

Draft Pending Adoption

Attachment ?
Market Regulation and Consumer Affairs (D) Committee
12/11/25

Draft: 12/15/25

Pharmacy Benefit Management (D) Working Group
Hollywood, Florida
December 9, 2025

The Pharmacy Benefit Management (D) Working Group of the Market Regulation and Consumer Affairs (D) Committee met in Hollywood, FL, Dec. 9, 2025. The following Working Group members participated: Joylynn Fix, Chair (WV); Susan Jennette, Co-Vice Chair (DE); Ashley Scott, Co-Vice Chair (OK); Kayla Erickson (AK); Tolanda McNeal (AZ); Sophie Thomas and Lila Cummings (CO); Kurt Swan (CT); Sheryl Parker (FL); Paula Shamburger and Elizabeth Nunes (GA); Andria Seip (IA); Shannon Hohl, Weston Trexler, and Tia Nichols (ID); Jack Engle and Chris Heisler (IL); Victoria Hastings and Grant Lindman (IN); Ben Miller-Coleman (KS); Shaun Orme (KY); Frank Opelka, Kallie Ruggiero Somme, and Lisa Fullington (LA); Mary Lou Moran and Kevin P. Beagan (MA); Joe Stoddard (MI); T.J. Patton and Norman Barrett (MN); David Dachs (MT); Robert Croom (NC); John Arnold (ND); Cheryl Wolff (NE); Ralph Boeckman (NJ); Jonathan Wycoff (NV); Alice McKenney (NY); Kristin Cly (OH); David Buono and Joesph Handline (PA); Jud Jones (TN); Tanji J. Northrup (UT); Sebastian Arduengo and Karla Nuissl (VT); Sandy Ray (WA); Lori Luder and Darcy Paskey (WI); and Lauren White and Jill Reinking (WY). Also participating were: Marti Hooper (ME); and Alejandro Amparan (NM).

1. Adopted its Summer National Meeting Minutes

Parker made a motion, seconded by Buono, to adopt the Working Group's Aug. 11 minutes (*see NAIC Proceedings – Summer 2025, Market Regulation and Consumer Affairs (D) Committee, Attachment Four*). The motion passed unanimously.

2. Heard a Presentation from Pharmacy Marketplace on the Proposed Automated Complaint Tool

Kris Rhea (Pharmacy Marketplace) discussed the Pharmacy Marketplace's proposed automated pharmacy complaint tool. He highlighted the findings from the Pharmacy Marketplace's audit of pharmacy complaint processes in all 50 states. Rhea discussed how the proposed tool would address current issues with invalid pharmacy complaints and smooth out the appeals process. He provided a demonstration of the proposed tool.

Rhea provided these key takeaways: 1) pharmacy benefit manager (PBM) fragmentation and fatigue lead to frustrated pharmacies and pharmacists that file invalid complaints if they file at all; 2) collaboration among all stakeholders is the key to reform; and 3) technology, together with collaboration, can declutter enforcement and expose true patterns.

3. Adopted the *Pharmacy Benefit Manager Licensure and Regulation Guidelines for Regulators* Document

Fix said that after the Working Group completed its review of the initial draft of the *Pharmacy Benefit Manager Licensure and Regulation Guidelines for Regulators* document the drafting group developed, the Working Group distributed it for a public comment period that ended Dec. 1. She explained that the document is truly a guidance document intended to assist state insurance regulators, who may be considering licensing PBMs, to use as an example when discussing such legislation. Fix emphasized that the document is not a model law, but rather reflects what states have already done.

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In response to its request for comments, the Working Group received eight comment letters: the Blue Cross Blue Shield Association (BCBSA), NAIC consumer representatives, the Michigan Department of Insurance and Financial Services (DIFS), the National Association of Chain Drug Stores (NACDS), the National Community Pharmacists Association (NCPA), the Pharmaceutical Care Management Association (PCMA), the Pharmaceutical Research and Manufacturers of America (PhRMA), and URAC. Scott asked for comments from Working Group members and interested regulators.

Seip expressed appreciation for the work on the draft. She said she supports incorporating the Michigan DIFS-suggested revisions in the draft. She also suggested a revision to the definition of “health benefit plan” in Section 3E to add the words “or other entity.”

Chris Petersen (Arbor Strategies LLC), speaking on behalf of the PCMA, expressed concerns about the format and substance of the draft. He said that although the document is intended to be a guideline, it looks like an NAIC model, which could cause confusion. Tyler Hoblitzell (BCBSA) said the BCBSA appreciates the Working Group’s work, but it has concerns about the guidelines’ scope and applicability. He said the BCBSA also has questions about how states would use the guidelines. Franca D’Agostino (Cigna Healthcare) said Cigna Healthcare appreciates the Working Group’s efforts, but it does not believe that the guidelines are consistent with the Working Group’s charges to provide clear standards for PBM licensure. Mollie Zito (UnitedHealthcare) expressed support for the comments on concerns with the draft guidelines expressed by previous commenters. Leanne Gassaway (CVS Health) said CVS Health wants a document that will be useful. She said CVS Health does not believe the draft guidelines will be helpful because all 50 states currently have PBM licensure or registration laws. Christine Cappiello (Elevance Health) also expressed support for the comments on concerns with the draft guidelines expressed by previous commenters. She said Elevance Health believes the guidelines require further refinement and stands ready to assist in that process.

Seip made a motion, seconded by Jennette, to adopt the *Pharmacy Benefit Manager Licensure and Regulation Guidelines for Regulators* document with the Michigan DIFS-suggested revisions and her suggested revision for the definition of “health benefit plan” in Section 3E (Attachment ?-A). The motion passed unanimously. Fix said the adopted guidelines will be forwarded to the Market Regulation and Consumer Affairs (D) Committee for its consideration.

4. Discussed the Draft PBM Examination Chapter

Fix said the Working Group exposed an initial draft of a PBM examination chapter on Nov. 25 for a public comment period ending Jan. 16, 2026. She said the Working Group plans to meet to discuss the comments received in late January or early February. Fix invited stakeholders to discuss any initial comments they have on the draft. No one had any initial comments to provide.

5. Heard an Update on Necessary Changes to SBS to Better Handle PBM Complaints

Jennette provided an update on the work to develop changes to State Based Systems (SBS) to better handle PBM complaints. She said that following the Summer National Meeting, she worked with Iowa, Oregon, Vermont, and West Virginia to design an SBS PBM module and finalize the necessary fields. She said the next step is to finalize the SBS codes necessary for reporting. Jennette said she has been working with the SBS team to ensure it understands what the Working Group wants and to be ready to move forward as quickly as possible after the Working Group receives the necessary approval for this project from the NAIC. She said that over the next few

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months, she will be working with Iowa, Oregon, Vermont, and West Virginia on naming the fields to collect the appropriate data and develop the online complaint forms for initial complaints and appeals.

Jennette explained that the SBS includes a combination of the market regulation consumer complaint module and the external health care appeal module. The new PBM module will be for complaints from providers, pharmacists, or pharmacies, and pharmacy services administrative organizations (PSAOs) against PBMs. Jennette said she hopes to have this work complete and available to those states that want to use it by June 2026.

6. Discussed Other Matters

Fix said that, as many people are aware, data breaches and ransomware attacks have become a significant issue. They are happening more and more frequently. Some of these data breaches have involved PBMs. Fix urged PBMs and other related entities to report data breaches and any data integrity issues to state insurance regulators in a timely manner.

Having no further business, the Pharmacy Benefit Management (D) Working Group adjourned.

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