



Medco Health Solutions, Inc.
100 Parsons Pond Drive
Franklin Lakes, NJ 07417
www.medco.com/rph

December 2007

Medco Account #: << Medco Account number>>
<<Pharmacy Name>>
<<Mailing Address>>
<<City>>, <<ST>> <<Zip>>

Dear Pharmacy:

As a participant in the **Medco Medicare Prescription Plan™**, and in support of a number of other client or Plan Sponsor Medicare Part D plans, PDPs, and MA-PDs, Medco offers the attached year-end communications in preparation for 2008.

Attached please find six (6) attachments with information regarding the following for 2008:

1. Medicare Part D Sponsors (to include PDP, Employer PDP, and MA-PD sponsors, including existing plans)—2 pages
2. Sponsors offering Secondary coverage—1 page
3. Enhanced PDP Sponsors—1 page
4. Exhibit 02 letter—2 pages
5. Medco **Medicare Prescription Plan** Formulary Information, 60-day notice—1 page
6. Fraud, Waste, and Abuse (FWA) Compliance—1 page

NPI numbers are the *preferred* pharmacy identifier, replacing the legacy identifier on claims submitted for all Medicare Part D primary and secondary claims. Effective May 23, 2008, NPI will be the only accepted identifier for Medicare Part D claims. The current payer sheets and all correspondence noted above are also available on the Pharmacist Resource Center website at www.medco.com/rph.

If you have any questions, please feel free to contact the Pharmacy Services Help Desk toll-free at 1 800 922-1557 or make the inquiry through the website, www.medco.com/rph.

Sincerely,

Medco

Medco manages the prescription drug benefit for many of your customers for their health plans.



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2008 Medicare Part D Medco's PDP, Employer PDP, MA-PD, and PDP Sponsors

Announcement:	Medco is supporting the Medicare Part D prescription drug benefit for several of our clients who will be offering a Medicare Part D prescription drug plan to Medicare-eligible beneficiaries as either a PDP or an MA-PD.
Action requested:	<p>Effective January 1, 2008, process claims for Medicare beneficiaries of the clients listed below using the newly issued ID card containing the member's new Rx Group number, new non-SSN member identifier, the Rx BIN number, and PCN, all of which are mandatory fields needed for successful claims processing.</p> <p>For the clients listed below, Pharmacy must submit claims to Medco through the <i>TelePAID</i>® System using:</p> <ul style="list-style-type: none"> • The RxBIN # 610014 • The RxPCN MEDDPRIME • The Rx Group number as listed below • The member's ID number (format listed below)
Note:	Sample ID cards will be available at www.medco.com/rph for many of the plans listed below.
For claim adjudication or general questions:	Contact the Pharmacy Services Help Desk toll-free at 1 800 922-1557 or visit the Pharmacist Resource Center at www.medco.com/rph .

NEW

Plan Name	Type	Rx Group #	ID# Format	# of Lives	Geographic Region
AmeriChoice Personal Care Plus	MA-PD	ACHOICE	9-digit numeric	5,000	NY
United Healthcare of WI/Personal Care Plus	MA-PD	ACHOICE	9-digit numeric	TBD	WI

EXISTING

Plan Name	Type	Rx Group #	ID# format	# of lives	Geographic region
Medco Medicare Prescription Plan	PDP	RXMEDD1	12-digit numeric	TBD	Nationwide
AlohaCare — Advantage	MA-PD	ALOHACR	15-digit alphanumeric starting with MEM	500	HI
AlohaCare — Advantage Plus	MA-PD	ALOHACR	15-digit alphanumeric starting with MEM	500	HI
Arizona Physicians IPA	MA-PD	ACHOICE	9-digit numeric (non-SSN)	15,000	AZ
BCBS North Carolina	PDP	NCPARTD	11-digit alphanumeric	50,000	NC
Bravo Health, Inc.	MA-PD	ELDERHLTH	8-digit numeric	46,000 + 10,000 new lives	PA, MD, TX, DC
Bravo Health, Inc.	PDP	ELDERHLTH	8-digit numeric	49,500 + 10,000 new lives	MD, DC, PA, IL, TX, NY, NJ, WV, FL, MI, OH, CA
Comprehensive Care Management	MA-PD	CCMCRX1	5-digit numeric	25 + 200 new lives	NY
Comprehensive Care Management	PACE	CCMRX1	5-digit numeric	2,000 + 500 new lives	NY
Educators Mutual	PDP	EMIAPDP	11-digit numeric	1,550	UT, ID

