



Eli Lilly and Company
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July 18, 2012

Commander Krista Pedley
Director
Office of Pharmacy Affairs (“OPA”)
Health Resources and Services Administration (“HRSA”)
Department of Health and Human Services (“HHS”)
5600 Fishers Lane, Parklawn Building, Mail Stop 10C-03
Rockville, Maryland 20857

**Letter to HRSA’s Office of Pharmacy Affairs
Regarding the Voluntary Conclusion of the Zyprexa® Limited Distribution System**

Dear Commander Pedley:

Eli Lilly and Company (“Lilly”) distributes Zyprexa®, a neuroscience product used to treat schizophrenia¹ in the United States. From April 1, 2012 through June 30, 2012, the 340B ceiling price for Zyprexa® was at \$0.01 per capsule pursuant to the 340B Program “penny pricing” policy. During that time period we anticipated that we may be unable to meet demand for Zyprexa® because of increased ordering activity anticipated as a consequence of the “penny price”. Therefore, in an effort to ensure that all patients have an equal opportunity to obtain Zyprexa®, we instituted a limited distribution system for Zyprexa® during the second quarter of 2012.

Effective July 1, 2012, Lilly no longer anticipates being unable to meet the demand for Zyprexa®, because the 340B Program’s “penny price” policy will no longer apply. Accordingly, Lilly is voluntarily concluding Zyprexa’s® limited distribution system beginning on July 1, 2012.

This letter is in follow-up to our previous correspondence, in which Lilly requested guidance from OPA that the limited distribution system described in this letter complies with the relevant 340B program guidance. Please feel free to share this information with 340B covered entities and other interested parties as you think appropriate. For

¹ For more product information, including safety information, please see www.Zyprexa.com.

further information, entities may contact The Lilly Answers Center at 1-800-LillyRX (1-800-545-5979).

Lilly appreciates your office's cooperation during this period.

Very truly yours,

Heather Dixon
Advisor Government Price Reporting
Lilly USA, LLC
Eli Lilly and Company