

CHAPTER 24

REGULATION OF PHARMACY BENEFITS MANAGERS

H.F. 395

AN ACT relating to the regulation of pharmacy benefits managers and including effective date provisions.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 510B.3, subsection 1, Code 2015, is amended to read as follows:

1. The commissioner shall enforce the provisions of [this chapter](#). After notice and hearing, the commissioner may impose any or all of the sanctions set out in [section 507B.7](#) and may suspend or revoke a pharmacy benefits manager's certificate of registration as a third-party administrator pursuant to [chapter 510](#), upon finding that the pharmacy benefits manager violated any of the requirements of [this chapter](#) or of [chapter 510](#) pertaining to third-party administrators.

Sec. 2. Section 510B.3, Code 2015, is amended by adding the following new subsections:

NEW SUBSECTION. 1A. A pharmacy benefits manager, as an agent or vendor of an insurance company, is subject to the commissioner's authority to conduct an examination pursuant to [chapter 507](#). The procedures set forth in [chapter 507](#) regarding examination reports shall apply to an examination of a pharmacy benefits manager under [this chapter](#).

NEW SUBSECTION. 1B. A pharmacy benefits manager is subject to the commissioner's authority to conduct an investigation pursuant to [chapter 507B](#). The procedures set forth in [chapter 507B](#) regarding investigations shall apply to an investigation of a pharmacy benefits manager under [this chapter](#).

NEW SUBSECTION. 1C. A pharmacy benefits manager is subject to the commissioner's authority to conduct an examination, audit, or inspection pursuant to [chapter 510](#) for third-party administrators. The procedures set forth in [chapter 510](#) for third-party administrators shall apply to an examination, audit, or inspection of a pharmacy benefits manager under [this chapter](#).

NEW SUBSECTION. 1D. When the commissioner conducts an examination of a pharmacy benefits manager under [chapter 507](#); an investigation under [chapter 507B](#); or an examination, audit, or inspection under [chapter 510](#), all information received from the pharmacy benefits manager, and all notes, work papers, or other documents related to the examination, investigation, audit, or inspection of the pharmacy benefits manager are confidential records under [chapter 22](#) and shall be accorded the same confidentiality as notes, work papers, investigatory materials, or other documents related to the examination of an insurer as provided in [chapter 507](#).

Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved April 2, 2015