



Novartis Pharmaceuticals Corporation
One Health Plaza
East Hanover, NJ 07936, USA.
<https://www.novartis.com>

July 9, 2026

Novartis 340B In-house Pharmacy Policy

Dear Valued 340B Covered Entity,

We are updating the terms of our offer to sell Novartis's covered outpatient drugs at the 340B price to apply to units dispensed through a covered entity's in-house pharmacy locations or otherwise shipped to a covered entity-designated address for receipt and distribution of 340B-priced drugs. These updated offer terms apply to Novartis covered outpatient drugs.

Beginning with dispenses of 340B covered outpatient drugs on or after July 6, 2026, all covered entities will be required to submit certain pharmacy and medical claim-level data (CLD) elements as a condition of receiving 340B prices on Novartis products. Covered entities already provide CLD to Novartis as a term of Novartis's offer of the 340B price on drugs dispensed through contract pharmacy arrangements authorized under Novartis's Contract Pharmacy Policy. This update extends that term to Novartis's offer of 340B pricing on purchases made by covered entities for their in-house pharmacies or otherwise delivered to a covered entity-designated address for the receipt and distribution of 340B-priced drugs, across all settings of care.

CLD information must be submitted within 45 days of the date of pharmacy dispense or date of medical service. Failure to provide timely, complete, and accurate data for all Novartis 340B purchases dispensed or administered on or after July 6, 2026, or for which a 340B replenishment unit is ordered on or after July 6, 2026, may be deemed a rejection of Novartis's 340B offer, and may result in loss of access to 340B pricing until the outstanding data is provided.

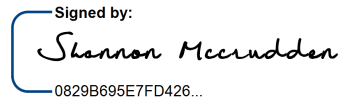
Covered entities have been submitting the same data for contract pharmacy dispenses since January 1, 2025. Our experience with those submissions indicates that providing these CLD will not be unduly burdensome. Novartis is requesting CLD that are already compiled to identify and replenish 340B dispenses and are part of standard and customary business practices used by covered entities to identify 340B-eligible claims. This data is necessary to help identify duplicate discounts, to ensure program integrity and compliance with Novartis's offer terms, and to preserve our ability to initiate good faith inquiries and audits.

The specific CLD Novartis is seeking are described in the FAQs at www.340BESP.com. The data should be submitted using the 340B ESP™ (Second Sight Solutions) platform. Covered entities that are not already enrolled in 340B ESP™ should go to www.340BESP.com to register an account. Details on state covered entity exemptions to this policy can be found in Attachment A, which Novartis may update in its sole discretion.



Novartis is committed to supporting the core mission of the 340B program to increase access to outpatient drugs by uninsured, low-income, and other vulnerable patients. If you have any questions about this policy, 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



Frequently Asked Questions

Q: What are the terms of Novartis's offer of the 340B price for all covered entities?

A: All covered entities must comply with the In-House Pharmacy Policy, and beginning with dispenses on or after July 6, 2026, will be required to submit certain claim-level data (CLD) for their in-house pharmacies.

Q: Does this policy apply to federal grantees in-house pharmacy locations and contract pharmacies?

A: The Novartis 340B In-house Pharmacy Policy applies to units dispensed through all covered entity in-house pharmacy locations or otherwise shipped to a covered entity-designated address for receipt and distribution of 340B-priced drugs. Novartis continues to exempt federal grantees from claim-level data (CLD) reporting requirements for their designated contract pharmacies with a bill-to ship-to arrangement in place.

Q: Does this notice apply to covered entities in every state?

A: Please reference Attachment A for a list of states in which covered entities are currently exempt from submitting claim-level data (CLD).

Q: Which products are subject to Novartis's In-House Pharmacy Policy?

A: Novartis' policy and the list of Novartis products subject to the policy can be found on 340B ESP™ www.340BESP.com.

Q: How does Novartis use the 340B claims data that are provided through 340B ESP™?

A: Data submitted by 340B covered entities will be used to help monitor and identify duplicate discounts, to ensure program integrity and compliance with Novartis's offer terms, and to allow Novartis to initiate good faith inquiries and audits.

Q: If my covered entity is currently submitting data to 340B ESP™, do I need to take any action?

A: Yes, you will need to update your claims submission process to include in-house pharmacy dispenses for both pharmacy- and medical-claims data and across all settings of care.

Q: How can I register to submit claim-level data (CLD)?

A: If you are not currently submitting claim-level data (CLD), please go to Second Sight Solutions' 340B ESP™ platform and follow these simple steps:

1. Go to www.340BESP.com to register your account. Upon initial registration you will be prompted with an onboarding tutorial that will walk you through the account setup process step by step. This process takes about 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. Once your account is set up, the claims upload process takes about 5 minutes.



Please visit www.340BESP.com/FAQs to learn more about 340B ESP™. For further help with the registration, account setup, and data submission process, please call Second Sight Solutions at 888-398-5520.

Q: What claim-level data (CLD) should be submitted?

A: Certain claim-level data (CLD) for all 340B dispenses under the 340B ID should be submitted for both medical and pharmacy claims for all 340B purchases or replenishment orders for eligible shipping address(es)—which may include a central fill pharmacy or distribution location, all locations listed on OPAIS as eligible ship-to or shipping addresses, and child sites.

The specific claim-level data (CLD) Novartis is seeking are described in the FAQs at www.340BESP.com.

Data must be submitted within 45 days of the date of dispense.

The minimal amount of data required is already collected as a standard business practice and used for determining 340B eligibility at the covered entity.

Q: If my covered entity uses a central-fill pharmacy, will that central-fill pharmacy be considered an eligible contract pharmacy when it is utilized to acquire, distribute, or re-distribute covered outpatient drugs to a pharmacy my entity deems a 340B eligible contract pharmacy?

A: As stated in [Novartis's Contract Pharmacy Policy](#), last updated and effective on June 10, 2026, centralized pharmacy replenishment facilities or “central-fill pharmacies” are not eligible as designated retail pharmacy locations. Novartis will only facilitate shipment or replenishment to the contract pharmacy for product dispensed directly by that contract pharmacy at their own physical location. Consistent with the prohibitions in Section 503(c)(3) of the Federal Food, Drug, and Cosmetic Act, the covered entity, as a hospital or health care entity, may not sell or trade or offer to sell or trade 340B drugs to a third-party pharmacy.



Attachment A

Covered entities in the following states are exempt from Novartis's In-House Pharmacy Policy:

Nebraska (NE), Vermont (VT), South Dakota (SD), North Dakota (ND), Colorado (CO), Maine (ME), Rhode Island (RI), Washington (WA), and Tennessee (TN)

Federally Qualified Health Centers (FQHC) or FQHC "look-alikes" located in New Mexico are exempt.