

STRONG MEMORIAL HOSPITAL

Directors' Office



Dear Manufacturers,

I am writing on behalf of Strong Memorial Hospital (**340B ID # DSH330285**) ("Strong") to inform manufacturers that Strong recently underwent an audit by the Health Resources and Services Administration (HRSA) of Strong's compliance with 340B Drug Pricing Program (340B Program) requirements.

As background, Strong qualified for the 340B Program as a Disproportionate Share Hospital in New York State and has participated in the 340B Program since October 1, 2003.

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

- 1) "340B drugs were not properly accumulated. SMH did not have adequate controls in place to ensure proper accumulation and prevention of diversion of 340B drugs, as prohibited by section 340B(a)(5)(B) of the PHSA."
- 2) "SMH dispensed 340B drugs to ineligible individuals, as prohibited by section 340B(a)(5)(B) of the PHSA."
- 3) "SMH listed incorrect or incomplete billing information on the 340B Medicaid Exclusion File. This may have resulted in duplicate discounts as prohibited by section 340B(a)(5)(A) of the PHSA."

To provide further clarification on finding number 1, the 340B audit found one (1) dispensation that was incorrectly accumulated due to a change in an eligible patient's registration location. This was not a systemic issue, but rather a limited issue that existed at one facility under specific circumstances. Finding 3 should not have caused any duplicate discounts as the correct NPI was also listed on the OPA 340B Database under child site DSH330285F. We are awaiting confirmation from New York State Medicaid.

Strong has identified all affected manufacturers and has contacted each to notify them of these findings to begin a dialogue on a method for repayment to affected manufacturers. If manufacturers have not received notification from Strong and believe repayment may be owed for the findings described in this letter, or if you have any questions or comments regarding the findings described in this letter please contact Katy Lees, 340B Business Manager, by phone at (585) 785-5154, or email at katy_lees@urmc.rochester.edu, or by mail at 120 Corporate Woods, Suite 350, Rochester, New York 14623.

Sincerely,

Adam Anolik
Chief Financial Officer