

REFERENCE TITLE: pharmacy benefit managers; pharmacy permits

State of Arizona
Senate
Fifty-seventh Legislature
Second Regular Session
2026

SB 1545

Introduced by
Senator Shamp

AN ACT

AMENDING TITLE 32, CHAPTER 18, ARTICLE 2, ARIZONA REVISED STATUTES, BY
ADDING SECTION 32-1932; RELATING TO THE ARIZONA STATE BOARD OF PHARMACY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 32, chapter 18, article 2, Arizona Revised
3 Statutes, is amended by adding section 32-1932, to read:

4 32-1932. Pharmacy benefit managers; pharmacy permits;
5 acquisition or holding prohibited; limited service
6 pharmacy permits; rules; exceptions; notification
7 requirements; definition

8 A. A PHARMACY BENEFIT MANAGER MAY NOT ACQUIRE A DIRECT OR INDIRECT
9 INTEREST IN, OR OTHERWISE HOLD, DIRECTLY OR INDIRECTLY, A PERMIT PURSUANT
10 TO SECTION 32-1930 FOR THE RETAIL SALE OF PRESCRIPTION DRUGS IN THIS
11 STATE.

12 B. FROM AND AFTER THE EFFECTIVE DATE OF THIS SECTION, THE BOARD
13 SHALL EITHER REVOKE OR NOT RENEW THE PERMIT OF AN ENTITY THAT HOLDS A
14 PERMIT IN VIOLATION OF THIS SECTION.

15 C. THE BOARD MAY ISSUE A LIMITED SERVICE PHARMACY PERMIT FOR
16 CERTAIN RARE, ORPHANED OR LIMITED DISTRIBUTION DRUGS THAT ARE OTHERWISE
17 UNAVAILABLE IN THE MARKET TO A PATIENT OR A PHARMACY THAT WOULD OTHERWISE
18 BE PROHIBITED UNDER THIS SECTION. THE BOARD MAY ASSESS THE NEED FOR RARE,
19 ORPHANED OR LIMITED DISTRIBUTION DRUGS FOR A LIMITED SERVICE PHARMACY
20 PERMIT FOR CERTAIN RARE, ORPHANED OR LIMITED DISTRIBUTION DRUGS DESCRIBED
21 IN THIS SUBSECTION BEFORE REVOKING OR RENEWING AN EXISTING PHARMACY PERMIT
22 FOR A PHARMACY. IF THE BOARD'S ASSESSMENT PURSUANT TO THIS SUBSECTION
23 DETERMINES THAT A RARE, ORPHANED OR LIMITED DISTRIBUTION DRUG IS OTHERWISE
24 UNAVAILABLE IN THE MARKET TO A PATIENT OR PHARMACY THAT WOULD OTHERWISE BE
25 PROHIBITED BY THIS SECTION, THE BOARD SHALL CONVERT THE PHARMACY PERMIT
26 FOR THE PROHIBITED PHARMACY TO A LIMITED SERVICE PHARMACY PERMIT FOR THAT
27 PHARMACY FOR A PERIOD OF AT LEAST NINETY DAYS.

28 D. THE BOARD SHALL ADOPT RULES TO IMPLEMENT THE REQUIREMENTS OF
29 THIS SECTION. RULES ADOPTED PURSUANT TO THIS SUBSECTION SHALL ESTABLISH:

30 1. THE PROCESS IN WHICH A PATIENT, PHARMACY OR HEALTH CARE PROVIDER
31 MAY NOTIFY THE BOARD OF A RARE, ORPHANED OR LIMITED DISTRIBUTION DRUG THAT
32 IS UNAVAILABLE IN THE MARKET.

33 2. THE PROCESS IN WHICH A PHARMACY MAY REQUEST A LIMITED SERVICE
34 PHARMACY PERMIT PURSUANT TO SUBSECTION C OF THIS SECTION.

35 3. THE TIMELINE IN WHICH THE BOARD MUST MAKE A DECISION.

36 4. THE PROCESS FOR EMERGENCY DETERMINATIONS DUE TO PATIENT NEED.

37 E. THE BOARD MAY EXTEND THE USE OF A PHARMACY PERMIT OR ISSUE A
38 RENEWAL OF A PHARMACY PERMIT FOR A PHARMACY THAT OFFERS SAME-DAY PATIENT
39 ACCESS FOR PHARMACIST SERVICES, A PRESCRIPTION FOR A CONTROLLED SUBSTANCE,
40 OR ANOTHER CRITICAL PATIENT HEALTH CARE SERVICE FOR A PERIOD OF TIME AS
41 DETERMINED BY THE BOARD IF THERE IS A PENDING SALE OF THE PHARMACY TO AN
42 ELIGIBLE BUYER.

43 F. THIS SECTION DOES NOT APPLY TO A PHARMACY EMPLOYER AND A
44 PHARMACY IF ANY OF THE FOLLOWING APPLIES:

1 1. THE PHARMACY EMPLOYER AND PHARMACY HAVE A DIRECT OR INDIRECT
2 INTEREST IN A PHARMACY BENEFITS MANAGER.

3 2. A PHARMACY EMPLOYER IS THE SOLE CLIENT OF THE PHARMACY BENEFIT
4 MANAGER IN THIS STATE IN WHICH THE PHARMACY EMPLOYER HAS A DIRECT OR
5 INDIRECT INTEREST.

