

**BEFORE THE INSURANCE COMMISSIONER OF THE  
STATE OF OKLAHOMA**

**FILED**  
OCT 12 2015  
INSURANCE COMMISSIONER  
OKLAHOMA

**IN RE: ELECTRONIC FILINGS OF PHARMACY )  
BENEFIT MANAGERS IN THE )  
STATE OF OKLAHOMA )  
)  
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**Case No. 15-1152-PRJ**

**TO: ALL PHARMACY BENEFIT MANAGERS LICENSED IN THE  
STATE OF OKLAHOMA**

**JURISDICTION**

1. The Insurance Commissioner, John D. Doak, is charged with the duty of administering and enforcing the provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq., including the Pharmacy Benefit Plans Act, 59 O. S. §§ 357-360.

2. In order to provide pharmacy benefit management or any of the services included under the definition of pharmacy benefits management in this state, a pharmacy benefits manager or any entity acting as one in a contractual or employment relationship for a covered entity shall first obtain a license from the Oklahoma Insurance Department, and the Department may charge a fee for such licensure. 59 O.S. § 358(A).

3. Notwithstanding any other provision of law that requires a particular form and associated payment to be filed with the Insurance Department in paper form, or to be mailed or hand-delivered to the Insurance Department, the Insurance Commissioner may, by appropriate order, require that all filings of that specific type be filed or delivered in electronic format. 36 O.S. § 350.

## FINDINGS OF FACT

1. An application for a Pharmacy Benefits Manager (“PBM”) License shall be on a form provided by the Commissioner and shall include:

(1) The identity of the PBM and any company or organization controlling the operation of the PBM, including the name, business address, and contact person for the PBM and the controlling entity. For purposes of this subsection, "control" or "controlling" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of the PBM, whether through the ownership of voting securities, by contract or otherwise, unless the power is the result of an official position with or corporate office held by the person;

(2) The name and address of the corporate officers and directors, members and managers (if an LLC), or names of all partners (if a partnership) of the applicant PBM;

(3) A license fee in the amount of One Thousand Dollars (\$1,000.00);

(4) A "Certificate of Incorporation" or comparable organizational document from the domiciliary state of the PBM;

(5) In the case of a PBM domiciled without the State of Oklahoma, a certificate that the PBM is in good standing in the state of domicile or organization;

(6) A report of the details of any suspension, sanction, penalty or other disciplinary action relating to the PBM and its officers and directors;

(7) The name and address of the agent of record for services of process in Oklahoma;

(8) The number of total covered individuals or lives served under all of the PBM's contracts or agreements in Oklahoma;

(9) The most recently concluded fiscal year-end financial statements for the PBM and its controlling entity, which statements have been audited by an independent certified public accountant (CPA) under U.S. generally accepted accounting principles (GAAP); and

(10) A certificate signed by an Executive Officer of the PBM attesting to the accuracy of the information contained in the filing. OAC 365:25-29-5.

2. The PBM license shall continue in force no longer than twelve (12) months from the original month of issuance. Upon filing a PBM license renewal application on a form prescribed by the Commissioner, a renewal license shall be issued by the Commissioner to a PBM licensee who has continuously maintained such license upon payment of a renewal fee of Five Hundred Dollars (\$500.00). OAC 365:25-29-7.

3. On November 1, 2014, the following new statutory provision in the Oklahoma Insurance Code took effect:

**DUTY TO FILE OR DELIVER PAYMENTS ELECTRONICALLY**

**Notwithstanding any other provision of law that requires a particular form and associated payment to be filed with the Insurance Department in paper form, or to be mailed or hand-delivered to the Insurance Department, the Insurance Commissioner may, by appropriate order, require that all filings of that specific type be filed or delivered in electronic format. 36 O.S. § 350.**

4. This provision of law provides the Insurance Commissioner with the authority, by appropriate order, to require PBM application and renewal application forms and associated payments to be filed electronically with the Insurance Department.

5. The Insurance Commissioner finds it proper to prescribe that all PBM applications, renewal applications and all accompanying fees for a PBM license be filed by

electronic means and format effective November 1, 2015, pursuant to 36 O.S. § 350, as approved by the Commissioner.

**CONCLUSIONS OF LAW**

1. Pursuant to 36 O.S. § 350, notwithstanding any other provision of law that requires a particular form and associated payment to be filed with the Insurance Department in paper form, or to be mailed or hand-delivered to the Insurance Department, the Insurance Commissioner may, by appropriate order, require that all filings of that specific type be filed or delivered in electronic format.

**ORDER**

**IT IS THEREFORE ORDERED**, based upon the foregoing Findings of Fact and Conclusions of Law, that all PBM applications, renewal applications and all accompanying fees for a PBM license be filed by electronic means and format, pursuant to 36 O.S. § 350, as approved by the Commissioner.

**THIS ORDER** shall only apply to PBM applications and renewal application forms and fee payments submitted to the Insurance Commissioner on or after the November 1, 2015 effective date.

**IT IS SO ORDERED.**

**WITNESS** My Hand and Official Seal this 12<sup>th</sup> day of October, 2015.



A handwritten signature in cursive script that reads "James A. Mills".

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JAMES MILLS  
CHIEF OF STAFF  
STATE OF OKLAHOMA