

**St. Charles Health Council, Inc., d/b/a
Stone Mountain Health Services
185 Redwood Avenue, Suite 102
Pennington Gap, VA 24277**

July 15, 2014

Dear Manufacturers,

I am writing on behalf of The St. Charles Health Council, Inc., d/b/a Stone Mountain Health Services (340 b ID # CH 030740) to inform manufacturers that Stone Mountain Health Services recently underwent an audit by the Health Resources and Services Administration (HRSA) of Stone Mountain Health Services compliance with 340B Drug Pricing Program (340B Program) requirements.

As background, Stone Mountain Health Services qualified for the 340B Program as a Federally Qualified Community Health Clinic located in Pennington Gap, VA and the surrounding counties (Lee, Wise, Russell, Dickenson, Buchanan, Washington and Smyth) in southwest Virginia. and has participated in the 340B Program since 10/1/1999.

Through the audit process, Stone Mountain Health Services was found to have non-compliance within their 340B Program and responsible for repayment as a result of the following finding(s):
St. Charles was billing Medicaid contrary to information contained in the HRSA Medicaid Exclusion File. This action may have resulted in duplicate discounts as prohibited by 42 USC 256b(a)(5)(A).

The organization was not listed on the Medicaid Exclusion list. This resulted in 81 instances in which both Medicaid and Stone Mountain Health Services utilized the 340B discounts available. Stone Mountain Health Services in conjunction with the Virginia Department of Medical Assistance Programs has identified all affected manufacturers. The Virginia Department of Medical Assistance Programs adjusted these duplicate discounts through excluding them, making the needed adjustments on the third quarter 2013 invoicing completed in November 2013. Repayment of these violations was completed by the end of November 2013 per the Virginia Department of Medical Assistance Programs through their contractor, Catamaran. If manufacturers have not received adjustments from Stone Mountain Health Services through the Virginia Department of Medical Assistance Programs 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:

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