

# FINAL BILL REPORT

## SB 5066

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### PARTIAL VETO

C 107 L 23

Synopsis as Enacted

**Brief Description:** Concerning health care benefit managers.

**Sponsors:** Senators Short, Rolfes, Cleveland and Conway.

**Senate Committee on Health & Long Term Care**

**House Committee on Health Care & Wellness**

**House Committee on Appropriations**

**Background:** All health care benefit managers (HCBMs), including pharmacy benefit managers (PBMs), must be registered by the Office of the Insurance Commissioner (OIC). Applications for registration must include the identity of the HCBM and the individuals and entities with a controlling interest in the HCBM, and whether the HCBM does business as a PBM or a different type of benefit manager, in addition to other required information. Registered HCBMs must pay licensing and renewal fees. The fees must be set at an amount that ensures the registration, renewal, and oversight activities of the OIC are self-supporting.

Prior to approving an application, the OIC must find the HCBM has not committed any act that resulted in the denial, suspension, or revocation of a registration, has the capacity to comply with state and federal laws, and has designated a person responsible for such compliance.

A HCBM may not provide services to a health carrier or an employee benefits program without a written agreement describing the rights and responsibilities of the parties. The HCBM must file with the OIC every benefit management contract and contract amendment between the HCBM and a provider, pharmacy, pharmacy services administration organization, or other HCBM.

**Summary:** A HCBM must file with the OIC every benefit management contract and contract amendment between the HCBM and a health carrier.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

Contracts and contract amendments between HCBMs and health carriers that were executed prior to the effective date of this act and remain in force, must be filed with the OIC no later than 60 days following the effective date of this act.

**Votes on Final Passage:**

Senate 48 0

House 96 0

**Effective:** July 23, 2023

**Partial Veto Summary:**

- Removed the emergency clause.