

TPP FREQUENTLY ASKED QUESTIONS

1. *Why did I get this Notice?*

You were mailed this Notice because records indicate you are a TPP who may provide pharmaceutical coverage. Or, you may have requested this Notice after seeing the Summary Notice in a publication.

This Notice explains:

- What the lawsuit and Settlement are about.
- What the lawsuit claims and what McKesson says about the claims.
- Who is affected by the Settlement.
- Who represents the Class in the lawsuit.
- What your legal rights and choices are.
- How and by when you need to act.

2. *What is the lawsuit about?*

Prescription drug payments are often based on list prices, or benchmarks. The most common pricing benchmark used to reimburse brand prescription drugs is the Average Wholesale Price or “AWP.” Several companies, including FDB and Medi-Span, publish the AWP of prescription drugs in printed and electronic databases. During the time period of this lawsuit, FDB often determined the AWP for many drugs by using a “mark-up factor.” The lawsuit claims that FDB and McKesson unlawfully conspired to inflate the mark-up factor, thereby wrongfully increasing the published AWP for many drugs. According to the lawsuit, this in turn, increased the prices paid by TPPs that used FDB as the source for AWP for the Subject Drugs. A detailed list of the Subject Drugs, including drug name, NDC Code and manufacturer, is available by clicking on the link at the left entitled “Subject Drugs” or you can request a hard copy from the Settlement Administrator at the address listed in Question 8.

McKesson denies any wrongdoing and is settling this lawsuit to avoid further litigation. FDB also denies any liability and has entered into a separate proposed settlement, which is the subject of a separate notice. A related lawsuit against Medi-Span, alleging that it published falsely inflated AWP's based on the information FDB provided it, has also settled without any admission of wrongdoing. More information about the proposed settlement terms and the FDB/Medi-Span settlement classes can be obtained at www.AWPclassactions.com.

3. *Why is that a class action?*

In a class action lawsuit, one or more people called “class representatives” sue on behalf of people who have similar claims. The people together are a “class” or “class members.” A court must determine if a lawsuit should proceed as a class action. If it does, a trial then decides the lawsuit for everyone in the class.

Sometimes, the parties may settle without a trial. The Parties here have agreed to a Proposed Settlement that includes a national class of TPPs who reimbursed, or incurred obligations to reimburse for the drugs at issue. The Proposed Settlement also includes a national class of consumers who paid a percentage co-pay towards the purchase of these drugs as well as a national class of uninsured consumers who paid the full purchase price of the drugs.

4. *Why is there a Settlement?*

A settlement is an agreement between a plaintiff and a defendant following extended negotiation. Settlements conclude litigation but this does not mean that the court has ruled in favor of the plaintiff or the defendant. A settlement allows both parties to avoid the cost and risk of a trial and permits both parties to establish a just, fair and final resolution that is best for all involved. The class representatives and their attorneys decide that a settlement is the best result for all class members and the court is asked to evaluate and approve the settlement as fair, reasonable and adequate.

The Court approved the Settlement on July 24, 2009; therefore, McKesson is no longer legally responsible for the claims made in this lawsuit. The lawyers representing the Class (“Class Counsel”) and McKesson have engaged in extensive, arms-length negotiations regarding the issues presented in this lawsuit and the terms of the settlement. The Parties wanted to settle the claims in this lawsuit and the Court determined that the Settlement was fair, reasonable and adequate and in the best interests of the Class.

5. *Who is a Class Member?*

Generally speaking, you are a member of the Settlement Class if you are:

- A TPP that reimbursed for prescription drugs based on the BBAWP published by FDB or the AWP published by Medi-Span. Additionally, you must have purchased the Subject Drugs between August 1, 2001 through March 15, 2005.

