

COVID-19 FAQs for AmerisourceBergen Wholesale Distribution Customers



Updated 3.18.2020: This document is intended to answer questions from AmerisourceBergen customers about what we are doing to prepare and respond to the challenges presented by COVID-19. With additional questions, please reach out to your AmerisourceBergen representative.

Product, Inventory & Allocations:

Q: How is AmerisourceBergen managing allocations?

A: We will continue to use our **fair share allocation program**, which creates safeguards on products in high demand to ensure stable availability. As of now, many products in the following categories are being allocated to protect inventory or based on manufacturer request. These allocations are being put in place to manage increased demand.

- PPE
- Inhalers and nebulizers (respiratory meds)
- Cough/cold
- Antivirals
- Antibiotics
- Antipyretics
- IV fluids (ringers, NS, D5W)
- Crash cart/critical care items
- Sedation and pain relief

Regardless of an item's allocations status, customers are still subject to our order monitoring program for controlled substances

In terms of the global pharmaceutical supply chain, we continue to proactively solicit and monitor updates from manufacturers.

We also understand that some patients have been given guidance to stock up on medication from their local news sources, and we are doing everything in our power to address the demand while ensuring a safe and stable supply chain.

Q: How is AmerisourceBergen handling additional product and inventory stocking requests?

A: As you can imagine, customer across the country are increasing inventory for a number of reasons, not least of which is to accommodate increasing patient influx or longer-term fill such as 90-day prescriptions. We are in constant communication with manufacturers to buy in-demand inventory as quickly as possible to meet increased demand from customers, with all participants in the global supply chain wanting to ensure stability for patient demand in the future.

Q: Are we increasing our stock levels to accommodate the additional requests/needs?

A: Yes. We are increasing inventory for high-demand products as quickly as possible while being as responsible as possible to the overall supply chain, working closely with our manufacturer partners. In early March, we increased DOH (days on hand) for IV fluids, generic injectables and related products for acute care providers, as well as essential medicines in other classes. In fact, we are taking broad action to lift inventory across the board.

Q: **There is concern based on media coverage that because of manufacturing disruptions in China and API restrictions from India that there could be a significant drug shortage problem.**

A: On March 3, India's Directorate General of Foreign Trade announced it was restricting 13 APIs and their formulations until further notice. While this is certainly impactful to the pharmaceutical supply chain, we do not expect this to have an immediate impact on product availability. Typically, generics manufacturers keep between 6-8 months of finished goods and API on hand. Brand and specialty manufacturers are typically less dependent on operations in China and India for manufacturing. Additionally, AmerisourceBergen is increasing days-on-hand for IV fluids and some generic injectables to support our acute care customers. We will continue to place allocation-driven safeguards on products in high demand to ensure stable availability and responsible purchasing behavior.

Q: **Does AmerisourceBergen have inventory of masks, gowns and other PPE?**

A: No, as you are likely aware there is a market-wide shortage of N95 surgical masks and other PPE. Most PPE has migrated to a national government-managed stockpile, and there are no goods in the commercial supply chain. We do not expect to have additional inventory in the near future and recent intelligence suggests that PPE products are being issued only to states for allocation.

Q: **Do we expect shortages for generic items?**

A: At this time we have very limited impact of drug shortages linked to COVID-19. However, we are certainly seeing an increased demand and continue to do everything in our power to respond to demands by increasing inventory and availability.

Q: **Do we foresee allocations on items from other countries? Are we seeing less availability from these manufacturers?**

A: No, not at this time.

Operations and Business Continuity:

Q: **What happens if a distribution center is forced to close due to an outbreak of COVID-19?**

A: In the event of any unanticipated closure, AmerisourceBergen would enact our business continuity plans and backup DC support. AmerisourceBergen has 27 wholesale distribution centers across the United States, 25 of which can support one

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another in case of emergency. We have the ability to transfer orders from one servicing distribution center to another.

Q: Why is AmerisourceBergen experiencing some delivery delays?

A: Due to high ordering volumes across our entire network, AmerisourceBergen is experiencing delays with pick, pack and ship processes. Additionally, because of increased volumes, couriers are also experiencing delays in their re-packing processes, and increased security measures at some customer sites are also delaying end-mile drivers.

Our customers can help us manage this by doing a few things:

- 1. Submit orders as early as possible:** Submitting your orders early in the day will allow us to start preparing orders earlier and help minimize staffing disruptions.
- 2. Submit orders in one purchase order:** Submitting orders in one purchase order can lessen the impact on distribution center operations, ensuring more timely deliveries.
- 3. Consider critical purchases when submitting orders:** We understand that you need to be prepared, but we ask that you consider ordering strategically--not just more items.
- 4. Please return totes with your driver:** If you have any AmerisourceBergen totes, lids or cold chain coolers in your facility, please return them to us. We need an adequate number of totes to ensure the most efficient process when filling your orders.

