

**Durham County Board of Health
Agenda Item Summary**

Meeting Date: 06/09/2016

Agenda Item Subject: 340B Compliance Pricing Update

Attachment (s): N/A

Staff or Board Member Reporting: Melissa Martin, Will Sutton

Purpose: _____ Action
 X Information only
 _____ Information with possible action

Objective:

- Provide update on actions taken to address 340B compliance issue from last BOH meeting.

Summary Information:

Current Status:

- 87 manufacturers contacted individually (email, fax, or mailed letter).
 - Potential repayment to manufactures range from <\$1- \$76,000 based on purchases between 8/22/13 - 12/9/2014. Total potential repayment is estimated at \$425,000. With 30 of these repayments estimated at less than \$100.
 - Manufacturer responses:
 - 18 responses received
 - 17 spreadsheets of individual sales data for evaluation have been emailed
 - 5 settlement negotiations:
 - Baxter \$136.13 (\$128.74)*
 - GSK \$9,296.84 (\$8,535.23)*
 - Eli Lilly \$6,354.34 (\$7,015.47)*
 - Novartis Consumer Health \$0.00 (\$0.00)*
 - X-Gen \$0.00 (\$41.88)*
- * *DCoDPH estimates*
- The total number of manufacturers to contact continues to change, as it is discovered that companies have changed management or the manufacturing of a particular medication has been sold off (e.g. Novartis Consumer Health and Novartis Pharmaceutical).

Repayment Proposal:

- Repayments next fiscal year 2017
- Funding source - Medicaid Cost Settlement revenue received in FY17 above amount budgeted
- Manufacturers set up as vendors in SAP via Purchasing

- Payment requests to Finance (official letter per vendor will all documentation attached)

Recommended Action:

- Approve
- Approve & forward to Board of Commissioners for action
- Approve & forward to _____
- Accept as information
- Revise & schedule for future action
- Other (details): _____