

Kansas Administrative Regulations

Kansas Department of Insurance

Article 1.—General

40-1-54. Pharmacy benefits manager; network adequacy report.

Each applicant for license to act as a pharmacy benefits manager shall submit a network adequacy report to the commissioner with the application that contains the following information: (a) The name and address of the pharmacy benefits manager;

(b) the name, telephone number, and electronic-mail address of the contact person responsible for the license of the pharmacy benefits manager;

(c) the name of each network administered in Kansas by the applicant;

(d) the number of counties and a list of the counties in each service area;

(e) the number of affiliated pharmacies in Kansas that are in the applicant's networks;

(f) the number of independent pharmacies in Kansas that are in the applicant's networks;

(g) the number of complaints submitted by pharmacies concerning the applicant's network that the applicant has received in the previous 12 months. "Complaints" shall include complaints submitted in writing, by phone, by electronic mail, or by other electronic means;

(h) the number of complaints submitted by patients concerning the applicant's network that the applicant has received in the previous 12 months. "Complaints" shall include complaints submitted in writing, by phone, by electronic-mail, or by other electronic means; and

(i) a written narrative that meets the following requirements:

(1) Describes the process for determining the reasonableness of patient access to a pharmacy based on distance from the patient's residence, including whether any affiliates are included in the calculation of distance between patient residence and pharmacy, and a description of how mail-order and physical store locations are factored into the reasonableness determination;

(2) specifies whether the applicant's contracts require patients to use pharmacies that are directly or indirectly owned by the applicant and any requirements for new prescriptions, refills, or specialty drugs, regardless of days supply;

(3) specifies whether the applicant imposes limits, including quantity limits or refill limits, on an independent pharmacy's access to medications that differ from the limits imposed on the applicant's affiliates;

(4) specifies how the applicant's certification or accreditation requirements are used as a determinant of network participation;

(5) specifies how often certification or accreditation requirements are changed;

(6) specifies whether there are different standards for independent pharmacies and affiliates of the applicant and how these different standards are applied; and

(7) describes any subnetworks for specialty drugs.

(Authorized by K.S.A. 2022 Supp. 40-3825; implementing K.S.A. 2022 Supp. 40-3823; effective Aug. 11, 2023.)

***** Authenticated Kansas Administrative Regulation *****