

## **§ 1385.005. Required registration for pharmacy benefit manager**

(a) A pharmacy benefit manager required to register with the department pursuant to Section 1385.004 shall complete an application for registration with the department that shall include, but not be limited to, all of the information required by subdivision (c).

(b) A pharmacy benefit manager registration obtained pursuant to this section is not transferable.

(c) The department shall develop an application form for pharmacy benefit manager registration. The application form for a pharmacy benefit manager registration shall require the pharmacy benefit manager to submit the following information to the department:

(1) The name of the pharmacy benefit manager.

(2) The address and contact telephone number for the pharmacy benefit manager.

(3) The name and address of the pharmacy benefit manager's agent for service of process in the state.

(4) The name and address of each person beneficially interested in the pharmacy benefit manager.

(5) The name and address of each person with management or control over the pharmacy benefit manager.

(d) If the applicant is a partnership or other unincorporated association, a limited liability company, or a corporation, and the number of partners, members, or stockholders, as the case may be, exceeds five, the application shall so state, and shall further state the name, address, usual occupation, and professional qualifications of each of the five partners, members, or stockholders who own the five largest interests in the applicant entity. Upon request by the department, the applicant shall furnish the department with the name, address, usual occupation, and professional qualifications of partners, members, or stockholders not named in the application, or shall refer the department to an appropriate source for that information.

(e) The application shall contain a statement to the effect that the applicant has not been convicted of a felony and has not violated any of the provisions of this article. If the applicant cannot make this statement, the application shall contain a statement of the violation, if any, or shall describe the reasons that prevent the applicant from being able to comply with the requirements with respect to the statement.

(f) The department may set a fee for a registration required by this article. The application fee shall not exceed the reasonable costs of the department in carrying out its duties under this article.

(g) Within 30 days of a change in any of the information disclosed to the department on an application for a registration, the pharmacy benefit manager shall notify the department of that change in writing.

(h) For purposes of this section, “person beneficially interested” with respect to a pharmacy benefit manager means and includes the following:

(1) If the applicant is a partnership or other unincorporated association, each partner or member.

(2) If the applicant is a corporation, each of its officers, directors, and stockholders, provided that a natural person shall not be deemed to be beneficially interested in a nonprofit corporation.

(3) If the applicant is a limited liability company, each officer, manager, or member.

**HISTORY:**

Added Stats 2018 ch 905 § 4 (AB 315), effec-

tive January 1, 2019, operative January 1, 2020.