



December 20, 2025

Dear NACHC and it's members,

On November 20, 2025, we provided all Walgreens's 340B program customers with information about how Walgreens is preparing to participate in HRSA's 340B Rebate Model Pilot program, which is scheduled to commence on January 1, 2026. Given questions we've received, we're taking this opportunity to provide additional clarity about next steps.

First and foremost, **Walgreens will participate in the 340B Rebate Model Pilot program.** However, due to the very short timeline from announcement of the pilot to its implementation, we need more time to modify our current technology systems and capabilities related to replenishment ordering functionality necessary to participate in the pilot. As a result, Walgreens will not be ready to implement and participate in the pilot on January 1, 2026. We will notify you when these updates are complete, and we can start participating in the pilot.

What does this mean operationally for our 340B program customers?

- Starting on January 1, 2026, all Medicare Part D claims for 2026 IPAY drugs serviced by Walgreens will be submitted for an MFP rebate and not flow through the 340B Rebate Pilot.
- All other applicable claims for drugs included in the 340B Rebate Pilot will not flow through the 340B Rebate Pilot starting on January 1, 2026.
- As soon as we are ready to participate in the pilot, we will communicate that immediately to our 340B covered entity customers, **and carve in all applicable claims and insurance types (Medicare Part D, Commercial, etc.) agreeable to both Walgreens and our covered entity customers back to the 340B Rebate Pilot.**

We are working as diligently and expeditiously as possible to restore the 340B savings that our covered entity customers need and rely on.

We greatly appreciate the opportunity to continue to serve our 340B covered entity customers, your providers and our patients in communities nationwide.