



## Ohio Revised Code Section 3957.01

Effective: June 30, 2026

Legislation: House Bill 229

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As used in this chapter:

(A) "Claims processing services" means administrative services performed in connection with processing and adjudicating claims relating to pharmacist services, including both of the following:

(1) Receiving payments for pharmacist services;

(2) Making payments to pharmacists or pharmacies for pharmacist services.

(B) "Contracted pharmacy" or "pharmacy" means a pharmacy, as defined in section 4729.01 of the Revised Code, located in this state and participating in either the network of a pharmacy benefit manager or in a health care or pharmacy benefit plan through a direct contract or through a contract with a pharmacy services administration organization, group purchasing organization, or another contracting agent.

(C) "Drug product reimbursement" means the amount paid by a pharmacy benefit manager to a contracted pharmacy for the cost of the drug dispensed to a patient and does not include a dispensing or professional fee.

(D) "Fiscal year," "plan," "plan sponsor," and "self-insurance program" have the same meanings as in section 3959.01 of the Revised Code.

(E) "Health benefit plan" and "health plan issuer" have the same meanings as in section 3922.01 of the Revised Code.

(F) "Insurance" has the same meaning as in section 3905.01 of the Revised Code.

(G) "Insurer" has the same meaning as in section 3901.32 of the Revised Code.



(H) "Licensee" means a person licensed as a pharmacy benefit manager under this chapter.

(I) "Maximum allowable cost" means a maximum drug product reimbursement for an individual drug or for a group of therapeutically and pharmaceutically equivalent multiple source drugs that are listed in the United States food and drug administration's approved drug products with therapeutic equivalence evaluations, commonly referred to as the orange book.

(J) "Maximum allowable cost list" means a list of the drugs for which a pharmacy benefit manager imposes a maximum allowable cost.

(K) "Other prescription drug or device services" means services other than claims processing services, provided directly or indirectly, whether in connection with or separate from claims processing services, including all of the following:

(1) Negotiating rebates, discounts, or other financial incentives and arrangements with drug companies;

(2) Disbursing or distributing rebates;

(3) Managing or participating in incentive programs or arrangements for pharmacist services;

(4) Negotiating or entering into contractual arrangements with pharmacists or pharmacies, or both;

(5) Developing formularies;

(6) Designing prescription benefit programs;

(7) Advertising or promoting services.

(L) "Pharmacist" means an individual licensed to engage in the practice of pharmacy, as defined in section 4729.01 of the Revised Code.



(M) "Pharmacy benefit manager" means an entity that contracts with pharmacies on behalf of an employer, a multiple employer welfare arrangement, public employee benefit plan, state agency, insurer, managed care organization, or other third-party payer to provide claims processing services, pharmacy benefit management services or administration, or other prescription drug or device services. "Pharmacy benefit manager" includes the state pharmacy benefit manager selected under section 5167.24 of the Revised Code.

(N) "Pharmacy benefit manager affiliate" means a pharmacy or pharmacist that directly or indirectly, through one or more intermediaries, owns or controls, is owned or controlled by, or is under common ownership or control with a pharmacy benefit manager.

(O) "Pharmacy benefit management services" means services provided by a pharmacy benefit manager on behalf of an employer, a multiple employer welfare arrangement, public employee benefit plan, state agency, insurer, managed care organization, or other third-party payer to provide claims processing services, administrative support or efficiencies, contracting, or other prescription drug or device services.

(P) "Pharmacy services administrative organization" means an organization that helps community pharmacies and pharmacy benefit managers or third-party payers achieve administrative efficiencies, including contracting and payment efficiencies.

(Q) "Rebate" means a discount or other price concession, or a payment attributable to the utilization of prescription drugs in this state, that is paid by a drug manufacturer directly to a pharmacy benefit manager after a claim has been processed and paid at a pharmacy.

(R) "Subject to this chapter" means, in the context of an agreement involving a pharmacy benefit manager, that the agreement is entered into, amended, or renewed on or after July 1, 2027.

(S) "Third-party payer" has the same meaning as in section 3901.38 of the Revised Code, except that the term does not include a pharmacy benefit manager subject to this chapter.