provider might be required to gain prior authorization or approval for a specific treatment before it can be administered. Step therapy, also called “fail first,” is when a patient is required to try certain treatments or prescription drugs before switching to a more expensive or non-generic alternative. Non-medical switching occurs when a patient who is stable on one medicine is switched to another for reasons other than clinical purposes. More than half of states have laws that address utilization management policies.</p>

Source: LSO compiled information from [NCSL, State Policy Options and PBMs, March 17, 2021](#)

Appendix B. PBMs licensed in Wyoming as of May 2022

ENTITY ID	ENTITY TYPE	PRODUCER NAME	PREFERRED POSTAL ADDRESS	FIRM BUSINESS ADDRESS	MAILING EMAIL ADDRESS	BUSINESS EMAIL ADDRESS	MAILING PHONE	MAILING EXTENSION	BUSINESS PHONE	BUSINESS EXTENSION	NPN
15036891	Firm	ALLUMA LLC	290 E. JOHN CARPENTER FREEWAY IRVING, TX 75062	290 E. JOHN CARPENTER FREEWAY IRVING, TX 75062		licensing@allumaco.com	(972) 830-0000		(972) 830-0000		19292399
8225	Firm	AMWINS GROUP BENEFITS LLC	50 WHITECAP DR NORTH KINGSTOWN, RI 02852-7445	50 WHITECAP DR NORTH KINGSTOWN, RI 02852-7445	TIMOTHY.MCCARTHY@AMWINS.COM	timothy.mccarthy@amwins.com	(401) 734-4103		(401) 734-4103		1993001
15033022	Firm	BENECARD SERVICES, INC.	3131 PRINCETON PIKE SUITE 103 LAWRENCEVILLE, NJ 08648	3131 PRINCETON PIKE SUITE 103 LAWRENCEVILLE, NJ 08648	BARBARA.SUCHORSKY@BENECARD.COM	BARBARA.SUCHORSKY@BENECARD.COM			(609) 219-0400	5102	1989201
15029934	Firm	CAREMARK LLC	9501 E. SHEA BLVD. MC024 SCOTTSDALE, AZ 85260	9501 E SHEA BLVD # MC024 SCOTTSDALE, AZ 85260-6719	karen.llano@cvshhealth.com	KAREN.LLANO@CVSHEALTH.COM	(480) 314-8319		(480) 314-8319		2225554
15029945	Firm	CAREMARKPCS HEALTH LLC	9501 E SHEA BLVD # MC024 SCOTTSDALE, AZ 85260-6719	9501 E SHEA BLVD # MC024 SCOTTSDALE, AZ 85260-6719	karen.llano@cvscaremark.com	karen.llano@cvscaremark.com	(480) 314-8319		(480) 314-8319		6375548
15039093	Firm	CHANGE HEALTHCARE PHARMACY SOLUTIONS INC	45 COMMERCE DRIVE SUITE 5 AUGUSTA, ME 04330	3055 LEBANON PIKE SUITE 1000 NASHVILLE, TN 37214	JSEYMOUR@CHANGEHEALTHCARE.COM	JSEYMOUR@CHANGEHEALTHCARE.COM	(207) 622-7153		(207) 622-7153		18787102
15034639	Firm	COSTCO HEALTH SOLUTIONS INC	ATTN: LICENSING, P.O. BOX 35005 SEATTLE, WA 98124	999 LAKE DRIVE ISSAQUAH, WA 98027		hcimuchowski@costco.com	(425) 313-8100	8156	(425) 313-8100	8156	18364018
