

DAVID Y. IGE
GOVERNOR

SHAN S. TSUTSUI
LT. GOVERNOR



CATHERINE P. AWAKUNI COLÓN
DIRECTOR

GORDON I. ITO
INSURANCE COMMISSIONER

STATE OF HAWAII
INSURANCE DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS
P. O. BOX 3614
HONOLULU, HAWAII 96811-3614
335 MERCHANT STREET, ROOM 213
HONOLULU, HAWAII 96813
PHONE NO: (808) 586-2790
FAX NO: (808) 586-2806
cca.hawaii.gov/ins

MEMORANDUM 2017-7LIC

Date: June 23, 2017

To: All Health Insurance Companies, Mutual Benefit Societies, and Health Maintenance Organizations and Pharmacy Benefit Managers in Hawai'i

From: Gordon I. Ito, Insurance Commissioner

Subject: Mandatory Registration of Pharmacy Benefit Managers

To ensure adequate consumer protection and preserve transparency among business entities operating in the State of Hawai'i, Governor David Y. Ige signed into law Act 044 on June 22, 2017, which requires pharmacy benefit managers ("PBMs") to register with the Insurance Commissioner. Act 044 takes effect on July 1, 2017.

A PBM is any person that performs pharmacy benefit management, including but not limited to a person or entity in a contractual or employment relationship with a pharmacy benefit manager to perform pharmacy benefit management for a covered entity.

Under the Act, PBMs providing services in Hawai'i must complete and submit the Pharmacy Benefit Manager Registration application/renewal form (found at <http://cca.hawaii.gov/ins/producers/forms/>) along with a \$140 application fee by September 1, 2017. Each PBM shall renew its registration on the application/renewal form by March 31 of the following year along with a \$140 renewal registration fee.

The registration application requires the name, address, official position, and professional qualifications of each individual who is responsible for the conduct of the affairs of the pharmacy benefit manager, including all members of the board of directors; board of trustees; executive commission; other governing board or committee; principal officers, as applicable; partners or members, as applicable; and *any other person who exercises control or influence over the affairs of the pharmacy benefit manager*. The application also requires the name and address of the applicant's agent for service of process in the State.

The completed application/renewal form along with the application fee may be mailed to Attn: Licensing Branch, Insurance Division, Department of Commerce & Consumer Affairs, 335 Merchant Street, Room 213, Honolulu, HI 96813. Incomplete forms or forms submitted without the application fee will not be processed.

If you have any questions, please e-mail ihealth@dcca.hawaii.gov.