

February 23rd, 2016

Dear Manufacturers,

On behalf of Saint Alphonsus Regional Medical Center (SARMC) (340B ID# DSH130007), this letter is to inform manufacturers that SARMC underwent an audit in June 2014 by the Health Resources and Services Administration (HRSA) in connection with SARMC's participation in the 340B Drug Discount Program (340B Program). As background, SARMC qualifies for the 340B program as a disproportionate share hospital. Its main campus is located in Boise, Idaho and it has participated in the 340B program since 2012.

Through the audit process, HRSA made the following findings:

- 1) SARMC obtained covered outpatient drugs through a GPO;
- 2) SARMC dispensed 340B drugs to ineligible individuals, as prohibited by 42 U.S.C. § 256b(a)(5)(B); and
- 3) SARMC was billing Medicaid contrary to information in the HRSA Medicaid Exclusion File. This action may have resulted in duplicate discounts as prohibited by 42 U.S.C. § 256b(a)(5)(A).

SARMC has identified all affected manufacturers and has either notified and repaid the manufacturer or is in the process of notifying the manufacturers to offer repayments. If manufacturers have not received notification from SARMC and believe repayment may be owed for the findings described in this letter, or if manufacturers have any questions or comments regarding the contents of the letter, please contact Allan Anderson at Allan.Anderson@saintalphonsus.org or (208) 367- 2840.

Sincerely,

Kenneth Fry
Vice President, Financial Operations