



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

August 20, 2020

(via email: jmatthews@naic.org)
Andrew R. Stolfi and TK Keen, Chairs
Pharmacy Benefit Manager Regulatory Issues (B) Subgroup
c/o Jolie Matthews
National Association of Insurance Commissioners

RE: Draft Pharmacy Benefit Manager Licensure and Regulation Model Act

Commissioner Stolfi and Deputy Administrator Keen,

The Connecticut Insurance Department (CID) appreciates the opportunity to respond and hereby submits the following comments as an interested regulator concerning the draft Pharmacy Benefit Manager Licensure and Regulation Model Act ("Model Act").

Charge of Subgroup:

The charge of the Pharmacy Benefit Manager Regulatory Issues (B) Subgroup is to: "consider developing a new NAIC model to establish a licensing or registration process for pharmacy benefit managers (PBMs). The Subgroup may consider including in the new NAIC model provisions on PBM prescription drug pricing and cost transparency."

The majority of the Model Act adheres to the charge of Subgroup, however, CID has concerns that the numerous options listed and identified in Section 8 for states to consider adopting as regulations may go beyond the charge of this Subgroup.

Inconsistent Results:

In addition, the drafting note for Section 8B of the Model Act states that said subsection "lists options for a state to consider in adopting regulations to implement the provisions of this Act. Not every option listed will be appropriate for every state."

As such, there is the high probability for inconsistencies in the adoption of this Model Act by the various states. Such a result would be contrary to the role of the standard setting role of the NAIC to develop consistency among the laws and regulations of the several states and uniform adoption of model laws.

Draft Model Regulation:

Lastly, CID would recommend that in order to obtain consistency and uniformity, it may be necessary for the subgroup to draft model regulations in conjunction with this Model Act rather than referencing various options that a state may consider when it adopts regulations to implement the provisions of this Model Act.

We hope that these comments are helpful. Please feel free to contact me should you have any questions.

A handwritten signature in blue ink, appearing to read 'A. Mais', with a horizontal line underneath.

Andrew N. Mais
Connecticut Insurance Commissioner