

Article 56B.

Pharmacy Services Administrative Organizations.

§ 58-56B-1. (Effective October 1, 2026) Definitions.

The following definitions apply in this Article:

- (1) Reserved for future codification purposes.
- (2) Independent pharmacy. – As defined in G.S. 58-51-37.
- (3) Insured. – An individual covered by a health benefit plan.
- (4) Pharmacy. – As defined in G.S. 58-51-37.
- (5) Pharmacy benefits manager or PBM. – As defined in G.S. 58-56A-1.
- (6) Pharmacy services administrative organization or PSAO. – An entity operating within this State that contracts with one or more independent pharmacies to conduct business with third-party payers on behalf of the independent pharmacy or pharmacies to provide administrative services to the independent pharmacy or pharmacies and to negotiate and enter into contracts with third-party payers or PBMs on behalf of the independent pharmacy or pharmacies. Administrative services provided on behalf of one or more independent pharmacies may include one or more of the following:
 - a. Assistance with claims.
 - b. Assistance with audits.
 - c. Centralized payment.
 - d. Certification in specialized care programs.
 - e. Compliance support.
 - f. Setting flat fees for generic drugs.
 - g. Assistance with store layout.
 - h. Inventory management.
 - i. Marketing support.
 - j. Management and analysis of payment and drug dispensing data.
 - k. Provision of services for retail cash cards.
- (7) PSAO-pharmacy contract. – A contractual agreement between a PSAO and an independent pharmacy under which a PSAO agrees to negotiate with PBMs or third-party payers or both on behalf of an independent pharmacy. A PSAO-pharmacy contract may contain an agreement that the PSAO will provide other services to the independent pharmacy in addition to negotiation with PBMs or third-party payers.
- (8) Reserved for future codification purposes.
- (9) Wholesale distributor. – As defined in G.S. 106-145.2. (2025-69, s. 2.1.)

§ 58-56B-5. (Effective October 1, 2026) Regulation of PSAOs by Department.

(a) Licensure Requirement. – No pharmacy services administrative organization that negotiates with PBMs, third-party payers, or both on behalf of any pharmacy in this State shall operate without obtaining a license from the Department.

(b) Application. – The Commissioner shall develop an application for licensure as a pharmacy services administrative organization and may charge an initial application fee of two hundred dollars (\$200.00) and an annual renewal fee of one hundred fifty dollars (\$150.00). The application form must collect at least the following information:

- (1) The name, address, and telephone contact number of the PSAO.

- (2) The name and address of the PSAO's agent for service of process in this State.
- (3) The name and address of each individual with management or control over the PSAO.
- (4) The name and address of each individual or entity with a beneficial ownership interest in the PSAO.
- (5) Either (i) a signed statement that, to the best of the applicant's knowledge, no officer with management or control of the PSAO has been convicted of a felony or has violated any requirement of State or federal law applicable to pharmacy services administration, pharmacy benefits management, or pharmacy services or (ii) a description of any felony or any violation of any requirement of State or federal law applicable to pharmacy services administration, pharmacy benefits management, or pharmacy services committed by any officer with management or control of the pharmacy benefits manager.

(c) **Application Modifications.** – Unless otherwise provided for in this Article, an applicant or a PSAO that is licensed to conduct business in the State shall file a notice describing any material modification of the information required to be contained in the licensure application under this section.

(d) **Report and Disclose Requirements of Licensees.** – Information contained in a report or disclosure required to be submitted to the Department by a PSAO under this Article shall not reveal any personally identifiable information of any insured. Information contained in this report is not considered a public record under Chapter 132 of the General Statutes or under G.S. 58-2-100 and is confidential and privileged. (2025-69, s. 2.1.)

§ 58-56B-10. (Effective October 1, 2026) Disclosure of ownership requirements.

(a) **To the Department.** – Prior to licensure under this Article and within 10 calendar days of any material change to that disclosure, each PSAO shall provide a written disclosure of ownership to the Department.

(b) **To Independent Pharmacies, PBMs, and Third-Party Payers.** – Prior to entering into a contract with an independent pharmacy, PBM, or third-party payer, a PSAO shall provide the pharmacy, PBM, or third-party payer a written disclosure of ownership or control in order to assist the pharmacy, PBM, or third-party payer in making an informed decision regarding the relationship with the PSAO and the pharmacy, including the PSAO's relationship with any independent pharmacy on behalf of which the PSAO is negotiating.

(c) **Content of Required Disclosures.** – A disclosure of ownership required under this section shall include the extent of any ownership or control of the PSAO by any parent company, subsidiary, or other organization that does any of the following:

- (1) Provides pharmacy services or support.
- (2) Provides prescription drugs or drug services.
- (3) Manufactures, sells, or distributes prescription drugs, biological products, or medical devices.

(d) **Updates to Required Disclosure.** – If there is any material change in ownership or control of a PSAO relating to any disclosure required under this section, then a PSAO shall notify the Department and all relevant independent pharmacies, PBMs, and third-party payers of this change within 10 calendar days of the change. (2025-69, s. 2.1.)

§ 58-56B-15. (Effective October 1, 2026) Contract requirements.

