

**Dear Employer:**

Thank you for trusting us to provide health care benefits for your company. Together, we are providing access to quality, affordable health coverage. A key way to make sure your employees get the most value from their health care dollars is to have cost-effective networks that provide broad access to doctors, hospitals and drug stores. This is a standard part of what we do every day.

Below is an update about some expected changes to the drug stores in our network, as of January 1, 2012.

**Walgreens, a pharmacy retailer, has announced its intent to exit the Express Scripts pharmacy provider network when its current contract expires on December 31, 2011.**

**What does this mean?**

Unless an agreement is reached between Express Scripts and Walgreens, our members will no longer be able to receive coverage for their prescription medications from Walgreens pharmacies, beginning January 1, 2012. This will also affect members who are using other pharmacies owned by Walgreens, most notably Duane Reade Pharmacy in the New York City metro region, Happy Harry's Pharmacy in several northeastern states, and OptionCare.

Access to other retail pharmacies within the pharmacy provider network remains available. The Express Scripts pharmacy network contains more than 56,000 pharmacies without Walgreens. On average, there is another network pharmacy within one-half mile of a Walgreens pharmacy.

Walgreens and Express Scripts could reach an agreement by December 31, 2011 which would enable our members to continue receiving coverage for their prescription medications from Walgreens pharmacies. However, based on our meetings with leaders from both Walgreen Co. and Express Scripts, we are not optimistic that an agreement will be reached.

Although unlikely, we will let you know if circumstances change and Walgreens and Express Scripts reach agreement on a new contract. In the meantime, members can continue to receive coverage for their prescription medications from any Walgreens and its sister stores (such as Duane Reade, Happy Harry's, and OptionCare) through December 31, 2011.

**Our commitment:**

We remain committed to keeping prescription drugs affordable and accessible for our members. Regardless of the outcome, we will continue to offer broad access to pharmacies across the country.

**Member communications:**

During October, we will communicate with members who have used a Walgreens in the past six (6) months. This communication will provide members with an overview of the Walgreens and Express Scripts network status. This member notification will include the names and locations of convenient, nearby pharmacies that participate in the pharmacy provider network, and will direct members to visit our website to find other nearby pharmacy locations.

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Unless Walgreens and Express Scripts reach an agreement, a second member notification will be mailed to commercial members who have used a Walgreens in the past six (6) months\*. This member notification will mail during November and will also include the names and locations of convenient, nearby pharmacies that participate in the pharmacy provider network.

If a deal is reached that allows Walgreens to remain in the network, we will let members know that they can continue to use Walgreens beyond the end of 2011.

Attached is an FAQ that has been developed to help address questions that you may have. Please feel free to contact your sales representative with any additional questions.

\*Medicare members will receive this letter in October. They will also receive a letter in December reminding them that Walgreens will not be in the network in 2012.

Express Scripts, Inc. is a separate company that provides pharmacy services and pharmacy benefit management services on behalf of health plan members.

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