



Novartis Pharmaceuticals
Managed Markets Finance
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July 11, 2025

BY ELECTRONIC MAIL

Dear Covered Entity:

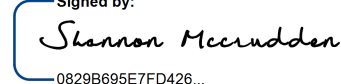
We are writing in follow-up to our previous communication of July 1, 2025 to clarify our 340B Contract Pharmacy Policy for covered entities and their contract pharmacies in the state of Tennessee, in light of the recent decision by the U.S. District Court for the Middle District of Tennessee in the case AbbVie Inc. et al. v. Skrametti.

In accordance with the court's decision, Novartis encourages covered entities in Tennessee to upload claims data for designated contract pharmacies but does not currently require them to do so. Consistent with Novartis's Contract Pharmacy Policy in place before June 1, 2025, Tennessee hospital covered entities will continue be able to purchase at the 340B price for their in-house pharmacies. In the event the covered entity does not have an in-house pharmacy, Novartis will allow such covered entity to designate one contract pharmacy location where Novartis will ship 340B discounted product. The designated contract pharmacy must be a dispensing pharmacy that is not a central fill location.

Novartis continues to support the core mission of the 340B program to increase access to outpatient drugs by uninsured, low-income, and other vulnerable patients.

We look forward to working collaboratively with you to further strengthen the 340B program. If you have any questions, please contact us at Novartis.340B@novartis.com.

Sincerely,

Signed by:

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Shannon McCrudden
VP, Managed Markets Finance
Novartis Pharmaceuticals Corporation
One Health Plaza, East Hanover, NJ 07936-1080