EXISTING (cont'd)

Plan Name	Type	Rx Group #	ID# format	# of lives	Geographic region
Educators Mutual	MA-PD	EMIAPDP	9-digit numeric	4,000 new lives	UT, ID
FirstCare Health Plans	MA-PD	FCMAPD	9-digit numeric	1,125 +1,200 new lives	TX
First UA Medicare Part D	PDP	PDP13697	10-digit alphanumeric	8,300	Nationwide
HealthNow	MA-PD / PDP	HNMED	Non-SSN always beginning with "88"	25,000	NY
Health Plan SecureCare	MA-PD	THPMEDI	9-digit alphanumeric starting with H	14,000	OH, WV
Highmark FreedomBlue	MA-PD	SPBLUE1	Primarily 12 numeric digits; some have 13 alphanumeric digits ending in A or B	39,820	PA
Highmark FreedomBlue PFFS	MA-PD-PFFS	SPBLUE1	Primarily 12 numeric digits; some have 13 alphanumeric digits ending in A or B	2008 new lives 5,000	PA
Highmark HHIC FreedomBlue PFFS	MA-PD-PFFS	SPBLUE1	Primarily 12 numeric digits; some have 13 alphanumeric digits ending in A or B	2008 new lives 23,000	WV
Highmark HHIC FreedomBlue PPO	MA-PD	SPBLUE1	Primarily 12 numeric digits; some have 13 alphanumeric digits ending in A or B	5,728	WV
Highmark Security Blue	MA-PD	SPBLUE3	Primarily 12 numeric digits; some have 13 alphanumeric digits ending in A or B	177,698	PA
Highmark Senior Resources (Blue Rx)	PDP	SPBLUE2	Primarily 12 numeric digits; some have 13 alphanumeric digits ending in A or B	132,386	PA, WV
Medical Mutual of Ohio	MA-PD PFFS	MMOMEDD	12-digit numeric	TBD	OH
Medical Mutual of Ohio	MA-PD	MMOMEDD	12-digit numeric	TBD	OH
MVP	MA-PD	MVPMEDD	9-digit non SSN numeric	6,000	NY
ONECare by Care1st	MA-PD	CARE1AZ	8-digit alphanumeric ending with an M	1,500	AZ
PARTNERS Health Plan	MA-PD	NCPARTD	11-digit alphanumeric	30,000 + 8,000 new lives	NC
Preferred Care	MA-PD	PCARE01	9-digit alphanumeric starting with alpha	70,000	NY
QMedCare	SNP/ MA-PD	QMCRX	9-digit numeric	200 + 400 new lives	NJ
SecureChoice	MA-PD	THPMEDI	9-digit alphanumeric starting with H	TBD	OH, WV
SecureFreedom	MA-PD	THPMEDI	9-digit alphanumeric starting with H	TBD	OH, WV
UA Medicare Part D	PDP	PDP13697	10-digit alphanumeric	161,000	Nationwide
WHA Care+	MA-PD	WHAMEDD	11-digit numeric	1,200	CA
Wisconsin Physicians Service	PDP	WPSPDP	9-digit numeric	45,000 + 5,000 new lives	WI

Sponsors offering OneCard

Plan Name	Type	Rx Group #	ID# format	# of lives	Geographic region
United Furniture Workers Insurance	PDP	WPSPDP	9-digit numeric	45,000 + 5,000 new lives	WI



2008 Medco Medicare Part D Sponsors Offering Secondary Coverage for Their Beneficiaries

Announcement:	<p>Medco is supporting the Medicare Part D prescription drug benefit for our clients offering a secondary wrap for their Medicare-eligible beneficiaries.</p> <p>The secondary wrap benefit is offered to the client's retiree, Medicare-eligible membership only. This cannot be offered to people outside the client's population.</p> <p>Effective January 1, 2008, process claims for clients listed below using the newly issued ID card containing the member's new identifier, Rx Group number, and the appropriate Rx BIN number and PCN combination, which are all fields needed for successful claims processing for the <u>secondary benefit</u>.</p> <p>For the clients listed below, Pharmacy must submit claims to Medco through the <i>TelePAID</i>® System using:</p> <ul style="list-style-type: none">• The Rx BIN # 610031• The PCN as listed below• The COB Segment or Co-pay-Only feature as listed below <p>The list will be updated as additional clients elect to offer a secondary benefit for their Medicare-eligible retiree membership.</p>
For more information:	Contact the Pharmacy Services Help Desk toll-free at 1 800 922-1557 or visit the Pharmacist Resource Center at www.medco.com/rph .

