

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: N.C. Department of Insurance

RULE CITATION: 11 NCAC 24 .0101

DEADLINE FOR RECEIPT: Thursday, August 7, 2025.

PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

In (a), line 8, per the OAH Style Guide, general statutes should not be incorporated by reference since they are already enforceable by your agency. If you want to keep the same language, please comply with the requirements in 150B-21.6.

In (b)(1)-(3), delete the period after the defined word and add “means”.

On line 3, spell out “PBM” the first time it is used in this Rule or any other rule, unless it’s defined elsewhere.

In (c)(2), line 17, are the contents of the “application form” prescribed by rule or G.S.? If not, the required contents of the application form need to be in a rule.

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Travis C. Wiggs
RRC Counsel
Submitted July

1 11 NCAC 24 .0101 is proposed for adoption as follows:

2
3 **CHAPTER 24 – PHARMACY BENEFITS MANAGEMENT**

4
5 **SECTION .0100 - GENERAL PROVISIONS**

6
7 **11 NCAC 24 .0101 DEFINITIONS: LICENSE APPLICATIONS**

8 (a) The definitions in G.S. 58-56A-1 are incorporated into this Chapter by reference.

9 (b) The following definitions apply in this Chapter:

10 (1) “Control.” Defined in G.S. 58-19-5(2).

11 (2) “Insurance.” Any coverage offered or provided by an insurer.

12 (3) “Material modification.” Any material change in a PBM’s ownership, control, or other fact or
13 circumstance affecting the PBM’s qualification for a license in this State.

14 (c) The following items shall be filed in order to constitute a complete application submission for initial or
15 renewal PBM licensure:

16 (1) Transmittal form;

17 (2) A completed pharmacy benefits application form;

18 (3) Biographical form(s) completed by principal officers;

19 (4) All organizational documents of the PBM, including any articles of incorporation, articles of
20 association, partnership agreement, trade name certificate, or trust agreement, any other applicable
21 documents, and all amendments to these documents;

22 (5) The bylaws, rules, regulations, or similar documents regulating the internal affairs of the PBM;

23 (6) Annual financial statements or reports for the two most recent years that prove that the applicant is
24 solvent and any other information the Commissioner may require in order to review the current
25 financial condition of the applicant;

26 (7) A general description of the business operations, including information on staffing levels and
27 activities proposed in this State and nationwide. The description must provide details setting forth
28 the PBM's capability for providing a sufficient number of experienced and qualified personnel in
29 the areas of claims processing and record keeping;

30 (8) A power of attorney duly executed by the PBM, if not domiciled in North Carolina, appointing the
31 Commissioner as attorney for the PBM in and for this State, upon whom process in any legal action
32 or proceeding against the PBM on a cause of action arising in this State may be served; and

33 (9) Evidence of maintenance of a fidelity bond, errors and omissions liability insurance or other
34 security.

35 (d) Each applicant shall make available for inspection by the Commissioner copies of all contracts with insurers
36 or other persons using the services of the PBM.

1 (e) An applicant or PBM shall notify the Commissioner of any material modification within 30 business days
2 after the change.

3 (f) Copies of all forms may be obtained from the Department.
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5 *History Note: Authority G.S. 58-2-40; 58-16-30; 58-19-5; 58-56A-2;*
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