

Dear Manufacturers,

I am writing on behalf of Baptist Medical Center South (DSH 010023) to inform manufacturers that Baptist Medical Center South recently underwent an audit by the Health Resources and Services Administration (HRSA) of Baptist Medical Center South's compliance with 340B Drug Pricing Program (340B Program) requirements.

As background, Baptist Medical Center South qualified for the 340B Program as a Disproportionate Share Hospital located in Montgomery, Alabama and has participated in the 340B Program since September 20th, 2005.

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

HRSA FINDING 1: BMCS dispensed 340B drugs to ineligible individuals, as prohibited by section 340B(a)(5)(B) of PHSA. BMCS's contract pharmacy, Baptist Tower Pharmacy, incorrectly deemed two sample prescriptions 340B-eligible. The prescriptions were written by a provider at an ineligible site (provider's private office which was not reimbursable on BMCS's Medicare cost report) without an arrangement demonstrating that responsibility for the care provided remained with BMCS.

Baptist Medical Center South 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 Baptist Medical Center South 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 please contact:

Clint Peevy, Pharm.D.
System Director of Pharmacy Services
334-286-2726
Baptist Medical Center South
Department of Pharmacy
2105 East South Boulevard
Montgomery, AL 36116.