

June 1st, 2023

Dear Customer/340B Covered Entity,

Organon supports the 340B program and its intended mission of supporting safety net providers in providing patients in need with access to medical care and medications. This letter is intended to provide you notice that Organon is altering its approach to the offering of 340B discounts to contract pharmacies. This change is intended to help reduce diversion and inappropriate claims for discounts and rebates.

Effective July 1, 2023, Organon will only provide products purchased at the 340B price to locations registered as 340B covered entities and will decline to facilitate Bill To/ Ship To orders for all hospital covered entities, subject to the exceptions outlined below. Organon's updated policy will not apply to 340B pricing for 340B contract pharmacy locations for any 340B covered entity that is eligible for the 340B program through their grant status with HRSA or other eligible grants. Federal grantees will continue to remain eligible for Bill To/Ship To arrangements for Organon products at the 340B discounted price and do not need to submit 340B claims.

Any hospital covered entity, regardless of whether it has an in-house pharmacy capable of dispensing 340B purchased drugs to its patients, may designate a single contract pharmacy location if the covered entity provides claims data for the designated single contract pharmacy through 340B ESP[™].

Organon is utilizing the 340B ESP[™] platform to support this designation. 340B covered entities that haven't already registered an account with 340B ESP[™], can make their designation by visiting <u>www.340besp.com/designations</u>. If you have any questions about this initiative, please contact 340B ESP[™] at <u>support@340besp.com</u>.

Covered entities must take action by June 16th, 2023 in order for contract pharmacy location designations to take effect on the effective date of this policy.

Organon is committed to ensuring that all 340B covered entities can purchase Organon products at the 340B discounted price. 340B covered entities should work with their contract pharmacy administrators and wholesalers to process any outstanding Bill To/ Ship To orders in advance of the July 1, 2023 effective date. Please refer to the Next Steps and FAQs for more information.

Best Regards,

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Andy Tedeschi Head of US Market Access and Account Management

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NEXT STEPS AND FREQUENTLY ASKED QUESTIONS

To get started with Second Sight Solutions' 340B ESP[™] platform, follow these three simple steps:

- 1. Go to <u>www.340BESP.com</u> to register your account. Upon initial registration you will be prompted with an onboarding tutorial that will walk you through the account set up process step by step. This process takes ~15 minutes.
- 2. Once your account is activated, you will be able to securely upload data to 340B ESP[™]. You will receive periodic notifications of pending data submissions and new contract pharmacy set up activities.
- 3. Login to 340B ESP and submit your 340B contract pharmacy claims data on a twice monthly basis. Once your account is set up, the claims upload process takes ~ 5 minutes.

In addition to the frequently asked questions below, you can visit <u>www.340BESP.com/FAQs</u> to learn more about 340B ESP[™]. For further help with the registration, account setup, and data submission process you can access a repository of webinars at <u>www.340BESP.com/resources/webinars</u> or call Second Sight Solutions at 888-398-5520.

Frequently Asked Questions

Q: Which products are subject to Organon's policy?

A: Organon's contract pharmacy policy applies to all Organon products. Organon's policy letter can be found at www.340besp.com/resources and a list of applicable NDCs can be found at **What NDCs Do We Look For?:** http://help.340besp.com/en/articles/4455011-what-ndcs-do-welook-for.

Q: My covered entity has a contract pharmacy relationship with a pharmacy that is owned by our health system. Is this pharmacy subject to Organon's policy?

A: Any hospital covered entity may elect to designate any contract pharmacy location registered on the HRSA OPAIS database, regardless of ownership interest, as its single contract pharmacy location so long as it complies with the claim submission requirements noted below.

- Any hospital covered entity that does not have an in-house pharmacy capable of dispensing 340B purchased drugs to its patients may designate a single contract pharmacy location for delivery of 340B-priced drugs if the covered entity provides claims data for the designated single contract pharmacy.
- A hospital covered entity that does have an in-house pharmacy capable of dispensing 340B purchased drugs to its patients may designate a single contract pharmacy location for delivery of 340B-priced drugs if the covered entity provides claims data for the designated single contract pharmacy.

