



06 May 2016

Dear Manufacturers,

I am writing on behalf of Clarendon Memorial Hospital; DSH420069 to inform manufacturers that Clarendon Memorial Hospital recently underwent an audit by the Health Resources and Services Administration (HRSA) of Clarendon Memorial Hospital's compliance with 340B Drug Pricing Program (340B Program) requirements.

As background, Clarendon Memorial Hospital qualified for the 340B Program as Community Hospital in Manning, SC and has participated in the 340B Program since January 1, 2005.

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

- CMH obtained covered outpatient drugs through a group purchasing organization (GPO)
- CMH dispensed 340B drugs to ineligible individuals, as prohibited by section 340B(a)(5)(B) of the PHSA.
- CMH was billing Medicaid contrary to information contained in the 340B Medicaid Exclusion File. This may have resulted in duplicate discounts as prohibited by section 340B(a)(5)(A) of PHSA.

Clarendon Memorial Hospital 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 Clarendon Memorial Hospital 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 Jil Hopkins, RN, 340B Coordinator at 10 Hospital Street, Manning, SC 29102 or by telephone at 803-433-3055.

Respectfully Submitted,

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