



Safety Net Hospitals for Pharmaceutical Access

March 25, 2010

Dr. Mary Wakefield, R.N., PhD.
Administrator
Health Resources and Services Administration
Department of Health and Human Services
5600 Fishers Lane
Room 14-05 Parklawn Building
Rockville, MD 20857

Dear Dr. Wakefield:

SNHPA recently learned that Jim Mitchell, the Director of the Office of Pharmacy Affairs (OPA), has announced his retirement and that a search will be launched sometime soon for his replacement. As an organization representing the interests of 340B hospitals since 1993, SNHPA has worked with and come to know Jimmy during his thirteen year tenure at OPA. We are writing to convey our sense of loss in anticipation of Jimmy's departure and to offer a recommendation as you interview candidates for the position.

Jimmy's contributions to OPA have been substantial. From championing integrity within the 340B program to launching the alternative methods demonstration program to expanding the agency's mission to include clinical pharmacy and patient safety initiatives, Jimmy has demonstrated both leadership and wisdom in balancing the needs of competing 340B participants. He will be missed by safety net providers, manufacturers and all of the other parties that have a stake in the fair and effective administration of the 340B program. Although SNHPA did not always agree with Jimmy on matters of law and policy, he listened to our concerns and invited our input. In short, he has been a valuable public servant who will be missed.

As you and your team embark on the difficult quest of finding Jimmy's replacement, SNHPA would like to stress the importance of recruiting candidates who have worked at or otherwise have experience with safety net hospitals. 340B hospitals provide a wide range of services that vary significantly from hospital to hospital and from community to community. They are the only covered entity group whose 340B status is not based on receiving federal grants. They are typically part of larger health systems and, in some cases, may not even be separate legal organizations.

In sharp contrast to other covered entities, some 340B hospitals provide little to no primary care. Yet changing demographics, reimbursement pressures and community needs have encouraged our members to shift the locus of hospital care from the inpatient to outpatient setting and from the outpatient setting to the community. Accordingly, 340B hospitals are increasingly providing services outside of their walls through partnerships with state and local agencies, by expanding their home health programs, and by staffing school-based clinics, correctional infirmaries and

mental health facilities. It is our hope that the next OPA director will have experience working with 340B hospitals, so that he or she will both appreciate and help address the complexities and challenges that our members face as participants in the 340B program.

Thank you for your attention to this matter. We look forward to working with you, the new OPA director and others within your agency in an effort to improve the value of the important programs administered by OPA, especially the 340B program. If you have questions, please contact Bill von Oehsen at 202-872-6765 or william.vonoehsen@snhpa.org or Ted Slafsky at 202-552-5860 or ted.slafsky@snhpa.org.

Sincerely,



William H. von Oehsen
President and General Counsel



Ted Slafsky
Executive Director