

STATE OF NEW MEXICO
OFFICE OF SUPERINTENDENT OF INSURANCE
Mailing Address: P.O. Box 1689, Santa Fe, NM 87504-1689
Physical Address: 1120 Paseo de Peralta, Room 428, Santa Fe, NM 87501
Main Phone: (505) 827-4601; Main Fax (505) 827-4734; Toll Free: 1-855-4-ASK-OSI
www.osi.state.nm.us

SUPERINTENDENT OF INSURANCE
John G. Franchini (505) 827-4299



ACTING DEPUTY SUPERINTENDENT
Alan Seeley (505) 827-4307

BULLETIN NO. 2014-014

TO: PHARMACY BENEFIT MANAGERS AND LIMITED SPECIALIZED
THIRD-PARTY PHARMACY ADMINISTRATORS OPERATING
IN NEW MEXICO

FROM: JOHN G. FRANCHINI, SUPERINTENDENT OF INSURANCE

DATE: OCTOBER 1, 2014

RE: PHARMACY BENEFIT MANAGER LICENSING

Issued pursuant to Section 59A-2-8 NMSA 1978 of the New Mexico Insurance Code, 13.1.2 *et seq.* NMAC.

In January 2014, the New Mexico Legislature enacted the *Pharmacy Benefits Manager Regulation Act*. The Act mandates that Pharmacy Benefit Managers (PBMs) operating in New Mexico shall be licensed by the Office of the Superintendent of Insurance (OSI). Printable PBM application Forms 250 for licensing are available at www.osi.state.nm.us/agent-licensing/docs/pharmacy-benefit-managers%20application.pdf. The deadline to file PBM applications is **October 31, 2014**. Late-filed applications will be subject to the monetary penalties established by the Insurance Code. Applicants shall submit a completed Form 250 and a check or money order for one-thousand dollars (\$1,000) payable to the Office of the Superintendent of Insurance. PBM licenses are valid for one year and shall be thereafter renewed in September each year. PBMs operating without license will be subject to fines and penalties as established by the Insurance Code.

The Insurance Code classifies PBMs as a limited, specialized type of third-party administrator. *The Pharmacy Benefits Manager Regulation Act* NMSA 1978, 59A-61-2 (G) defines PBMs as:

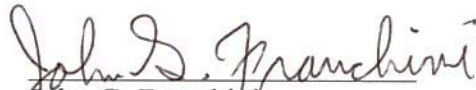
[A] "person or a wholly or partially owned or controlled subsidiary of a person that provides claims administration, benefit design and management, pharmacy network management, negotiation and administration of product discounts, rebates and other benefits accruing to the pharmacy benefits manager or other prescription drug or device services to third parties, but "pharmacy benefits

manager" does not include licensed health care facilities, pharmacies, licensed health care professionals, health insurers, unions, health maintenance organizations, medicare advantage plans or prescription drug plans when providing formulary services to their own patients, employees, members or beneficiaries."

For questions regarding PBM application, please contact the OSI Producer Licensing at (505) 827-4349 or 1-855-427-5674, or by email at: agents.licensing@state.nm.us. Applicants must provide their "TPA-Rx.

ISSUED at Santa Fe, New Mexico on October 1, 2014.

OFFICE OF NEW MEXICO SUPERINTENDENT OF INSURANCE


John G. Franchini
Superintendent of Insurance