State PBM Reform Inventory

Updated October 2026

Kansas

Issue	Summary	Citation
Licensing/Registration	A person shall not perform, act, or do business in this state as a PBM unless such person has a valid license issued by the Insurance Commissioner. Each person seeking a license to act as a PBM shall file with the commissioner an application for a license upon a form to be furnished by the commissioner. Each PBM license shall expire on March 31 each year and may be renewed annually upon the licensee's request. An applicant for a license or renewal must pay a nonrefundable application fee of $2,500. • This requirement applies to any PBM that provides claims processing services, other prescription drug or device services, or both, to covered persons who are residents of Kansas. • PBMs that hold a certificate of registration as an administrator pursuant to K.S.A. 40-3810 are exempt from this requirement. • A license issued in accordance with the PBM licensure act shall be nontransferable.	K.S.A. 40-3821; K.S.A. 40-3824
Reporting Requirements	N/A	
PBM Income	Each PBM shall annually or more frequently report to the commissioner the following; • Amount of rebates received by PBM • Amount of rebates distributed to each health plan/covered entity • Amount paid to PBM by health plan or covered entity A PBM shall not reimburse a pharmacy/pharmacist/pharmacy technician for a prescription drug or pharmacy service less than the national average drug acquisition cost plus a $10.50 professional dispensing fee.	2026 SB 20
Pharmacy Contracting	**MAC Pricing:** A PBM, including the PBM for the state healthcare benefits program, shall: • Not place a drug on a MAC list unless there are at least two therapeutically equivalent multi-source generic drugs, or at	K.S.A. 40-3830; 2026 SB 20

	least one generic drug available from at least one manufacturer, generally available for purchase by network pharmacies from national or regional wholesalers and the NDC for the drug is not obsolete;
	• Provide to each network pharmacy at the beginning of the term of a contract and upon request thereafter, the sources utilized to determine the MAC price;
	• Provide a process for each network pharmacy provider to readily access the maximum allowable price specific to that provider;
	• Review and update each applicable MAC list every 7 business days and apply the updates to reimbursements not later than 1 business day;
	• Ensure that dispensing fees are not included in the calculation of MAC;
	• Establish a reasonable administrative appeal procedure to allow a pharmacy or pharmacy's contracting agent to challenge MAC for a specific drug as:
	  ○ Not meeting the requirements of this section;
	  ○ Being below the cost at which the pharmacy may obtain the drug;
	• Include in any administrative appeals procedure the following:
	  ○ A dedicated telephone number and email address or website for the purpose of submitting administrative appeals; and
	  ○ The ability to submit an administrative appeal directly to the PBM regarding the pharmacy benefits plan or program or through a pharmacy service administrative organization;
	• Permit a network pharmacy or a network pharmacy's contracting agent to file an administrative appeal not later than 10 business days after the fill date;
	• Require that the PBM only request the following information to determine a MAC administrative appeal:
	  ○ The prescription number;
	  ○ The provider's name;
	  ○ The NDC used during the filing of the claim;
	  ○ The date of the fill;
	  ○ The reimbursement amount; and	

	○ Such other information related to the appealed claim as required by contract; and • Provide a response to the appealing network pharmacy not later than 10 business days after receiving an appeal request containing information sufficient for the PBM to process the appeal as specified by the contract. • If the appeal is upheld, the PBM: ○ Shall make the adjustment in the drug price effective not later than 1 business day after the appeal is resolved; ○ Shall make the adjustment applicable to all similarly situated network pharmacy providers, as determined by the plan sponsor or PBM, as appropriate; and ○ Shall permit the appealing pharmacy to reverse and rebill the appealed claim. • If the appeal is denied, the PBM shall provide the appealing pharmacy the reason for the denial and the NDC number from a national or regional wholesaler operating in Kansas where the drug is generally available for purchase at a price equal to or less than the MAC, and when applicable, may be substituted lawfully. Audits: • All information collected during a pharmacy audit must be kept confidential. • An entity conducting an audit must provide the pharmacy being audited with at least 14 calendar days written notice.	
Patient Cost-Sharing	**Maximum Cost-Sharing Levels:** Co-payments applied by a health carrier for a prescription drug may not exceed the total submitted charges by the network pharmacy.	K.S.A. 40-3831