15030281	Firm	DST PHARMACY SOLUTIONS INC	210 W 10TH ST KANSAS CITY, MO 64105-1614	210 W 10TH ST KANSAS CITY, MO 64105-1614	CONTRACTS&COMPLIANCE@ARGUSHEALTH.COM	CONTRACTS&COMPLIANCE@ARGUSHEALTH.COM	(816) 435-5400		(816) 435-5400		7220459
15030141	Firm	ELIXIR RX SOLUTIONS LLC	511 FARBER LAKE DRIVE BUFFALO, NY 14221	511 FARBER LAKE DRIVE BUFFALO, NY 14221	MICHAEL.ONELI@PBDRX.COM	MICHAEL.ONELI@PBDRX.COM	(716) 635-3953		(716) 635-3953		18049708
15030517	Firm	EMPLOYEE HEALTH INSURANCE MANAGEMENT INC	1831 CHESTNUT ST. MAILDROP MOM905-B502 ST. LOUIS, MO 63103	220 VIRGINIA AVE INDIANAPOLIS, IN 46204-3709	INGENIOCONTRACTING@INGENIO-RX.COM	INGENIOCONTRACTING@INGENIO-RX.COM	(848) 244-3098		(848) 244-3098		18765355
15020762	Firm	EXPRESS SCRIPTS ADMINISTRATORS LLC	1 EXPRESS WAY MAIL STOP H02203 SAINT LOUIS, MO 63121-1824	100 PARSONS POND DR FRANKLIN LAKES, NJ 07417-2604	RMHILSABECK@EXPRESS-SCRIPTS.COM	cpfisher@express-scripts.com	(314) 684-6924		(800) 332-5455		8229376
15040891	Firm	FAIROSX LLC	1800 S WASHINGTON SUITE 100 AMARILLO, TX 79102	1800 S WASHINGTON SUITE 100 AMARILLO, TX 79102	contactus@fairosrx.com	contactus@fairosrx.com					19349970
15029402	Firm	FAIRVIEW PHARMACY SERVICES LLC	ATTN: COMPLIANCE AND LICENSING 711 KASOTA AVE SE MINNEAPOLIS, MN 55414	688 24TH AVE SE MINNEAPOLIS, MN 55414	dept-fps-licensing@fairview.org	dept-fps-licensing@fairview.org	(612) 672-6173		(612) 672-6500		16718225
15039033	Firm	HEALTHSMART RX SOLUTIONS INC	222 W. LAS COLINAS BLVD. STE. 500N IRVING, TX 75039	222 W. LAS COLINAS BLVD. STE. 500N IRVING, TX 75039	VIKI.WINIGER@HEALTHSMART.COM	VIKI.WINIGER@HEALTHSMART.COM	(214) 574-3961		(214) 574-3961		16470556
15041763	Firm	HGS HEALTHCARE, LLC	4933 LINCOLN AVENUE LISLE, IL 60532	4933 LINCOLN AVENUE LISLE, IL 60532	tpalicense.hgshc@teamhgs.com	tpalicense.hgshc@teamhgs.com	(630) 791-9130		(630) 791-9130		17770494
15020412	Firm	HUMANA PHARMACY SOLUTIONS, INC	321 WEST MAIN STREET LOUISVILLE, KY 40202	500 WEST MAIN STREET LOUISVILLE, KY 40202	COMPANY_LICENSE@HUMANA.COM	jweisenberger@humana.com	(502) 580-8260		(502) 580-3520		16246295
15034058	Firm	INDEPENDENT HEALTHS PHARMACY BENEFIT DIMENSIONS LLC	511 FARBER LAKE DRIVE BUFFALO, NY 14221	511 FARBER LAKE DRIVE BUFFALO, NY 14221	MICHAEL.ONELI@PBDRX.COM	MICHAEL.ONELI@PBDRX.COM	(716) 635-3953		(716) 635-3953		18049708
15034285	Firm	INGENIORX, INC.	1831 CHESTNUT ST. MAILDROP MOM905-B502 ST. LOUIS, MO 63103	220 VIRGINIA AVE INDIANAPOLIS, IN 46204-3709	INGENIOCONTRACTING@INGENIO-RX.COM	INGENIOCONTRACTING@INGENIO-RX.COM	(848) 244-3098		(848) 244-3098		18765355
