

Dear Manufacturers,

I am writing on behalf of Carle Foundation Hospital (Carle; DSH140091) to inform manufacturers that Carle recently underwent an audit by the Health Resources and Services Administration (HRSA) of Carle's compliance with 340B Drug Pricing Program (340B Program) requirements.

As background, Carle qualified for the 340B Program as a disproportionate share hospital located at 611 West Park Street, Urbana, IL 61801 and has participated in the 340B Program since October 1, 2012.

Through the audit process, Carle was found to have non-compliance within its 340B Program and is responsible for repayment as a result of the following finding:

**Carle obtained covered outpatient drugs through a GPO, as prohibited by section 340B(a)(4)(L)(iii) of the PHSA**

A DSH must meet the requirement in section 340B(a)(4)(L)(iii) of the PHSA to be eligible for the 340B Program, which states the entity may not "obtain covered outpatient drugs through a group purchasing organization or other group purchasing arrangement." During the course of the audit, HRSA found that Carle was purchasing covered outpatient drugs through a GPO at five child sites.

Carle 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 Carle 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:

Mr. Dennis P. Hesch  
Executive Vice President and Chief Financial Officer  
The Carle Foundation Hospital  
611 West Park Street  
Urbana, Illinois 61801  
(217) 326-8231

Sincerely,

Dennis P. Hesch  
Executive Vice President and Chief Financial Officer  
340B Responsible Authority for Carle Foundation Hospital  
DSH140091