(a) Negotiated Terms. – A PSAO-pharmacy contract shall include a requirement that the PSAO provide to the pharmacy a copy of any contract, amendment, payment schedule, or reimbursement rate within 10 calendar days after the execution of, or amendment to, a contract that the PSAO has signed on behalf of the independent pharmacy.

(b) Updates to Required Disclosures. – A contract between a PSAO and an independent pharmacy, PBM, or third-party payer shall include the requirement that the PSAO update disclosures in accordance with G.S. 58-56B-10(d).

(c) Prohibition on Certain Purchase Requirements. – A PSAO shall not require a pharmacy to purchase specific amounts of prescription drugs, whether generic or brand name, in order to access discounts.

(d) Audits. – If a PSAO-pharmacy contract grants a PBM the right or obligation to conduct audits of an independent pharmacy, then that PSAO-pharmacy contract is required to contain language that permits the PBM to obtain information from the PSAO in connection with the PBM's audit of that independent pharmacy.

(e) Timely Transmission of Remittance. – A PSAO-pharmacy contract shall provide that all remittances for claims submitted to the PSAO by a PBM or third-party payer on behalf of the independent pharmacy shall be passed through by the PSAO to the pharmacy within a reasonable amount of time after receipt of the remittance by the PSAO from a PBM or third-party payer. The reasonable amount of time required under this section shall be established in the PSAO-pharmacy contract. (2025-69, s. 2.1.)

§ 58-56B-20. (Effective October 1, 2026) Prohibition on price discrimination.

A PSAO shall not discriminate on the price of drugs sold to an independent pharmacy based on the price of drugs purchased from a wholesale distributor of the drug. (2025-69, s. 2.1.)

§ 58-56B-30. (Effective October 1, 2026) Ownership interests in or of the PSAO by drug manufacturers, sellers, or wholesale distributors.

(a) Prohibitions. – A PSAO that owns or is owned by, in whole or in part, any entity that manufactures, sells, or distributes prescription drugs, biological products, or medical devices shall not, as a condition of entering into a PSAO-pharmacy contract, require that the independent pharmacy purchase any drugs or medical devices solely from an entity with which the PSAO has an ownership interest or that has an ownership in the PSAO.

(b) Disclosure Requirements. – A PSAO that owns or is owned by, in whole or in part, any entity that manufactures, sells, or distributes prescription drugs, biological products, or medical devices shall disclose to the Department any agreement with an independent pharmacy to purchase prescription drugs, biological products, or medical devices by an independent pharmacy from the PSAO or an entity with which the PSAO has an ownership interest or that has an ownership in the PSAO. (2025-69, s. 2.1.)

§ 58-56B-35. (Effective October 1, 2026) Appeals.

(a) Disputes. – If there is a dispute between an independent pharmacy and a PBM or third-party payer, then a PSAO which has entered into a PSAO-pharmacy contract with that independent pharmacy shall ensure and facilitate timely communication between the pharmacy and the PBM or third-party payer.

(b) PSAO Contracted with an Independent Pharmacy. – If a third-party payer or a PBM provides any notice or other information to a PSAO that is related to an independent pharmacy with

which the PSAO has entered into a PSAO-pharmacy contract, then that shall be considered provision of that notice or other information to the pharmacy with which the PSAO is contracted. A third-party payer or PBM shall not be required to provide notice or other information to both the PSAO and the independent pharmacy with which the PSAO has entered into a PSAO-pharmacy contract.

(c) Timeliness. – A PSAO shall forward all notices of appeals from an independent pharmacy with which the PSAO has entered into a PSAO-pharmacy contract to the relevant PBM or third-party payer in a timely manner.

(d) Denials. – If an appeal received by a PSAO from an independent pharmacy does not meet the minimum requirements contained within a PSAO-pharmacy contract, then the PSAO shall notify the pharmacy and provide the denial reason or reasons. The PSAO shall allow the pharmacy to resubmit the appeal for review by a PBM, if applicable. (2025-69, s. 2.1.)

§ 58-56B-40. (Effective October 1, 2026) Penalties.

(a) Financial Penalty. – Any PSAO that fails to comply with the provisions of this Article, as determined by the Commissioner, shall pay a penalty of five hundred dollars (\$500.00) per day from the day the Commissioner notifies the PSAO of noncompliance until the Commissioner determines the applicable provision is met.

(b) Impact on Licensure. – Failure to comply with this Article may be grounds for revocation or nonrenewal of a license under this Article, as determined by the Commissioner.

(c) Unfair Trade. – A violation of any of the following provisions of this Article is an unfair trade practice under Article 63 of this Chapter and under G.S. 75-1.1:

- (1) G.S. 58-56B-10.
- (2) G.S. 58-56B-15.
- (3) G.S. 58-56B-20.
- (4) G.S. 58-56B-30.
- (5) G.S. 58-56B-35. (2025-69, s. 2.1.)

§ 58-56B-50. Rules.

The Commissioner of Insurance is authorized to adopt rules, temporary or otherwise, regarding the administration of this Article. (2025-69, s. 2.2(a).)