

November 22nd, 2021

Subject: 340B Contract Pharmacy Policy

Dear 340B Covered Entity,

I am writing to inform you that UCB, Inc. (UCB) is altering its 340B policy. Effective December 13<sup>th</sup>, 2021, subject to certain exemptions set forth below, UCB will provide products purchased at the 340B discounted price only to locations registered as a 340B covered entity or child site location. Pharmacies registered as a contract pharmacy will no longer be provided Bill To / Ship To replenishment orders.

UCB is voluntarily exempting from this change contract pharmacy arrangements with covered entities that participate in the 340B program under 42 U.S.C. § 256b(a)(4)(A)-(K)—commonly known as federal “grantees.” For contract pharmacies that have arrangements with these covered entities, UCB will continue to provide products purchased at the 340B price to multiple contract pharmacies.

Patients are at the heart of everything we do, inspiring us, and leading us to provide the best patient experience. To ensure all 340B covered entities and their patients can continue to access UCB’s life-enhancing products at the 340B price, a 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. UCB is utilizing the 340B ESP™ platform to support this designation. 340B covered entities that do not have an in-house pharmacy and have not already registered an account with 340B ESP™, can make their designations by visiting [www.340besp.com/designations](http://www.340besp.com/designations). Users that have registered an account with 340B ESP™ can designate a single contract pharmacy by navigating to the Entity Profile tab. If you have questions regarding the change in our 340B distribution model, please contact us at [support@340Besp.com](mailto:support@340Besp.com).

340B contract pharmacies that are wholly owned by a covered entity subject to the UCB policy, or are under common ownership with a health system, will continue to be provided “Bill To / Ship To” replenishment orders of 340B priced drugs. These pharmacies must be registered with HRSA as a contract pharmacy of their related 340B covered entity hospitals. To apply for a wholly owned contract pharmacy exemption, please visit [www.340besp.com/wholly\\_owned\\_application](http://www.340besp.com/wholly_owned_application).

In support of a smooth transition to our new policy, 340B covered entities should work with their contract pharmacy administrators and wholesalers to process any outstanding Bill To / Ship To replenishment orders in advance of the December 13<sup>th</sup>, 2021 effective date. 340B contracts administered by our wholesalers will no longer support provision of drugs purchased at the 340B discount price to contract pharmacies after December 13<sup>th</sup>, 2021.

Kind regards,

Jay Janco



Head of Contracts & Pricing

## Frequently Asked Questions

**Q: Which products are subject to UCB's policy?**

A: UCB's policy applies to all of its products.

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

A: No, contract pharmacies that are wholly owned by the covered entity or share common ownership with a health system are not subject to UCB's policy. However, 340B covered entities subject to UCB's policy must request an exemption for wholly owned contract pharmacies by visiting [www.340besp.com/wholly\\_owned\\_application](http://www.340besp.com/wholly_owned_application).

**Q: I have an in-house pharmacy that is capable of purchasing and dispensing UCB drugs, but I don't use it to dispense UCB drugs. Can I designate one contract pharmacy instead?**

A: No, under UCB's policy, if a covered entity has an in-house pharmacy capable of purchasing at the 340B price and dispensing, the entity must use that pharmacy and cannot designate a contract pharmacy instead.

**Q. How do I change my contract pharmacy designation?**

A. 340B covered entities that do not have an in-house pharmacy capable of dispensing medicines to their patients can elect a single contract pharmacy every twelve (12) months. Changes to the single contract pharmacy can be made only by visiting [www.340Besp.com/designations](http://www.340Besp.com/designations). Users that have registered an account with 340B ESP™ can navigate to the Entity Profile tab to make their contract pharmacy designation.

**Q. How often can I change my contract pharmacy designation?**

A. Covered entities that do not have an in-house pharmacy capable of dispensing medicines to its patients may change its contract pharmacy designation once every twelve (12) months (*from the date of first designation*) or more often if the designated contract pharmacy relationship is terminated from the HRSA OPAIS database.

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

A. UCB's policy allows 340B covered entities that do not have an in-house pharmacy capable of dispensing medicines to its patients to designate only 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.

**Q. How do I ensure that my contract pharmacy designation takes effect on December 13<sup>th</sup>, 2021?**

A. For a covered entity's contract pharmacy designation to take effect on December 13<sup>th</sup>, 2021, its contract pharmacy selection needs to be made by December 1<sup>st</sup>, 2021. After December 13<sup>th</sup>, 2021, please allow 10 business days for the designation to take effect.

**Q. How long does it take for my contract pharmacy designation to take effect if I make the designation after December 13<sup>th</sup>, 2021?**

A. You can designate a contract pharmacy after UCB's policy goes into effect on December 13<sup>th</sup>, 2021. If you designate after December 13<sup>th</sup>, 2021, please allow 10 business days for the designation to take effect.