

October 3, 2015

Dear Manufacturers,

I am writing on behalf of Banner Desert Medical Center (DSH030065) to inform manufacturers that Banner Desert Medical Center recently underwent an audit by the Health Resources and Services Administration (HRSA) of Banner Desert Medical Center's compliance with 340B Drug Pricing Program (340B Program) requirements.

As background, Banner Desert Medical Center qualified for the 340B Program as a Disproportionate Share Hospital in Mesa, Arizona and has participated in the 340B Program since January 1, 2007.

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

BDMC dispensed 340B drugs to ineligible individuals, as prohibited by 42 USC 256b(a)(5)(b).

Banner Desert Medical Center 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 Banner Desert Medical Center and believe repayment may be owed for the violations described in this letter, or if you have any questions or comments regarding the violations or require additional information, I can be reached directly at 480-412-3214, or via email at cheryl.tong@bannerhealth.com.

Sincerely,

Cheryl Tong

Cheryl Tong, Chief Financial Officer
Banner Desert Medical Center