



COLORADO

Department of
Regulatory Agencies

Division of Insurance

Bulletin No. B-4.151

Licensing and Registration Guidance for Pharmacy Benefit Managers (PBMs) Operating in Colorado

I. Background and Purpose

Section 10-16-122.1(2.5)(a), C.R.S., establishes that any Pharmacy Benefit Manager (PBM) doing business in Colorado must register with the Division of Insurance, including a PBM that is not directly connected with a carrier. This bulletin clarifies the requirements for PBM registration, including logistics, operational details, and the scope of enforcement under Section 10-16-122.1, C.R.S.

Bulletins are the Division of Insurance's (Division) interpretations of existing insurance law or general statements of Division policy. Bulletins themselves establish neither binding norms nor finally determine issues or rights.

II. Applicability and Scope

This bulletin applies to all entities operating as a pharmacy benefit manager in Colorado, including PBMs not directly connected with a carrier and PBMs based outside of Colorado but providing pharmacy benefit management services for a health plan in Colorado.

III. Division Position

The Division provides the following guidance to PBMs:

- A. Registration.** Existing law requires any entity performing PBM functions within the state to register with the Division pursuant to section 10-16-122.1(2.5), C.R.S. The PBM Officer must be a natural person, not an entity, and include name, address, phone number, email address, and phone number.
 - 1. **PBMs Servicing ERISA Self-Funded Plans.** PBMs must register with the Division regardless of whether the PBM is connected with a carrier. If an entity operates as a pharmacy benefit manager for any plan covering Colorado residents, it must comply with Colorado PBM registration laws.
 - 2. **PBMs Domiciled Outside of Colorado.** Pursuant to section 10-16-122.1 (2.5), C.R.S., all PBMs conducting business within the state must register with the Colorado Division of Insurance, regardless of their corporate domicile. If a PBM is based outside of Colorado but services a health plan with eligible members residing in Colorado, the entity must still register with the Division of Insurance.
- B. Reporting Registration-Related Changes.** PBMs who are registered with the state must report the following organizational changes to the Division to ensure transparency and accountability, including changes in:

1. Owner and Officer Changes
2. Contact Information
3. Organizational Documents
4. Policies and Procedures
5. Demonstrating Compliance
6. Financial Information
7. Disclosures Regarding Regulatory or Legal Actions
8. Annual Attestation Confirming Compliance

Changes are to be reported via email by sending the type of change and, if applicable, substantive details to the Division's enforcement email address. dora_pbm_compliance@state.co.us.

- C. Renewing PBM Licensure.** PBMs are required to renew their registration annually (every 12 months). The required documentation for license renewal is the same as that for registration and can be found in Division Regulation 4-2-97, Section 6. It includes a nonrefundable renewal fee of \$2,500.

PBMs should regularly verify their license status and renewal dates to ensure ongoing compliance. To locate your renewal date:

1. Go to: [Sircon's Website](#). On the homepage, click "Look up License" under the "Quick Links" section.
2. Choose "Firm".
3. Enter your entity's information (e.g., name, license number, or EIN).
4. Click "Search" to view your license details, including license status, issue date, renewal/expiration date, and lines of authority.

Tip: Bookmark your license page and set a calendar reminder at least 60 days prior to expiration to initiate the renewal process.

- D. Surrendering a PBM License.** To surrender a PBM license in Colorado, the licensee must provide written notice of the desire to do so, which a licensee officer must sign. The form to surrender a license is located on the Division website. You need a Google account to complete the form. If you do not have a Google account, please download the form, which can also be found on the Division website, and submit it to dora_pbm_compliance@state.co.us.

- E. Timing, Compliance, and Enforcement.** PBMs must submit an application within 60 days of doing business in Colorado. PBMs must comply with all registration and reporting requirements, including application and renewal fees set by the Commissioner of Insurance. Entities that fail to register may be subject to penalties, including denial, suspension, and/or cease-and-desist orders as appropriate.

IV. Additional Division Resources

- A. For More Information**
Colorado Division of Insurance
PBM Compliance and Enforcement
1560 Broadway Suite 850 Denver, CO 80202

Email: dora_pbm_compliance@state.co.us

B. Related Materials

- [Colorado Division of Insurance PBM Registration Requirements](#)
- [House Bill 23-1227 Full Text](#)
- [ERISA Guidelines for State Regulation of PBMs](#)

V. History

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