## CURRENT PBM/PSAO EXAMINATIONS

PBM 1

Assigned to the The INS Companies (INS)

Conducted PBM Exams in Illinois, West Virginia, Tennessee and Florida.

PBM 2

Assigned to the The INS Companies

Conducted PBM Exams in Illinois, West Virginia, Tennessee and Florida.

PBM 3

Assigned to the Risk & Regulatory Consulting, LLC (RRC)

Conducted PBM Exams in Georgia, Louisiana, Iowa and West Virginia.

PBM 4

Assigned to the Noble Consulting Services, Inc.

Noble has examined PBM activities as part of health plan audits but had not conducted a full PBM exam. For this reason, the exam team was supplemented with examiners from other companies who have more PBM exam experience. Noble is currently conducting PBM Exams for Florida, as well.



Assigned to the The INS Companies

South Carolina is the first to do PSAO Exams. INS was assigned the first PSAO exam because it is familiar with how PSAOs, pharmacies, and PBMs operate.

- · The examination firms used for the exams are on state contract. The contract fees are a fixed flat rate.
- Each examination firm was asked to run a conflict check to ensure that they had no conflict with any PBM assigned. No assignment was made if there was a conflict. PBMs were assigned to contractors that were familiar with the operation of the PBM to facilitate the completion of the examination.
- Two additional contract firms have been approved to conduct examinations for the Department, Examination Resources and Lewis & Ellis. Both have PBM examination experience.
- Additional exams will begin this year.
- All examination teams have experienced examiners. Where needed, we supplemented staff with contractors (with PBM examination experience) from other companies to ensure that all examination teams were qualified to conduct examinations.
- Examination teams and DOI staff members are required to sign confidentiality agreements to access examination findings or workpapers.
- Each Examination Team listed above consist of an Administrative Examiner (AE), Examiner-in-Charge (EIC), Pharmacist(s), Examiner(s), and Data Specialists. All Examination Teams listed have experience with market conduct examinations, not just PBM examinations.
- At a minimum, the Administrative Examiners (AE) hold designations in market conduct management, and the CIE (Certified Insurance Examiner) or AIE (Accredited Insurance Examiner) designation. Each Examiner-in-Charge (EIC) holds designations in market conduct management and CIE (Certified Insurance Examiner). The AE and EIC have oversight over the activities and team members. The Administrative Examiners and CIEs report issues of concern to the Department for its review and action.