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Q: My covered entity has an in-house pharmacy that is capable of purchasing and dispensing Organon drugs, but my entity doesn't use it to dispense Organon drugs. Can my entity designate one contract pharmacy?

A: Yes, under Organon's policy, a hospital covered entity that has an in-house pharmacy capable of dispensing 340B purchased drugs to its patients may designate a single contract pharmacy for delivery of 340B priced drugs if the covered entity provides claims data for the designated single contract pharmacy.

Q. My 340B covered entity has contract pharmacy arrangements with multiple locations of the same pharmacy (e.g. six different Accredo pharmacy locations). Can my entity designate all locations of the same pharmacy?

A. No. Organon's policy allows 340B hospital covered entities to designate a single contract pharmacy location. Contract pharmacy locations are registered individually on the HRSA database and 340B covered entities are permitted to designate only a single contract pharmacy location which corresponds to a single contract pharmacy registration with HRSA. The only exception to this applies to Federal grantee covered entities, which may continue to obtain products at the 340B price through multiple contract pharmacy locations.

Q. How often can my covered entity change its contract pharmacy designation?

A. Covered entities may change their contract pharmacy designation once every twelve (12) months (from the date of first designation) or more often as agreed to by Organon and the covered entity (e.g., if the designated contract pharmacy relationship is terminated from the HRSA OPAIS database).

Q. How does my covered entity change its contract pharmacy designation?

A. Changes to the single contract pharmacy designation can only be made by visiting <u>www.340Besp.com/designations.</u> Users that have registered an account with 340B ESP[™] can navigate to the Entity Profile tab to make their contract pharmacy designation.

Q. Is Organon requiring covered entities to have a HIN registered for the contract pharmacy that they designate?

A. Yes, a contract pharmacy must have a HIN assigned to it for a covered entity to designate it as its single contract pharmacy. This information is important for Organon to manage its process with its wholesalers. If a covered entity needs guidance or more information on how to get a HIN assigned to a contract pharmacy, please reach out to support@340BESP.com.

Q. If the contract pharmacy my covered entity wants to designate doesn't have a HIN, how does my entity get one?

A: Organon will not register a HIN on your behalf, however if you need guidance or more information on how to get a HIN assigned to your contract pharmacy, please reach out to support@340besp.com. If you try to

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designate a contract pharmacy without a HIN in 340B ESP[™], the system will notify you of this requirement and provide instructions for how to obtain a HIN.

Q. How does my covered entity ensure that its eligible contract pharmacy locations take effect on July 1st, 2023?

A. For a covered entity's eligible contract pharmacy location to take effect on July 1st, 2023, the entity must take action by June 16th, 2023. If your covered entity takes action after June 16th, please allow 10 business days for the eligible contract pharmacy location to take effect.

Q: My covered entity would like to submit 340B claims for its designated contract pharmacy to continue purchasing Organon products at the 340B price through this location. What does our entity need to do to begin submitting 340B claims?

A: 340B covered entities that wish to submit 340B claims for its designated contract pharmacy under Organon's policy can do so by registering an account at <u>www.340Besp.com</u>. Users that have registered an account with 340B ESP[™] can begin submitting 340B claims for Organon by navigating to the Claims Data Submission tab. 340B claims must be submitted within 45 days of the date of dispense in order for the contract pharmacy to remain eligible to receive 340B purchased drugs.

Q: Does Organon restrict Federal Grantees?

A: No, Organon does not restrict access to 340B pricing for 340B contract pharmacy locations for any 340B covered entity that is eligible for the 340B program through their grant status with HRSA or other eligible grants.

Q: Is there a limitation on how far back replenishment orders can be placed and still receive 340B pricing once eligibility for our contract pharmacy designation has been processed by our wholesaler?

A: Contract pharmacy replenishment orders for hospital covered entities registered with 340B ESP[™] will be honored for prescriptions dispensed to eligible 340B patients within forty-five (45) days of each data submission to 340B ESP[™].

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