



North Carolina Department of Public Safety

Prisons

Roy Cooper, Governor
Eddie M. Buffaloe, Jr., Secretary

Timothy D. Moose, Chief Deputy Secretary
Brandeshawn Harris, Interim Commissioner of Prisons
Loris M. Sutton, Interim Assistant Commissioner

MEMORANDUM

To: Joint Legislative Oversight Committee on Justice and Public Safety
Fiscal Research Division

From: Eddie M. Buffaloe, Jr., Secretary, Department of Public Safety 
Brandeshawn Harris, Interim Commissioner, Division of Prisons 

Re: 340B Program Savings

Date: October 18, 2022

Pursuant to N.C.G.S. § 143B-1476, the Department of Public Safety shall report to the Joint Legislative Oversight Committee on Justice and Public Safety and the Fiscal Research Division by October 1, 2020, and annually thereafter, regarding:

143B-1476 (1) Savings achieved from its partnership with the Department of Health and Human Services for the purchasing of certain medications for inmates under the federal 340B Program.

The 340B savings achieved on purchases for fiscal year, July 1, 2021, through June 30, 2022, total \$ 7,035,367.67. This savings was reported at the 340B Oversight Committee meeting on September 20, 2022.

143B-1476 (2) Savings achieved from its partnership with the University of North Carolina Health Care System for the provision of inmate medications and services under the federal 340B Program.

Federal 340B Drug Pricing Program Omnibus Guidance, published in the Federal Register, requires that 340B covered entities maintain ownership of individual health care records. UNC-HCS, the covered entity, does not maintain the healthcare records for state inmates in custody of the Division of Prisons. Therefore, a partnership under the established model of care relationship between UNC-HCS and DPS is prohibited by federal law.

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143B-1476 (b) Savings achieved from the partnerships between the four prison regions and North Carolina 340B Program entities for the provision of inmate medications and services under the federal 340B Program.

After an award was not issued from a RFI in January 2020 a 340B Pharmacy Consultant, outside the RFI, was hired in October of 2020. The Pharmacy Consultant was hired to implement the 340B Drug Pricing Program through the partnership between North Carolina Department of Health and Human Services and North Carolina Department of Public Safety.