

Edward J. Clayton
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October 22, 2015

Dear Manufacturers,

I am writing on behalf of Phelps County Regional Medical Center (340B ID #DSH-260017) to inform manufacturers that Phelps County Regional Medical Center (PCRMC) underwent an audit by the Health Resources and Services Administration (HRSA) of Phelps County Regional Medical Center compliance with 340B Drug Pricing Program (340B Program) requirements.

As background, Phelps County Regional Medical Center qualified for the 340B Program as a disproportionate share hospital located in Rolla, Missouri and has participated in the 340B Program since October 1, 2009.

Through the audit process, Phelps County Regional Medical Center was found to have non-compliance within their 340B Program and responsible for repayment as a result of the following finding(s):

Finding 1: Phelps County Regional Medical Center dispensed a 340B drug to an ineligible individual, as prohibited by 42 U.S.C. 256b(a)(5)(B). Specifically, it was determined that this ineligible individual's claim had been requested to be reversed by Third Party Administrator however the Third Party Administrator failed to do so.

Finding 2: Phelps County Regional Medical Center did not have adequate controls to prevent duplicate discounts which may have resulted in duplicate discounts as prohibited by 42 U.S.C. 256b(a)(5)(A). Specifically, it was determined that Phelps County Regional Medical Center's NPI was not posted in addition to the Medicaid number. Notwithstanding such finding, Missouri Medicaid has confirmed that no duplicate discounts occurred as a result of this non-compliance with the 340B Program by Phelps County Regional Medical Center.

Phelps County Regional Medical Center has identified all affected manufacturers and has contacted each to notify them of these violations to begin a dialogue on a method for repayment of affected manufacturers. If manufacturers have not received notification from Phelps County Regional Medical Center 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

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please contact Kreig Moore, Director of Pharmacy Services, at 573-458-7892 or Phelps County Regional Medical Center, 1000 W. 10th Street, Rolla, Missouri 65401.

Sincerely,

Edward J. Clayton
SEVP/COO/CFO

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