15029601	Firm	MAGELLAN RX MANAGEMENT LLC	COMPLIANCE, STEPHANIE MCDONALD 8621 ROBERT FULTON DR COLUMBIA, MD 21046	15950 N 76TH STREET #200 SCOTTSDALE, AZ 85260		isds@magellanhealth.com			(800) 424-1796		17321658
15029683	Firm	MAXORPLUS LTD	320 S POLK ST STE 200 AMARILLO, TX 79101-1436	320 S POLK ST STE 200 AMARILLO, TX 79101-1436	licensing@maxor.com	licensing@maxor.com	(806) 324-5400		(806) 324-5400		15861558
15021588	Firm	MEDIMPACT HEALTHCARE SYSTEMS INC	10181 SCRIPPS GATEWAY COURT SAN DIEGO, CA 92131	10181 SCRIPPS GATEWAY CT SAN DIEGO, CA 92131-5152	LICENSING@MEDIMPACT.COM	LICENSING@MEDIMPACT.COM	(858) 566-2727		(858) 566-2727		2751743
15025255	Firm	NAVITUS HEALTH SOLUTIONS LLC	361 INTEGRITY DR MADISON, WI 53717	361 INTEGRITY DR MADISON, WI 53717	LEGAL@NAVITUS.COM	LEGAL@NAVITUS.COM	(608) 729-1646		(608) 729-1646		7910070
15021473	Firm	OPTUMRX INC	ATTN: LICENSING 2300 MAIN ST IRVINE, CA 92614-6223	2300 MAIN ST IRVINE, CA 92614-6223	REGAFFAIRSANDLICENSING@OPTUM.COM	REGAFFAIRSANDLICENSING@OPTUM.COM	(949) 988-5888		(800) 788-4863		1915797
15029975	Firm	PRIME THERAPEUTICS LLC	1305 CORPORATE CENTER DRIVE EAGAN, MN 55121	1305 CORPORATE CENTER DRIVE EAGAN, MN 55121		licensing@primetherapeutics.com			(612) 777-4000		9111884
15036983	Firm	PROCARE PHARMACY BENEFIT MANAGER INC	1267 PROFESSIONAL PARKWAY GAINESVILLE, GA 30507	2650 SW 145TH AVENUE MIRAMAR, FL 33027			(678) 248-3101		(678) 248-3101		16971716
15037465	Firm	REALRX	6770 S 900 E SUITE 202 MIDVALE, UT 84047	6770 S 900 E SUITE 202 MIDVALE, UT 84047	JMCANNING@COOPBENEFITSGROUP.COM	JMCANNING@COOPBENEFITSGROUP.COM	(801) 808-8611		(801) 808-8611		19560530
15043683	Firm	REALRX LLC	6770 SOUTH 900 EAST SUITE 202 MIDVALE, UT 84047	6770 SOUTH 900 EAST SUITE 202 MIDVALE, UT 84047	JMCANNING@COOPBENEFITSGROUP.COM	JMCANNING@COOPBENEFITSGROUP.COM	(801) 808-8611		(801) 808-8611		20338873
15029797	Firm	SCRIP WORLD LLC	300 CORPORATE PARKWAY AMHERST, NY 14226	10190 S CENTENNIAL PKWY STE 450 SANTY, UT 14226		cheryl.kelly@meritain.com	(716) 319-5067		(716) 319-5067		9005338
15041516	Firm	SCRIPT CARE LTD	6380 FOLSOM DRIVE BEAUMONT, TX 77706	6380 FOLSOM DRIVE BEAUMONT, TX 77706	MALLEN@SCRIPTCARE.COM	MALLEN@SCRIPTCARE.COM	(800) 880-9902	1122	(800) 880-9902	1122	19659521
15035344	Firm	SOUTHERN SCRIPTS LLC	411 BIENVILLE STREET NATCHITOCHES, LA 71457	411 BIENVILLE STREET NATCHITOCHES, LA 71457	LEGAL@SOUTHERNSCRIPTS.NET	LEGAL@SOUTHERNSCRIPTS.NET	(800) 710-9341		(800) 710-9341		17862483
