



Novartis Pharmaceuticals
Managed Markets Finance
One Health Plaza
East Hanover, NJ 07936
Telephone +1 862 778 8300

July 1, 2025

BY ELECTRONIC MAIL

Dear Covered Entity:

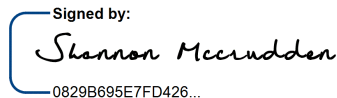
We are writing in follow-up to our previous communications on January 1, 2025. To ensure compliance with the state-imposed requirements under South Dakota S.B. 154, we have decided to adjust our 340B Contract Pharmacy Policy for covered entities and their contract pharmacies in the state of South Dakota, as set forth below. Our policy will otherwise remain the same.

Beginning July 1, 2025, South Dakota hospital covered entities will be able to order products and/or place "Bill to/Ship to" replenishment orders at the 340B price for products dispensed July 1, 2025, with respect to South Dakota based pharmacies with which they have contract pharmacy arrangements. Novartis reserves all rights in connection with this issue.

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