Q: What is AmerisourceBergen doing to be proactive in addressing increased order volumes to ease delays?

A: In addition to working with our manufacturer partners to increase inventory, we are also increasing our distribution center staffing.

Q: How is AmerisourceBergen ensuring the safety of courier drivers—both to protect AmerisourceBergen’s distribution centers as well as customers receiving orders?

A: As our trusted partners, we are implementing several new policies with our third-party drivers to ensure our mutual safety. We’ve clearly communicated our expectations for our courier partners to be managing their drivers and have vendor/visitor guidance for the DCs to continue to screen visitors. This includes:

- Drivers must report immediately to their management team and their local AmerisourceBergen contact if they or a family member has a confirmed case of COVID-19, has been exposed to a confirmed case of COVID-19 or is being tested for COVID-19.

- Drivers that regularly have access to an AmerisourceBergen facility will be granted access but will be required to sanitize their hands upon entry.
- All driver vehicles should be cleaned and sanitized on a regular basis to limit the spread of COVID-19.
- Drivers should follow any enhanced protocol outlined by delivery locations.
- **Regarding masks and gloves for drivers:** Couriers are not requiring their drivers to wear a mask and gloves to complete deliveries. Health agencies like the CDC and WHO agree that non-healthcare professionals do not need to wear a surgical mask. Additionally, masks are experiencing an extreme market shortage. If a customer is requiring drivers to wear a mask, they will have to provide the mask for the driver's usage.

Q: Is AmerisourceBergen experiencing a shortage of drivers?

A: No, we are not experiencing a shortage of courier drivers, and are in close contact with our partners to ensure continuity.

Q: How is AmerisourceBergen preparing for staffing challenges in distribution centers due to childcare, illness, quarantine, etc.?

A: We are proactively implementing several measures in our DCs to ensure staffing continuity:

- Implementing a cross-distribution center backup program, where a DC can "borrow" staff from another distribution center in the region.
- Increasing staffing with temporary workers and additional onsite support.
- Providing our associates with support from our HR department to help manage through childcare disruptions and other needs.

Q: How will drivers and DC workers get to work if a county/city is on curfew or lockdown?

A: We are providing distribution center associates with a verified letter that designates them as an Authorized Responder. If stopped by authorities, they can provide this letter based on AmerisourceBergen's role in healthcare delivery. We also work with national healthcare agencies and the government to ensure access as a critical part of the healthcare infrastructure. This is something we have done in the past during natural disasters and other emergency situations.

Sanitation & Cleanliness Measures at AmerisourceBergen Locations

Q: How has AmerisourceBergen enhanced cleaning at the distribution centers?

A: Our distribution centers are taking extra measures for cleanliness given the volume of human health products that are processed through each facility. Distribution centers are using BruTab 6sor Shockwave (powerful EPA-approved disinfectants) through electrostatic sprayers and standard spray canisters for 2-3 additional cleanings per day.

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Q: Should customers stop signing electronic devices to confirm receipt of deliveries?

A: Yes, we recommend that, for their protection and that of the drivers, we recommend that customers **do not** sign electronic devices to confirm deliveries. The paper manifest serves as the official Proof of Delivery, so not signing the electronic devices should not create a disruption for AmerisourceBergen or for customers.

Regulatory Questions:

Q: Is AmerisourceBergen's controlled substance order monitoring program going to account for increased controlled substances demand based on increased patient volumes?

A: AmerisourceBergen's order monitoring program was designed to handle unforeseen health care market occurrences, and we are confident in our ability to respond to COVID-19 appropriately. We are taking a measured approach but are responding to customer requests for additional quantities of controlled substances to accommodate higher patient volumes. We recommend that Customers not attempt to "stock up" on controlled substances, as such activity may lead to unnecessary shortages and actually will increase the risk that the orders will be rejected and not be filled. AmerisourceBergen has reached out to DEA for additional guidance as we respond to the COVID-19 crisis; and will continue to work with internal and external resources to identify the relatively short list of controlled substances that could be used in the treatment of patients infected with the COVID-19 virus in order to be more sensitive to the ordering of those particular drug families.

Q: How can we complete CSRA Form 590 photo requirements for new customers?

A: In those instances where onboarding a new pharmacy customer requires travel by air or rail, AmerisourceBergen will temporarily allow the Form 590 to be completed without an onsite visit. We will track these onboardings, which we expect to be infrequent, and require the visit once the travel restriction has been lifted. All other vetting/review by the diversion control team will occur as normal, with the added step being taken by the assigned Investigator to add a placeholder photo of the business from Google street view. We've reached out to the DEA to confirm that this fulfills their expectations in this interim period.