

Indiana Department of Insurance Now Requires Pharmacy Benefit Managers to Obtain a License

Indianapolis – The Indiana application for Pharmacy Benefit Managers is now live and all Pharmacy Benefit Managers must now apply for licensure. Pharmacy Benefit Managers (PBMs) are third party companies that offer pharmacy benefit management services and function as intermediaries between health plans and pharmaceutical manufacturers. The link to the application can be found at www.sircon.com/indiana.

In 2020, Indiana passed SEA 241 (IC 27-1-24.5) requiring PBMs to obtain a license issued by the Indiana Department of Insurance (IDOI). The act gives the IDOI commissioner the authority to adopt rules to set forth provisions for licensure and financial requirements, application and renewal fees, pharmacy claims audits, maximum allowable cost pricing, annual reporting, and penalties for violations for PBMs. Indiana Administrative Code Title 760, Article 5: Pharmacy Benefit Manager Standards became effective March 22, 2023, and includes the requirements for licensure.

PBMs organized in the State of Indiana need to apply by clicking on “Apply for a License” in the portal, then “New Insurance Licenses”. PBMs organized outside the State of Indiana should apply through “Other Licenses”.

More Information

Additional information is available on the IDOI website, including specific items that must be attached to a PBM’s application and also a PBM Compliance Checklist. Visit www.in.gov/idoi/companyentity-financial-compliance/other-entities-initial-registration-requirements/pharmacy-benefit-manager-initial/.

Any questions about PMBs should be directed to Compliance@idoi.IN.gov.

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About the Indiana Department of Insurance

The [Indiana Department of Insurance](http://www.in.gov/idoi/) (IDOI) protects Indiana's insurance consumers by monitoring and regulating the financial strengths and market conduct activities of insurance companies and agents. The IDOI monitors insurance companies and agents for compliance with state laws to protect consumers and to offer them the best array of insurance products available. The IDOI also assists Hoosiers with insurance questions and provides guidance in understanding how insurance policies work.