

Stanford Children's Health  
Lucile Packard Children's Hospital  
Stanford

June 24, 2014

Dear Manufacturers,

I am writing on behalf of the Lucile Packard Children's Hospital (340B ID PED053305-00) that Lucile Packard Children's Hospital recently underwent an audit by the Health Resources and Services Administration (HRSA) of Lucile Packard Children's Hospital compliance with 340B Drug Pricing (340B Program) requirements.

As background, Lucile Packard Children's Hospital qualified for the 340B Program as a Children's Hospital in Palo Alto, California and has participated in the 340B Program since January 19, 2010.

Through the audit process, Lucile Packard Children's Hospital was found to have non-compliance within their 340B Program and responsible for repayment as a result of the following findings:

1. Diversion – 340 drug dispensed to ineligible individuals
2. Duplicate discounts – Medicaid claims incorrectly coded when provided to the state.

Lucile Packard Children's Hospital has identified all affected manufacturers and will contact each to notify them of these violations to begin a dialogue on a method for repayment to affected manufacturers. If manufacturers have not received notification from Lucile Packard Children's Hospital and believe repayment may be owed for the violations described in this letter, or if you have any questions or comments regarding the violations described in this letter please contact: Fred Nishioka, PharmD, Associate Director of Pharmacy, (650)497-8781, Lucile Packard Children's Hospital, Department of Pharmacy, 725 Welch Road, Palo Alto, California, 94304

Sincerely,

Anne McCune  
Chief Operating Officer  
Lucile Packard Children's Hospital  
725 Welch Road  
Palo Alto, California 94304