

GRADY GENERAL HOSPITAL

1155 5TH Street S.E. * P.O. Box 360 * Cairo, Georgia 39828-0360 * Phone (229) 377-1150

October 1, 2014

Dear Manufacturers:

I am writing on behalf of Grady General Hospital (340B ID # DSH110121) to inform manufacturers that Grady General Hospital recently underwent an audit by the Health Resources and Services Administration (HRSA) of Grady General Hospital's compliance with 340B Drug Pricing Program (340B Program) requirements.

As background, Grady General Hospital qualified for the 340B Program as a DSH hospital in Cairo, Georgia and has participated in the 340B Program since July 1, 2005.

Through the audit process, Grady General Hospital was found to have non-compliance within their 340B Program and responsible for repayment as a result of the following finding(s):

Finding #1: Grady General Hospital dispensed 340B drugs to ineligible individuals, as prohibited by 42 USC 256b(a)(5)(B). This finding involved drugs dispensed to hospice patients who were not patients of Grady General Hospital.

Finding #2: Grady General Hospital does not have adequate controls in place to prevent duplicate discounts as prohibited by 42 USC 256(b)(5)(A). However Grady General Hospital has verified with the Department of Community Hospitals that Medicaid did not receive discounts under the 340B Program for Grady General Hospital.

Grady General Hospital has identified all affected manufacturers and has contacted 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 Grady General Hospital and believe repayment may be owed for the violations described in this letter, or if you have questions or comments regarding the violations described in this letter please contact Chris Newman, Pharmacy Director, via phone at (229) 228-2752 or via mail at 915 Gordon Avenue, Thomasville, Georgia 31792.