



Siskiyou Community Health Center

May 13, 2015

Dear Manufacturers:

I am writing on behalf of Siskiyou Community Health Center (SCSC) (340B ID # CH100150) to inform manufacturers that SCHC underwent an audit by the Health Resources and Services Administration (HRSA) of SCHC's compliance with 340B Drug Pricing Program (340B Program) requirements in September 2013.

As background, SCHC qualified for the 340B Program as a Federally Qualified Health Center (FQHC) and has participated in the 340B Program since 7/01/2007.

Through the audit process, SCHC was found to have non-compliance with their 340B Program resulting in the possibility for repayment as a result of the following finding.

SCHC did not have adequate controls to prevent duplicate discounts which may have resulted in duplicate discounts as prohibited by 42 USC 256b(a)(5)(A).

After undertaking a thorough internal review and conducting conversations with the State of Oregon's Pharmacy Benefits Manager, it was determined that it is very unlikely that duplicate discounts occurred. The attached letter from Rich Holsapple, RPh, Pharmacy Services Manager with HP Enterprise Services (Oregon's State Medicaid PBM) states "I can confirm that no FFS or MCO rebates have been invoiced for claims from these providers since added to the PHS list.

In addition, the above Siskiyou CHC Pharmacy was audited in 2012 and 2013 and found to be in compliance with OAR 410-121-0155(1)(d), which endorses the federal requirement that prohibits covered entities and federally qualified health centers or their contracted agents, from billing Medicaid Fee-for-Service (FFS), above the 340B acquisition cost." A copy of this letter may be available upon request.

If manufacturers believe repayment may be owed for the finding described in this letter, or if you have any questions or comments regarding the finding described in this letter please contact Gina Marie Wessels, 541-955-6053 or by mail at Siskiyou Community Health Center, 1701 NW Hawthorne Ave., Grants Pass, OR 97526

Sincerely,

A handwritten signature in blue ink that reads "Kurt Higuera". The signature is written in a cursive style with a long horizontal stroke at the end.

Kurt Higuera
Chief Executive Officer