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## "Formal granting of governmental powers" under 340B

### Question

What does it mean when a hospital is "formally granted governmental powers" as it relates to eligibility for participating in 340B?

### Answer

A DSH is said to be "formally granted governmental powers" when the State formally delegates to the DSH a type of power(s) usually exercised by the State, for the purpose of providing health care services to the medically indigent population of the State. The determination of whether or not a DSH meets eligibility for 340B based on "formally granted governmental powers" will be evaluated by OPA on a case-by-case basis.