A TPP is an entity that is:

- (a) A party to a contract, issuer of a policy, or sponsor of a plan, and
- (b) At risk, under such contract, policy, or plan, to pay or reimburse all or part of the cost of prescription drugs dispensed to covered natural persons. TPPs include insurance companies, union health and welfare benefit plans and self-insured employers. Entities with self-funded plans that contract with a health insurance company or other entity to serve as a third-party claims administrator to administer their prescription drug benefits qualify as TPPs. Private plans that cover government employees and/or retirees are also included.

There are a number of other people who are not included in the Settlement Class. These people include:

- the Defendants and their present or former, direct and indirect, parents, subsidiaries, divisions, partners and affiliates; and
- the United States government, its officers, agents, agencies and departments; the States of the United States and their respective officers, agents, agencies and departments; and all other local governments and their officers, agents, agencies and departments.

Also presumptively excluded from the Settlement Class are those entities that own or operate businesses referred to commonly as pharmacy benefit managers (“PBMs”). These PBMs, as part of their business operation, contract with Third-Party Payors to perform certain services in the administration and management of prescription drug benefit plans and are not members of the Settlement Class unless they are the fiduciary of the Third Party-Payors or by contract assumed, in whole or in part, the insurance risk of that prescription drug benefit during the period from August 1, 2001 through March 15, 2005.

6. *How do I know if I am included in the Proposed Settlement?*

Notice of the lawsuit against McKesson was previously provided to potential class members. The deadline to exclude yourself from the Settlement Class was November 15, 2008. Unless you excluded yourself, you are a member of the Settlement Class and will be included in the Settlement if you:

- reimbursed for prescription drugs based on the BBAWP published by FDB or the AWP published by Medi-Span during the relevant time period.

7. *What does the Proposed Settlement provide?*

McKesson will pay at least \$288,000,000 to TPPs, net of attorneys’ fees and expenses awarded by the Court.

8. *How do I file a claim?*

The official court-ordered deadline for filing a claim has now passed. Claims needed to be postmarked by July 9th, 2009. However, if you still wish to file a claim, you should do so as soon as possible. Your claim will be marked as “late” and the court will decide whether or not to accept it as eligible for payment. Mail your claim to:

McKesson Settlement Administrator
c/o Rust Consulting, Inc.
P.O. Box 24607
West Palm Beach, FL 33416

As part of your claim, you must provide the electronic backup information and certifications requested on the Claim Form.

9. *Why are you requiring patient information in the back up documentation requested?*

In order to increase the proportion of consumer class members who obtain financial recovery from the Settlement, the Court ordered members of the TPP Class to provide certain information about their percentage co-payor members to the Settlement Administrator, who will be subject to the Court's October 11, 2006 protective order governing the use of confidential health information, shall use the data for the sole purpose of calculating the checks and sending them to members of the Co-pay Consumer Class.

Further, by complying with the Court's order and claims process, it was ordered that TPPs fall within the safe harbor of the Health Insurance Portability and Accountability Act for court-ordered production of personal health information, 45 C.F.R. § 164.512 (e)(1)(i), and that TPPs shall have no liability under HIPAA or any state confidentiality statute, regulation, or other requirement, for supplying such member information to the Settlement Administrator.

10. *How am I to provide the electronic information to the Settlement Administrator?*

Please provide the requested information on a CD ROM and send it in with your Claim Form.

11. *Why are the dates of the Class Period different from the dates on the Claim Form?*

The Court certified the class period for the purposes of damages from August 1, 2001 through December 31, 2003 and for liability and equitable relief from August 1, 2001 through March 15, 2005.

12. *How are payments determined?*

How much you receive from this Proposed Settlement depends on the volume and amount of claims submitted by other TPP Settlement Class Members.

13. *What claims am I giving up?*

On July 24, 2009, the Court approved the Settlement; therefore, the claims against McKesson have been completely "released." This means that you cannot sue McKesson for money damages or other relief based on the claims in the lawsuit or otherwise arising from its alleged involvement in setting AWP for brand drugs in the relevant period. Settlement Class Members agree to forever release all claims even if they later discover new facts about the claims in the lawsuit. This includes claims whether known or unknown, suspected or unsuspected, contingent or non-contingent. All claims will be released forever whether or not the facts were concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts.

