

## CHAPTER 24 – PHARMACY BENEFITS MANAGEMENT

### SECTION .0100 - GENERAL PROVISIONS

#### 11 NCAC 24 .0101 DEFINITIONS: LICENSE APPLICATIONS

(a) The definitions contained in G.S. 58-56A-1, including subsequent amendments, are incorporated into this Chapter by reference.

(b) The following definitions apply in this Chapter:

- (1) "Control" means the term as defined in G.S. 58-19-5(2).
- (2) "Insurance" means any coverage offered or provided by an insurer.
- (3) "Material modification" means any material change in a Pharmacy Benefits Manager (PBM)'s ownership, control, or other fact or circumstance affecting the PBM's qualification for a license in this State.

(c) The following items shall be filed in order to constitute a complete application submission for initial or renewal PBM licensure:

- (1) Transmittal form;
- (2) A completed pharmacy benefits application form as set forth in G.S. 58-56A-2(b);
- (3) Biographical form(s) completed by principal officers;
- (4) All organizational documents of the PBM, including any articles of incorporation, articles of association, partnership agreement, trade name certificate, or trust agreement, any other applicable documents, and all amendments to these documents;
- (5) The bylaws, rules, regulations, or similar documents regulating the internal affairs of the PBM;
- (6) Annual financial statements or reports for the two most recent years that prove that the applicant is solvent and any other information the Commissioner may require in order to review the current financial condition of the applicant;
- (7) A general description of the business operations, including information on staffing levels and activities proposed in this State and nationwide. The description must provide details setting forth the PBM's capability for providing a sufficient number of experienced and qualified personnel in the areas of claims processing and record keeping;
- (8) A power of attorney duly executed by the PBM, if not domiciled in North Carolina, appointing the Commissioner as attorney for the PBM in and for this State, upon whom process in any legal action or proceeding against the PBM on a cause of action arising in this State may be served; and
- (9) Evidence of maintenance of a fidelity bond, errors and omissions liability insurance or other security.

(d) Each applicant shall make available for inspection by the Commissioner copies of all contracts with insurers or other persons using the services of the PBM.

(e) An applicant or PBM shall notify the Commissioner of any material modification within 30 business days after the change.

(f) Copies of all forms may be obtained from the Department.

*History Note:* Authority G.S. 58-2-40; 58-16-30; 58-19-5; 58-56A-2;  
Eff. September 1, 2025.