



Healthcare Services

P.O. Box 26666, Albuquerque, NM 87125-6666
505.923.5700

March 29, 2016

Dear Manufacturers,

I am writing on behalf of Presbyterian Espanola Hospital (340B ID: DSH320011) (“**PEH**”) to inform manufacturers that PEH recently underwent an audit by the Health Resources and Services Administration (“**HRSA**”) of PEH’s compliance with 340B Drug Pricing Program (“**340B Program**”) requirements.

As background, PEH qualified for the 340B Program as a disproportionate share hospital in Espanola, New Mexico and has participated in the 340B Program since April 1, 2005.

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

- PEH obtained covered outpatient drugs through a group purchasing organization (GPO).
- PEH dispensed 340B drugs to ineligible individuals, as prohibited by section 340B(a)(5)(B) of the Public Health Service Act (PHSA).
- PEH listed incorrect or incomplete billing information on the 340B Medicaid Exclusion File. This may have resulted in duplicate discounts as prohibited by section 340B(a)(5)(A) of the PHSA.

PEH 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 any manufacturer has not yet received notification from PEH, and believes repayment may be owed for the violations described in this letter, or if there are any questions or comments regarding the violations described in this letter please contact:

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Sincerely,

Dale Maxwell, Executive Vice President and Chief Administrative Officer
Authorizing Official
Presbyterian Espanola Hospital