

Improving the health of the people in our communities by providing quality, compassionate care to everyone, every time

May 2, 2016

Dear Manufacturers,

I am writing on behalf of Edward W. Sparrow Hospital Association ("Sparrow") (340B ID DSH230230) to inform manufacturers that Sparrow recently underwent an audit by the Health Resources and Services Administration ("HRSA") of Sparrow's compliance with 340B Drug Pricing Program ("340B Program") requirements.

As background, Sparrow qualified for the 340B Program as a Disproportionate Share Hospital in Lansing, Michigan and has participated in the 340B Program since October 1, 2004.

Through the audit process, HRSA found Sparrow to have non-compliance within its 340B program and responsible for repayment as a result of the following finding:

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

Sparrow has identified all affected manufacturers and has contacted each to notify them of the non-compliance and to begin a dialogue about a method for repayment. If manufacturers have not received notification from Sparrow, and believe repayment may be owed for the violations described in this letter, or if you have any questions or comments regarding the non-compliance described in this letter, please contact John Piasecki RPh, Pharmacy Manager, Sparrow Hospital Pharmacy, 1215 E. Michigan Avenue, Lansing, Michigan at 517-364-2415.

Sincerely,

Paula M. Reichle Senior Vice President and Chief Financial Officer