

Notice Regarding Revised Limitation on Hospital Contract Pharmacy Distribution

June 1, 2023

Beginning July 1, 2023, Novo Nordisk Inc. (labeler codes 00169 and 71090), and Novo Nordisk Pharma Inc. (labeler code 73070)¹, herein referred to as Novo Nordisk, will revise its policy regarding bill to/ship to distribution of 340B product under a contract pharmacy (CP) arrangement for any of the six "hospital" Covered Entity (CE) types as described below. This policy supersedes previous Novo Nordisk policies communicated on December 1, 2020, February 1, 2022, and December 2, 2022.

Novo Nordisk's policy does not deny access to 340B-priced covered outpatient drugs to any CE. **Novo Nordisk will continue to offer 340B prices to all 340B CEs, and each may purchase as much Novo Nordisk product at the 340B price that it wishes.** The changes announced in this notice solely impact Novo Nordisk-facilitated shipment of its products to CPs (which are not themselves CEs and have no statutory right to receive the products) that will be revised as of July 1, 2023. Nothing in this policy precludes Novo Nordisk from making further changes to its 340B policy and/or asserting any rights it may have.

As of July 1, 2023, Novo Nordisk's criteria for CP bill to/ship to arrangements at hospital CEs will be as follows:

- Novo Nordisk will allow a maximum of two CP designations (one retail and/or one specialty, as determined by Novo Nordisk) for all hospital CEs.
- Novo Nordisk will allow bill to/ ship to orders to an unlimited number of CPs that are
 wholly owned and operated by a hospital CE where the hospital CE provides claims level
 data associated with 340B dispenses made by those wholly owned CPs.
- These conditions will apply whether the hospital CE has an in-house pharmacy, or does not.

Novo Nordisk will continue to utilize the 340B ESP $^{\text{TM}}$ Second Sight Solutions platform (ESP $^{\text{TM}}$ platform) to collect CP designation applications and de-identified claims data sufficient to allow Novo Nordisk to identify potential ineligible discounts, thereby enhancing program integrity. Hospital CEs seeking to designate two CPs (i.e., one retail and/or one specialty) shall utilize the ESP platform to submit CP designation applications. Hospital CEs shall utilize the ESP platform to provide claims level data associated with 340B purchases for distribution to additional wholly owned CPs beyond the one retail and/or one specialty CPs referenced above. Hospital CEs may contact Second Sight Solutions at support@340BESP.com with any questions on how to utilize the ESP platform for CP designations and/or claims level data submissions.

None of the "grantee" CE types are impacted by this change in policy. Novo Nordisk will continue at its discretion to facilitate CP bill to/ship to arrangements at "grantee" CEs.

¹ Novo Nordisk's policy also applies to the following NDCs: 80644-0012-01 (inner NDC 80644-0012-02) and 80644-0013-01 (inner NDC 80644-0013-02).

HOSPITAL CES

Consistent with the classification regime set out in Health Resources and Services Administration's ("HRSA") Office of Pharmacy Affairs ("OPA") 340B Office of Public Affairs and Information Services ("OPAIS") database, Novo Nordisk considers the following CE types as hospital CEs:

Entity Type Description	Entity Type
Children's Hospital	PED
Disproportionate Share Hospital	DSH
Critical Access Hospital	CAH
Free Standing Cancer Hospital	CAN
Rural Referral Center	RRC
Sole Community Hospital	SCH

Hospital CEs that wish to designate CPs consistent with Novo Nordisk's policy that have registered an account on the ESP platform may designate CPs by navigating to the Entity Profile tab by June 17, 2023 for CP designations to be effective on July 1, 2023. Hospital CEs that elect not to register an account on the ESP platform can make their designations by visiting www.340besp.com/designations. All applications will be reviewed by Novo Nordisk prior to approval. Contract pharmacy designations shall apply to the CE parent and all related child sites of the CE. No action is required for hospital CEs that have already registered up to two CPs.

Hospital CEs seeking additional CP designations for wholly owned CPs beyond the permitted designations (i.e., one retail and one specialty pharmacy) must submit CP designation requests and provide timely CP claims level data for wholly owned CPs via the ESP platform. Hospital CEs electing this option must register at https://www.340besp.com/. All wholly owned CP exceptions currently approved by Novo Nordisk on the 340B ESP platform will continue to be eligible for bill-to/ship-to arrangements contingent upon submission of 340B claims level data. 340B claims level data must be submitted within 30 days from the purchase date and within 45 days of the date of dispense for a wholly owned CP to remain eligible to receive shipments of 340B-priced covered outpatient drugs. Novo Nordisk will monitor the timing and completeness of the claims data submitted via the ESP platform. If it is determined that claims data is not being timely submitted for any CP relationship, Novo Nordisk will terminate the bill to/ship to relationship for that CP.

Please direct any questions about this revised policy to 340BInfo@novonordisk.com.

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