Sponsors Offering Secondary Coverage via the COB Segment	BIN / PCN combination
1199 National Benefit Fund	610031 / MEDDCOBSEG

Sponsors Offering Secondary Coverage via the Copay-Only Feature	BIN / PCN combination
Alyeska Pipeline (Premera)	610031/MEDDCOPAY
APWU	610031/MEDDCOPAY
BCBSM - Collins & Aikman	610031/MEDDCOPAY
Central States	610031/MEDDCOPAY
GEHA	610031/MEDDCOPAY
Jarden	610031/MEDDCOPAY
La Cruz Azul de PR (PREPA)	610031/MEDDCOPAY
LSG Sky Chefs	610031/MEDDCOPAY
Lumenos	610031/MEDDCOPAY
Magnum Coal	610031/MEDDCOPAY
Northwest Airlines	610031/MEDDCOPAY
School District of Janesville	610031/MEDDCOPAY
True Value Corp	610031/MEDDCOPAY
WSHIP	610031/MEDDCOPAY

Sponsors Offering OneCard	BIN / PCN combination
United Furniture Workers Insurance	610031/MEDDCOPAY



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2008 Medicare Part D Enhanced Prescription Drug Plan (PDP) Sponsors

Announcement:	<p>Medco is continuing to support the Medicare Part D prescription drug benefit for our clients, offering an enhanced PDP for their Medicare-eligible members.</p> <p>The enhanced PDP benefit is offered to the client's Medicare-eligible, retiree membership only. An enhanced PDP benefit provides richer coverage to members than a standard PDP offering. The benefits are provided on behalf of the employer or union sponsoring the coverage.</p> <p>Process claims for the Medicare eligibles of the clients listed below by using the billing information as provided below for successful claims processing.</p> <p>Pharmacy must submit claims to Medco through the <i>TelePAID</i>® System using: The Rx BIN # 610014 The PCN is MEDDPRIME The Rx Group number as listed below The member's ID number (format listed below)</p>
Note:	<p>Medco anticipates members will have their newly issued ID cards, but to assist members and pharmacy in the event that not every member has the new ID card, Medco is supplying members of the enhanced PDP Sponsors listed below with an "Exhibit 02, Acknowledge Receipt of Completed Enrollment Election" letter until their permanent ID card is sent.</p> <p>The "Exhibit 02, Acknowledge Receipt of Completed Enrollment Election" letter will contain the necessary billing information (Member ID number, RxGroup number, RxBin, and PCN) for pharmacy to successfully process a claim to Medco through the <i>TelePAID</i> System. The <i>TelePAID</i> System response message will contain the appropriate member's co-payment responsibility. Please accept the letter until member presents with his/her permanent ID card.</p> <p>A sample copy of the letter is attached for your reference. The letter will be co-branded with Medco's logo and the client's logo and will include the Medco Customer Service number specific for each client listed below.</p>
For claim adjudication or general questions:	Contact the Pharmacy Services Help Desk toll-free at 1 800 922-1557 or visit the Pharmacist Resource Center at www.medco.com/rph .

New

Enhanced PDP Sponsor List:	Rx Group #	ID Number format	Estimated # of Lives	Region
Alcatel-Lucent	ALUEPDP	12-digit alphanumeric	45,000	National
The Bledsoe Health Trust	BLEDSE2	12-digit alphanumeric	5,000	National, mostly OR, WA, and CA
District 1199J	1199JPD	12-digit alphanumeric	1,600	National, mostly NJ
SUPERVALU	SPVUPDP	12-digit alphanumeric	1,500	National, mostly MN

