MEMO TO PLAN MEMBERS

March 8, 2010

Tentative agreement reached with Shoppers Drug Mart

As we previously communicated, the majority of Shoppers Drug Mart stores had notified us that they would not be accepting the Medavie Blue Cross pay-direct drug card as early as this week.

Through discussions on Friday, March 5, we are pleased to announce a tentative agreement was reached. Medavie Blue Cross and Shoppers Drug Mart will be finalizing details this week. Following this, the agreement will go to their independent stores to be ratified. In the meantime, Shoppers Drug Mart stores will continue accepting the card for pay-direct service.

Over the past several months, Medavie Blue Cross has been engaged in discussions with independent and chain pharmacies across the region towards introducing a new pharmacy agreement, which details prescription drug compensation. These new agreements are designed to reflect ongoing changes in drug costs in Canada. Updating these agreements is a normal part of our business practice.

We are very pleased that, for the most part, discussions with pharmacies have gone very well and agreements have already been reached with a number of chains and independent pharmacies across Atlantic Canada. For your convenience, the following is a list of pharmacies in Atlantic Canada with whom we have reached an agreement to protect plan sustainability and affordability and that will honour the Medavie Blue Cross pay-direct drug card:

- Costco
- Guardian Pharmacies (NB, NS and PE)
- Independent Pharmacies (NB, NL and PE)
- Jean Coutu
- Shoppers Drug Mart (tentative agreement)
- The Medicine Shoppe (NB, NS and PE)
- Walmart

While not exhaustive, the following is a representative list of Atlantic pharmacies with whom we are in productive dialogue and, as such, they are still accepting the Medavie Blue Cross pay-direct drug card:

- Atlantic Superstore (Loblaw Companies Limited)
- Lawtons
- Independent Pharmacies
- PharmaChoice
- Pharmasave
- Sobey’s
- Zellers

Meditrust Pharmacy in Saint John, NB is the only pharmacy that has notified us it is currently not accepting the card and drug claims from this store will be handled on a reimbursement basis.

Please note, if you choose to remain with any pharmacy that no longer accepts the pay-direct drug card with Medavie Blue Cross, there is a risk that the pharmacy will charge more than is allowed under your plan. As a result, when you submit a claim for reimbursement, any excess charges will be your responsibility.

Medavie Blue Cross will continue to advise you of any significant changes affecting prescription services. To keep up-to-date on this issue visit www.medavie.bluecross.ca and click on the “Pharmacy Update” button on the right side of your screen.