



February 27, 2015

Dear Manufacturers,

I am writing on behalf of Slidell Memorial Hospital (DSH190040) to inform manufacturers that Slidell Memorial Hospital recently underwent an audit by the Health Resources and Services Administration (HRSA) of Slidell Memorial Hospital's compliance with 340B Drug Pricing Program (340B Program) requirements.

As background, Slidell Memorial Hospital qualified for the 340B Program as a Disproportionate Share Hospital in Slidell, LA and has participated in the 340B Program since October 2011.

Through the audit process, Slidell Memorial Hospital was found to have non-compliance within their 340B Program and responsible for repayment as a result of the following finding:

Slidell Memorial Hospital dispensed 340b drugs to ineligible individuals, as prohibited by USC 256b(a)(5)(B). To rectify the issue, Slidell Memorial Hospital worked with Walgreens and Relay Health to implement Advanced Eligibility Solutions which validates eligible 340B claims through Admission, Transfer and Discharge (ADT) feeds from Slidell Memorial Hospital's health information system. The file of eligible prescribers and qualified and non-qualified locations are sent by Slidell Memorial Hospital via ADT feeds to Relay Health. The ADT feed, eligibility timeframe window of 24 hours, qualified location, and eligible prescriber determines if a patient's prescription becomes 340B eligible.

Slidell Memorial Hospital has returned all money received due to the inappropriate dispensing and is in the process of contacting each manufacturer. If manufacturers 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:

Michael McKendall
Director Pharmacy
985-280-8898
Michael.McKendall@slidellmemorial.org

Sincerely,

Sandy Badinger
Chief Financial Officer