Existing

Enhanced PDP Sponsor List:	Rx Group #	ID number format	Estimated # of lives	Region
Carpenters Trust of Western Washington (CTWW)	CTWWMEDD	11-digit alphanumeric	1,951 + 100 new lives	National, mostly West Coast
Commonwealth of Virginia (COVA)	CWHVAMD	12-digit alphanumeric	26,000	National, mostly VA
DuPont	DUPTMED	12-digit alphanumeric	73,000 + 1,200 new lives	National
Public Employees Health Plan (PEHP)	PEHPDP	12-digit alphanumeric	7,700	National, mostly Utah
SISC	SISCMEDD	12-digit alphanumeric	1,450 + 100 new lives	National, mostly CA
Tennessee Valley Authority (TVA)	TVADRUGMD	12-digit alphanumeric	12,00 + 200 new lives	National, mostly TN
Chevron	CMD3896	12-digit alphanumeric	44,844	National, mostly TX
Western Teamsters Welfare Trust (WTWT)	WTMEDD	12-digit alphanumeric	2,600 + 265 new lives	National, mostly West Coast

Sample of "Exhibit 02, Acknowledge Receipt of Completed Enrollment Election"

Medco Health Solutions, Inc.
P.O. Box 14232
Lexington, KY 40512

November 16, 2007

4 1220-00-00001
3688, 12302007, E0208
JOHN Q. SAMPLE
100 PARSONS POND DRIVE
ANYCITY, ST 99999-9229



Medco Medicare Prescription Plan™

ID No: 123456789012
Issuer: 80840
RxGrp: RXMEDD1
RxBin: 610014
RxPcn: MEDDPRIME

Dear JOHN Q. SAMPLE:

Thank you for enrolling in Medco Medicare Prescription Plan™. Medco Medicare Prescription Plan is a prescription drug plan that is approved by Medicare. Your enrollment will be effective on 01/01/2008.

As of 01/01/2008, you should begin using Medco Medicare Prescription Plan network pharmacies to fill your prescriptions. If you use an out-of-network pharmacy and there is not an emergency, Medco Medicare Prescription Plan may not pay for your prescriptions. This letter is proof of your Medco Medicare Prescription Plan coverage. You should show this letter at the pharmacy until you get your Member ID card from us.

Medicare must approve all enrollments and calculate your premium amount. When Medicare approves your enrollment into Medco Medicare Prescription Plan, we will send you a letter to confirm your enrollment in Medco Medicare Prescription Plan. You will get a separate letter from Medco Medicare Prescription Plan once Medicare calculates your premium. You should not wait to get these confirmation letters before you begin using Medco Medicare Prescription Plan network pharmacies on 01/01/2008. If Medicare rejects your enrollment, Medco Medicare Prescription Plan will bill you for any prescriptions you received through us.

If you have health coverage from an employer or union, or other entity, joining Medco Medicare Prescription Plan may change how your current coverage works. Read the communications your employer, union, or other source of coverage sends you. If you have questions, visit their website, or contact the office listed in their communications. If there is no information on whom to contact, your benefits administrator or the office that answers questions about your coverage can help. If you have other prescription drug coverage, such as through an employer plan, you shouldn't cancel your other coverage yet. Keep your other coverage until you receive the confirmation letter from us.

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If you have a Medigap (Medicare Supplement Insurance) policy that includes prescription drug coverage, you must contact your Medigap Issuer to let them know that you have joined a Medicare prescription drug plan. Your Medigap Issuer will remove the prescription drug coverage portion of your policy and adjust your premium. Call your Medigap Issuer for details.

Once you are enrolled in our Plan, you can only disenroll (or enroll in a new plan) during certain times of the year. Unless you meet certain special exceptions, such as if you move out of Medco Medicare Prescription Plan's service area or if you qualify for extra help, you can only disenroll from Medco Medicare Prescription Plan from November 15 through December 31 each year. If you have questions about how or when to disenroll from Medco Medicare Prescription Plan, please call our Customer Service department.

If you chose to have your Medco Medicare Prescription Plan premium withheld from your Social Security, remember that your benefit check will reflect this deduction. If you did not choose this option, we will bill you for your monthly premiums. Generally, you must stay with the premium payment option you choose for the rest of the year. Members who fail to pay the monthly premium may be disenrolled from Medco Medicare Prescription Plan.

People with limited incomes may qualify for extra help to pay for their drugs' costs (including help paying the Medco Medicare Prescription Plan premium and yearly deductible). For more information about this extra help, contact your local Social Security office or call 1-800-MEDICARE, 24 hours per day, 7 days per week. TTY/TDD users should call 1-877-486-2048.

