

Biologics COVID-19 Operational Update for Biopharma Partners

April 14, 2020

Valued Biopharma Partner,

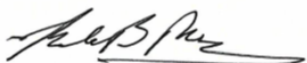
As you may know, COVID-19 is top of mind for us at Biologics at McKesson each day. To keep you informed on how this situation is impacting our operations, we will work toward providing an update on our status and business continuity plan on a weekly basis (in addition to any standard call and communication cadence we have already in place).

Here is our current status of operations:

- Operational continuity
 - We continue to focus on ensuring our staff can get to the pharmacy. We are working with local Emergency Management agencies to allow unrestricted travel for essential employees to our pharmacy, which is pre-designated as an essential facility.
 - We remain fully operational with no immediate staffing concerns that would impact our operational continuity.
 - Additionally, should Biologics shut down, we continue to plan for shipments to go out from an alternate location, likely our Dallas/Ft. Worth pharmacy, and will continue to work with you on ensuring we are fully prepared to do so if this scenario occurs.
- Fulfillment/inventory
 - We are closely monitoring any delays that could come from carriers, as well as considering backup plans and alternative suppliers for essential packaging needs and alternative airlines for commercial delivery.
 - Thus far we have not experienced any significant delays on this front.
 - Our inventory levels have been increased in some instances, and we currently feel comfortable with our drug-specific and overall inventory levels.
- Payer trends
 - We continue to see most payers being collaborative and supportive of overrides for early and/or extended refills, given the current state of the COVID-19 pandemic.
 - To protect the supply for all patients, we are not dispensing 90-day fills unless the patient presents extreme circumstances. Instead, we are offering to compress the time between refills by overriding Refill Too Soon claim rejections; this process is working well and serving patients' needs.

Please don't hesitate to let us know if you have questions about this information or anything else.

Thank you,



Rob Brown
General Manager, Biologics by McKesson