Regulatory Notice

PBM Regulations by State

National and State Level Regulatory Requirements Specific to Pharmacy Benefit Management

State: Ohio
Last Updated: 09/11/2026

Applicable Rule(s)

Ohio Revised Code (R.C.) 3959.05 establishes the licensing and regulatory requirements for third-party administrators (TPAs), under which Pharmacy Benefit Managers operating in the State of Ohio are currently regulated. Under R.C. 3959.05, a corporation, business, or other entity may not solicit a plan, act as an administrator for, or provide administrative services to a plan or plan sponsor in Ohio without first obtaining a license from the Ohio Department of Insurance (ODI). The statutory framework requires applicants to provide specified organizational information, maintain designated fidelity bonds, and authorizes the Department to enforce operational standards for the issuance and maintenance of the license. The Ohio Department of Insurance confirms that PBMs must hold an active TPA license to operate in Ohio. The Department's current licensing guidelines dictate that this license must be regularly renewed in accordance with Ohio regulatory standards.

Upcoming Regulatory Change Notice

Pursuant to newly enacted legislation (Ohio House Bill 229), the state is transitioning away from the TPA regulatory framework for PBMs. Effective July 1, 2027, PBMs operating in Ohio will transition to a dedicated, stand-alone licensing process governed under a new chapter, R.C. Chapter 3957. This upcoming framework introduces enhanced transparency metrics, operational disclosures, and distinct licensing maintenance mandates.

Compliance Statement

The Pharmacy Benefit Manager maintains the required Ohio license pursuant to R.C. 3959.05 and the current administrative requirements of the Ohio Department of Insurance. The Pharmacy Benefit Manager maintains verifiable compliance documentation supporting its current Ohio licensure and actively monitors evolving state licensing requirements, including Ohio Department of Insurance filings, disclosure mandates, fee assessments, and the upcoming regulatory transition to R.C. Chapter 3957.