Please remember that you should use Medco Medicare Prescription Plan network pharmacies to fill your prescriptions beginning on 05/01/2007. If you use an out-of-network pharmacy, except in an emergency, Medco Medicare Prescription Plan may not pay for your prescriptions. You can find network pharmacies in your area by looking in your Pharmacy Directory or by calling Customer Service at the number below.

If you have any questions, please contact Customer Service at 1-800-758-4574, 24 hours a day, 7 days a week (except Thanksgiving and Christmas). TTY/TDD users should call 1-800-716-3231.

Thank you.



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2008 Medco's Medicare Part D *Medco Medicare Prescription Plan*TM 2008 Formulary Information

Announcement:	The formulary for Medco Medicare Prescription Plan , Medco's Medicare-approved prescription drug plan, is available on the Medco Medicare Prescription Plan website, www.medco.com , and will soon be available on the Medco Pharmacist Resource Center website, www.medco.com/rph .
Action requested:	Visit www.medco.com or www.medco.com/rph for information regarding Medco Medicare Prescription Plan drug coverage and formulary changes. Continue to visit us for formulary updates.
Sample Medco Medicare D ID:	<div><p>Medco Medicare Prescription PlanTM</p><p>RxBin 610014 RxPcn MEDDPRIME RxGrp Issuer 80840 ID No. Name</p><p>MedicareRx Prescription Drug Coverage CMS_S5660<PBP></p></div>
Note:	Formulary updates, including ... <ul style="list-style-type: none">• Drug additions• Drug deletions• Preferred status changes• Tier changes ...will be viewable on www.medco.com/rph . Changes will be posted 60 days prior to the effective date.
For more formulary information:	Contact the Pharmacy Services Help Desk toll-free at 1 800 922-1557 or visit the Pharmacist Resource Center at www.medco.com/rph .



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December 2007

Fraud, Waste, and Abuse

Medco is committed to compliance with the Centers of Medicare and Medicaid Services (CMS) guidelines. CMS guidelines recommend that all entities that support Medicare Part D activities share this same commitment and be fully aware of the need to detect, correct, and prevent fraud, waste, and abuse (FWA). As part of this ongoing commitment to compliance, Medco has assembled information that may assist you with locating or developing a program that meets CMS' expectations.

CMS does not dictate how plans or network pharmacies go about implementing a satisfactory FWA program; CMS encourages all parties to host their own FWA training that meets CMS recommendations. Pharmacies should offer compliance training to all of their employees and staff who work with Medicare Part D. The training should focus on Medicare Part D rules, regulations, and FWA.

The following is a list of some topics CMS recommended for inclusion in training programs:

- ❖ Inappropriate Billing Practices
- ❖ Bait-and-Switch Pricing
- ❖ Prescription Altering
- ❖ Dispensing Expired or Adulterated Prescription Drugs
- ❖ Illegal Remuneration
- ❖ True Out-of-Pocket (TrOOP) Manipulation
- ❖ Incorrect or Misleading Notices to Enrollees
- ❖ U.S. Office of Inspector General (OIG) Exclusion List
- ❖ Compliance with Federal Statutes

For a complete description of the topics, please refer to the CMS Prescription Drug Benefit Manual (CMS Manual), Chapter 9 on FWA.

Reporting Fraud, Waste, and Abuse:

With its commitment to compliance in mind, effective immediately, Medco has a **Compliance and Ethics Line (1 800 303-9373)**, which is a toll-free hotline available around the clock. The **Compliance and Ethics Line** is a mechanism to enable individuals, including pharmacies and other providers, to report confidentially any potential acts of fraud, waste, or abuse on an anonymous basis. Once reported, matters are investigated as appropriate and action is taken to address the reported events.

Additional Resources:

- ❖ CMS website <http://www.cms.hhs.gov/Pharmacy>
- ❖ National Association of Chain Drug Stores (NACDS) Medicare Part D Fraud, Waste, and Abuse training module. Additional information on this program may be found at <http://www.nacds.org/wmspage.cfm?parm1=4999>

Although Medco hopes this reminder is helpful, please note that this information is not intended as a substitute for the CMS guidelines, including the CMS Prescription Drug Benefit Manual Chapter 9 on Fraud, Waste, and Abuse, and the advice of your legal counsel.