

**304.9-054 Pharmacy benefit manager license application review and license issuance -- Disciplinary actions concerning license -- Administrative regulations -- Fees.**

- (1)
  - (a) Upon receipt of a completed application, fee, and other documentation and information required under KRS 304.9-053, the commissioner shall make a review of each applicant for a pharmacy benefit manager license.
  - (b) The commissioner shall issue a license if:
    1. The applicant is qualified in accordance with this section and KRS 304.9-053; and
    2. The commissioner determines, after reasonable investigation, that the applicant, upon licensure, is likely to be in compliance with KRS 304.17A-591 to 304.17A-599.
  - (c) The commissioner may require and obtain additional information or submissions from applicants, as reasonably necessary to comply with this section and verify the information contained in the application.
- (2)
  - (a) The commissioner may suspend, revoke, or refuse to issue or renew any pharmacy benefit manager license in accordance with KRS 304.9-440, except that a license shall not be renewed if the licensee is not in compliance with KRS 304.17A-591 to 304.17A-599.
  - (b) The commissioner may make determinations on the length of suspension for a license, not to exceed twenty-four (24) months.
  - (c) In lieu of serving part or all of the days of any suspension period determined under paragraph (b) of this subsection, the commissioner may permit a licensee to pay a sum of one thousand dollars (\$1,000) per day not to exceed two hundred fifty thousand dollars (\$250,000).
  - (d) If a pharmacy benefit manager license is denied or revoked, the previous applicant or licensee may make a new application not earlier than one (1) full year after the date on which the denial or revocation became final.
- (3) The commissioner shall promulgate administrative regulations in accordance with KRS Chapter 13A that specify the contents and format of:
  - (a) The application submitted under KRS 304.9-053(2); and
  - (b) Any other form, disclosure, or report required or permitted under this section or KRS 304.9-053 or 304.17A-593.
- (4)
  - (a) The department may impose a fee upon pharmacy benefit managers, in addition to a license fee, to cover the costs of implementation and enforcement of KRS 205.647 and any provision of this chapter applicable to pharmacy benefit managers, including but not limited to this section and KRS 304.9-053, 304.9-055, and 304.17A-162.
  - (b) The fees permitted under paragraph (a) of this subsection shall include fees to cover the cost of:
    1. Salaries and benefits paid to the personnel of the department engaged in the enforcement;
    2. Reasonable technology costs related to the enforcement process.

Technology costs shall include the actual cost of software and hardware utilized in the enforcement process and the cost of training personnel in the proper use of the software or hardware; and

3. Reasonable education and training costs incurred by the state to maintain the proficiency and competence of the enforcing personnel.

**Effective:** January 1, 2025

**History:** Amended 2024 Ky. Acts ch. 104, sec. 8, effective January 1, 2025. -- Created 2016 Ky. Acts ch. 79, sec. 3, effective July 15, 2016.