

October 29, 2014

Dear Manufacturers:

I am writing on behalf of Children's Hospital of Pittsburgh of UPMC (340B ID #PED393302-00) to inform manufacturers that Children's Hospital of Pittsburgh of UPMC underwent an audit by the Health Resources and Services Administration (HRSA) of Children's Hospital of Pittsburgh of UPMC's compliance with 340B Drug Pricing Program 3(340B Program) requirements.

As background, Children's Hospital of Pittsburgh of UPMC qualified for the 340B Program as a pediatric hospital located in Pittsburgh, Pennsylvania, and has participated in the 340B Program since January 1, 2010.

Through the audit process, Children's Hospital of Pittsburgh of UPMC was found to have non-compliance within their 340B Program, and to be responsible for repayment as a result of the following finding:

At the time of the audit, the 340B database record for Children's Hospital of Pittsburgh reflected an answer of "yes" to the question, "Will you bill Medicaid for drugs purchased at the 340B price?" However, Children's Hospital of Pittsburgh listed incorrect NPI and Medicaid billing numbers in the 340B database record for child sites -02 and -03. Since Children's Hospital of Pittsburgh failed to accurately appear on the HRSA Medicaid Exclusion File, this action may have resulted in duplicate discounts which is prohibited under 42 USC 256b(a)(5)(A).

Children's Hospital of Pittsburgh of UPMC reviewed billing practices required by the State of Pennsylvania. Individual medication information is not submitted to Medicaid on any claims submission; therefore, no duplicate discount occurred.

Maintaining compliance of the 340B program is a priority at Children's Hospital of Pittsburgh of UPMC, and we work diligently to follow the program guidelines. The OPA database has been reviewed carefully and updates were made as appropriate.

If manufacturers believe repayment may be owed for the violation described in this letter, or if you have any questions or comments regarding the violation, please contact Carol Haines, Strategic Pharmacy Programs Director, UPMC, 200 Lothrop Street, Forbes Tower, Suite 11037, Pittsburgh, PA 15213, or call 412-864-3905

Sincerely,

Nicholas J. Barcellona  
Chief Financial Officer  
Children's Hospital of Pittsburgh of UPMC