

Dear Manufacturers,

I am writing on behalf of Mount Sinai Hospital Medical Center (MSHMC) (DSH140018), located in Chicago, IL, to inform manufacturers that MSHMC underwent an audit by the Health Resources and Services Administration (HRSA) of MSHMC's compliance with 340B Drug Pricing Program (340B Program) requirements.

As background, MSHMC qualifies for the 340B Program as a disproportionate share hospital and has participated in the 340B Program since October 1, 2004. MSHMC has used the drug savings for 340B program to reinvest in the community through expanded services, providing more services to our patients, and reducing costs of pharmaceuticals for eligible patients.

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

- MSHMC dispensed 340B drugs to ineligible individuals, as prohibited by 42 USC 256b(a)(5)(B); and
- 340B drugs were not properly accumulated. MSHMC did not have adequate controls in place to ensure proper accumulation and prevention of diversion of 340B drugs, as prohibited by 42 USC 256(a)(5)(B).

MSHMC 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 MSHMC and believe repayment may be owed for the findings described in this letter, or if you have any questions or comments regarding the findings described in this letter, please contact:

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Outpatient Pharmacy Manager
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Email: Thomas.Yu@sinai.org

MSHMC appreciates all manufacturers who participate in the 340B drug discount program. Your support of the program has allowed our safety-net hospital system to care for its patients in unique and powerful ways. MSHMC is dedicated to working with manufacturers to ensure its 340B compliance.

Sincerely,

Chuck Weis
Executive Vice President / Chief Financial Officer
Sinai Health System