



Dear Manufacturers,

I am writing on behalf of Our Lady of the Lake Regional Medical Center [OLOL] (340B ID #DSH190064) to inform manufacturers that OLOL recently underwent a routine audit by the Health Resources and Services Administration (HRSA) of OLOL's compliance with 340B Drug Pricing Program (340B Program) requirements.

As background, OLOL qualified for the 340B Program as a Disproportionate Share Hospital in Baton Rouge, Louisiana and has participated in the 340B Program since April 1, 2008.

For 3 specific instances in which covered drugs were dispensed, HRSA found that "OLOLH [did] not have adequate controls to prevent diversion as prohibited by 42 USC 256b(a)(5)(B)". These furnished drugs were purchased under the 340B program even though these individuals did not qualify as hospital outpatients under HRSA guidance.

OLOL has researched further and has found other instances where inpatients had received drugs purchased under the 340B program when they were in areas referred to as "mixed use" because there are both inpatients and outpatients in these areas. Since July 2013, OLOLH has stopped using drugs purchased under the 340B program in these mixed use areas. Based on recent internal audits, OLOL has not found any use of 340B eligible drugs for inpatients.

Through on-going internal audits, OLOL is confident in its determination that there is no further evidence of using the 340b benefit on inpatients. OLOL 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 OLOL 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 Michael Mohundro, Senior Directory of Pharmacy, via phone at (225) 907-7045 or via mail at 5000 Hennessy Blvd, Baton Rouge, LA 70808.