6 3. THE PHARMACY EMPLOYER AND PHARMACY EXCLUSIVELY SERVICE THE
7 EMPLOYEES AND DEPENDENTS OF THE PHARMACY EMPLOYER WHILE USING THE
8 AFFILIATED PHARMACY BENEFIT MANAGER IN THIS STATE.

9 G. THE BOARD SHALL CONDUCT AN INITIAL ASSESSMENT OF EACH ACTIVE
10 PHARMACY PERMIT THAT WAS ISSUED UNDER THIS ARTICLE AS OF JULY 1, 2026,
11 AND, AT LEAST NINETY DAYS BEFORE JANUARY 1, 2027, SHALL SEND WRITTEN
12 NOTICE TO EACH PHARMACY PERMIT HOLDER THAT THE BOARD REASONABLY BELIEVES
13 WILL VIOLATE SECTION THIS SECTION. FOR THE PURPOSES OF THIS SUBSECTION,
14 "WRITTEN NOTICE" MEANS ACTUAL NOTICE TO THE PHARMACY PERMIT HOLDER VIA
15 MAIL OR EMAIL.

16 H. THE WRITTEN NOTICE REQUIRED PURSUANT TO SUBSECTION G OF THIS
17 SECTION SHALL INCLUDE:

18 1. A LIST OF EACH PHARMACY BENEFIT MANAGER THAT HOLDS A DIRECT OR
19 INDIRECT INTEREST IN, OR OTHERWISE HOLDS, DIRECTLY OR INDIRECTLY, A
20 PHARMACY PERMIT ISSUED PURSUANT TO SECTION 32-1930 FOR THE RETAIL SALE OF
21 PRESCRIPTION DRUGS IN THIS STATE HELD BY THE PHARMACY PERMIT HOLDER. THE
22 LIST SHALL INCLUDE:

23 2. A PHONE NUMBER AND EMAIL ADDRESS THAT IS MONITORED BY THE BOARD
24 DURING REGULAR BUSINESS HOURS.

25 3. A LIST OF PHARMACIES IN THIS STATE THAT HOLD AN ACTIVE RETAIL
26 PHARMACY PERMIT AND THAT ARE NOT REASONABLY EXPECTED TO VIOLATE THIS
27 SECTION AS OF JANUARY 1, 2027. THE LIST SHALL INCLUDE:

- 28 (a) THE NAME OF THE PHARMACY.
29 (b) THE PHONE NUMBER OF THE PHARMACY.
30 (c) THE PHYSICAL ADDRESS OF THE PHARMACY.
31 (d) THE WEBSITE OF THE PHARMACY.
32 (e) AN EMAIL ADDRESS FOR THE PHARMACY.

33 I. IF THE BOARD HAS A SEARCHABLE WEBSITE THAT INCLUDES THE
34 INFORMATION REQUIRED BY SUBSECTION H, PARAGRAPH 3 OF THIS SECTION, THE
35 BOARD MAY PROVIDE THE WEBSITE INFORMATION IN LIEU OF THE LIST.

36 J. AT LEAST SIXTY DAYS BEFORE JANUARY 1, 2027, A PHARMACY PERMIT
37 HOLDER THAT RECEIVES WRITTEN NOTICE FROM THE BOARD PURSUANT TO SUBSECTION
38 G OF THIS SECTION SHALL PROVIDE WRITTEN NOTICE TO EACH PATIENT AND EACH
39 PATIENT'S PRESCRIBING HEALTH CARE PROVIDER THAT HAS USED THE PHARMACY
40 WITHIN THE PREVIOUS TWELVE MONTHS THAT THE PHARMACY CAN NO LONGER DISPENSE
41 RETAIL DRUGS TO THE PATIENT ON OR AFTER JANUARY 1, 2027. FOR THE PURPOSES
42 OF THIS SUBSECTION, "WRITTEN NOTICE" MEANS ACTUAL NOTICE TO THE PATIENT
43 VIA MAIL OR EMAIL OR THROUGH THE PHARMACY'S PATIENT PORTAL.

44 K. WRITTEN NOTICE REQUIRED BY SUBSECTION J OF THIS SECTION SHALL
45 INCLUDE THE INFORMATION PRESCRIBED BY SUBSECTION H, PARAGRAPHS 1 AND 2 OF

1 THIS SECTION THAT THE BOARD IS REQUIRED TO PROVIDE TO PHARMACY PERMIT
2 HOLDERS.

3 L. FOR THE PURPOSES OF THIS SECTION, "PHARMACY BENEFIT MANAGER":

4 1. HAS THE SAME MEANING PRESCRIBED IN SECTION 20-3321.

5 2. INCLUDES AN ENTITY THAT EITHER:

6 (a) IS MANAGED BY A PHARMACY BENEFIT MANAGER OR IS A SUBSIDIARY OF
7 A PHARMACY BENEFIT MANAGER.

8 (b) HAS A DIRECT OR INDIRECT OWNERSHIP INTEREST IN A PHARMACY
9 BENEFIT MANAGER.

10 Sec. 2. Effective date

11 This act is effective from and after December 31, 2026.