14217	Firm	TOWERS ADMINISTRATORS LLC	99 HIGH STREET, FL 28 BOSTON, MA 02110	99 HIGH STREET, FL 28 BOSTON, MA 02110	JKERN@RXSENSE.COM	JKERN@RXSENSE.COM	(310) 435-5728		(310) 435-5728		1904568
15038036	Firm	TRHC TPA LLC	228 STRAWBRIDGE DR #100 MOORESTOWN, NJ 08057	2411 N HILLCREST PKWY STE 1A ALTOONA, WI 54720-2640		alysa@pattoncompliance.com	(888) 298-7770		(888) 298-7770		18904388
15036935	Firm	TRUE RX MANAGEMENT SERVICES INC	7 WILLIAMS BROS DRIVE WASHINGTON, IN 47501	4 WILLIAMS BROS DRIVE WASHINGTON, IN 47501	MICHAELC@TRUERX.COM	MICHAELC@TRUERX.COM	(866) 921-4047		(866) 921-4047	2000	17933961
15039742	Firm	VENTEGRA INC A CALIFORNIA BENEFIT CORPORATION	450 N BRAND BLVD. SUITE 4600 GLENDALE, CA 91203	450 N BRAND BLVD. SUITE 4600 GLENDALE, CA 91203	SOPHIA.ARCE@VENTEGRA.COM	SOPHIA.ARCE@VENTEGRA.COM	(858) 551-8111		(858) 551-8111		18559525
15034007	Firm	WELLDYNERX LLC	500 EAGLES LANDING DR LAKELAND, FL 33810	500 EAGLES LANDING DR LAKELAND, FL 33810	ADMINISTRATION@WELLDYNERX.COM	ADMINISTRATION@WELLDYNERX.COM			(888) 479-2000	6523	9575510
15036364	Firm	WITHME HEALTH LLC	400 SOUTH EL CAMINO REAL SUITE 1150 SAN MATEO, CA 94402	400 SOUTH EL CAMINO REAL SUITE 1150 SAN MATEO, CA 94402	COMPLIANCE@WITHMEHEALTH.COM	AMESZAROS@PHOENIXLAWGROUP.COM			(650) 399-0404		19237291

Source: Wyoming Department of Insurance

APPENDIX C. COMPARISON OF EXISTING WYOMING PBM ACT AND 2022 SF 36

Category of PBM regulation addressed by statute	Wyoming PBM Act (W.S. 26-52-101 through 26-52-104)	2022 SF 36 Pharmacy Benefit Managers Act Enhancements
Cost-disclosure/Gag-clause	PBMs prohibited from preventing or penalizing a pharmacy for disclosing drug cost information or offering customers a more affordable drug alternative. W.S. 26-52-104(j)	No proposed changes.
Licensure/Registration	PBMs required to be licensed by the state Department of Insurance. The Department shall establish requirements through rule for the adequate identification of licensees and the payment of required licensing fees only. W.S. 26-52-101	Proposed to amend the PBM Act to require the State Insurance Commissioner to adopt rules as necessary to carry out the Act, including rules that establish licensing requirements. Would have repealed the previous limitation that rules provide only for identification of licensees and payment of licensing fees. Proposed amendment to W.S. 26-52-101(a).
