

May 18, 2015

Dear Manufacturers,

I am writing on behalf of Regional One Health, formerly known as d/b/a Regional Medical Center at Memphis (RMCM), 340B ID DSH440152 to inform manufacturers that Regional One Health recently underwent an audit by the Health Resource and Services Administration (HRSA) of Regional One Health's compliance with 340B Drug Pricing Program (340B Program) requirements.

As a background, Regional One Health qualified for the 340B Program as a Disproportionate Share Hospital located at 877 Jefferson Ave., Memphis, TN 38103 and has participated in the 340B program since April 1, 1993.

Through the audit process, Regional One Health was found to have non-compliance within their 340B Program and is responsible for repayment as a result of the following findings:

Regional One Health dispensed 340B drugs to ineligible individuals as prohibited by 42 USC 256b(a)(5)(B)

Regional One Health was billing Medicaid in its retail pharmacy contrary to information contained in the HRSA Medicaid Exclusion File as prohibited by 42 USC 256b(a)(5)(A). This action may have resulted in duplicate discounts.

RMCM did not have adequate controls to prevent duplicate discounts as prohibited by 42 USC 256b(a)(5)(A).

Regional One Health's Director of Pharmacy has historically communicated directly and proactively with each State Medicaid Agency where Regional One Health has dispensed or billed 340B drugs. All required information was provided to prevent duplicate discounts from being sought on the prescriptions dispensed by Regional One Health for Medicaid beneficiaries.

Regional One Health 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 manufacturers have not receive notification from Regional One Health 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:

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