Maximum Allowable Costs (MAC)	PBM MAC List drugs must meet certain national rating requirements and be available for purchase by Wyoming pharmacies. PBM must consider “only the price” of that drug and any generic when establishing MAC. PBM must make sources utilized to determine MAC and MAC List accessible to network pharmacies. PBM must update MAC list each 7 days. Requires PBMs to establish MAC appeal process and follow certain timelines and procedures. W.S. 26-52-104.	<p>Proposed to amend the PBM Act to add a statutory definition of maximum allowable cost list and inclusive costs and prices. Proposed W.S. 26-52-102(a)(viii).</p> <p>Proposed to amend the PBM Act to require PBMs to reimburse a pharmacy for a drug (a) using the price that was in effect on the date the prescription was filled and (b) not less than the amount the PBM reimburses a PBM affiliate for providing the same drug. Also would have allowed pharmacies to decline to provide a drug if the MAC list reimbursement price is less than the pharmacy’s acquisition cost. Proposed amendment to W.S. 26-52-104.</p> <p>Proposed to amend the PBM Act to prohibit PBMs from reimbursing a pharmacy for a pharmacist service in an amount less than the national drug acquisition cost (NDAC) or, if the NDAC is not available, an amount less than the wholesale acquisition cost of the drug. Proposed W.S. 26-52-107.</p>

Category of PBM regulation addressed by statute	Wyoming PBM Act (W.S. 26-52-101 through 26-52-104)	2022 SF 36 Pharmacy Benefit Managers Act Enhancements
Pharmacy Auditing Standards/Appeals Process	Establishes standards for PBM audits of pharmacies, regulates what PBMs may consider in audit findings, and requires PBMs to establish an audit appeal process. Audit periods are limited to a lookback period of two years, and preliminary and final audit reports must be delivered to the pharmacy within 120 days. W.S. 26-52-103.	Proposed to amend the PBM Act to shorten the audit lookback period from two years to six months, and shorten the audit delivery deadline from 120 days to 60 days for preliminary reports and 90 days for final reports. Also would have allowed pharmacies additional time to withdraw and resubmit claims after receiving a preliminary audit report that identifies a discrepancy. Proposed amendment to W.S. 26-52-103.
Network Adequacy	N/A	Proposed to amend the PBM Act to prohibit PBMs from imposing pharmacy accreditation standards or recertification requirements on a pharmacy as a condition for network participation that are inconsistent with or more stringent than applicable federal and State licensure requirements. Proposed W.S. 26-52-108.
Pharmacy Reimbursement/ Clawbacks	N/A	Proposed to amend the PBM Act to prohibit PBMs from (a) retroactively denying or reducing a pharmacy drug reimbursement claim after the claim has been finally adjudicated unless the original claim was submitted fraudulently; (b) charging pharmacies a fee for adjudication of drug reimbursement claims; or (c) basing pharmacy reimbursement for a drug on patient outcomes, scores or metrics. Proposed W.S. 26-52-106.
Regulatory Agency Enforcement	N/A	Proposed to expand the Wyoming Insurance Commissioner's regulatory authority by requiring the Commissioner to adopt rules as necessary to carry out this chapter. Proposed amendment to W.S. 26-52-101(a).

Category of PBM regulation addressed by statute	Wyoming PBM Act (W.S. 26-52-101 through 26-52-104)	2022 SF 36 Pharmacy Benefit Managers Act Enhancements
Reporting/Transparency Requirements	N/A	Proposed to amend the PBM Act to add a requirement that each PBM track, monitor, and report to the State Insurance Commissioner each quarter the following information: (a) total number of appeals filed by contracted pharmacies and number of appeals that were denied or upheld by the PBM; (b) for each denied appeal, reasons for the denial and proof that the PBM complied with the requirements of W.S. 26-52-104; and (c) for each upheld appeal, total amount of any cost adjustment by the PBM and number of days taken to make the cost adjustment. Proposed W.S. 26-52-105.
Spread Pricing	N/A	Proposed to amend the Wyoming State Employees and Officials Group Insurance Act to require any contract with a PBM be based on a pass-through pricing model and to prohibit spread pricing. Under the pass-through pricing model, payment for a prescription drug would have been limited to ingredient costs and the pharmacy’s professional dispensing fee, and PBM administrative service fees would have been limited to a “reasonable fee” that covers the cost of providing the administrative service. Proposed W.S. 9-3-205(f).
Utilization Management Tools	N/A	N/A
Other	N/A	Proposed to amend the PBM Act to prohibit PBMs from (a) amending existing contracts with pharmacies without adequate notice and agreement of the pharmacy unless the change is required by State or federal law and documented to the pharmacy; and (b) retaliating against a pharmacy for the pharmacy’s exercise of any right or remedy under this chapter. Proposed W.S. 26-52-109.