The release provides as follows:

The Released Parties shall be released and forever discharged by all Releasers from all Released Claims. All Releasers covenant and agree that they shall not hereafter seek to establish liability against any Released Party or any other person based, in whole or in part, on any of the Released Claims. Each Releaser expressly waives and fully, finally, and forever settles and releases any known or unknown, suspected or unsuspected, contingent or non-contingent Released Claims, including Unknown Claims, without regard to the subsequent discovery or existence of different or additional facts. Class Counsel acknowledges, and the Settlement Class Members shall be deemed by operation of law and the Judgment to acknowledge, that the foregoing waiver of Unknown Claims, and of the provisions, rights, and benefits of Section 1542 of the California Civil Code, was bargained for and is a key

element of the Settlement of which the release in this paragraph is a part.

The “Released Claims” consist of:

any and all claims, demands, actions, suits, causes of action, damages whenever incurred whether compensatory or exemplary, liabilities of any nature or under any theory whatsoever, including Unknown Claims, as well as all costs, expenses, penalties and attorneys’ fees, in law or equity, that any Releaser who has not timely excluded himself, herself, or itself from the Private Payor Settlement Class, whether or not he, she, or it objects to the settlement, ever had or now has, directly, representatively, derivatively or in any capacity, arising out of any conduct, events or transactions relating to the use of, payment or reimbursement in any way based upon, collection, calculation, formulas, mark-up, determination, dissemination, publication of, and representations concerning, the AWP or BBAWP or similar data published or disseminated by First DataBank, Medi-Span, or any other publisher, electronically or otherwise, for any prescription pharmaceuticals, including, but not limited to, the allegations contained in or which could have been contained in the Class Action or the related case entitled *New England Carpenters Health Benefits Fund et al. v. McKesson, Inc.*, Civil Action No. 1:07-CV-12277 (D. Mass.). Released Claims do not include claims against any manufacturer regarding pricing or marketing by the manufacturer or regarding AWP manipulation by the manufacturer.

14. What entities am I releasing?

The Released Entities include:

McKesson Corporation, its parent companies, subsidiaries, and affiliates, and their past, present and future officers, directors, trustees, employees, agents, attorneys, shareholders, predecessors, successors and assigns.

15. Is it possible to exclude myself from the Proposed Settlement?

It is no longer possible to exclude yourself from the Class or the Proposed Settlement made on behalf of the Settlement Class. Notice of this lawsuit and the claims against McKesson was previously provided to potential members of the Settlement Class. If you provided the Settlement Administrator with written notification of your intent to exclude yourself from the Class litigation on or before November 15, 2008, you will be excluded from the Proposed Settlement unless you timely advised the Settlement Administrator that you wanted to opt back into the Settlement Class. All opt-in requests needed to be delivered or postmarked by June 3, 2009.

16. May I object to, or comment on, the Proposed Settlement?

No. The deadline for objecting to the settlement has passed. Objections needed to be filed with the parties and the court by June 8th, 2009.

17. What is the difference between objecting to the Proposed Settlement and excluding myself from the Proposed Settlement?

An objection to the Proposed Settlement is made when you wish to remain a Settlement Class Member and be subject to the Proposed Settlement but disagree with some aspect of the Proposed Settlement. An objection allows your views to be heard in Court. In contrast, exclusion means that you are no longer a Class Member and ultimately do not want to be subject to the Proposed Settlement’s terms and conditions. Once excluded, you lose any right to object to the Proposed Settlement or to the attorneys’ fees because the case no longer affects you.

18. Do I have a lawyer representing my interests in this case?

Yes. The Court has appointed the following law firms to represent you and other Settlement Class Members:

Hagens Berman Sobol Shapiro LLP
1301 Fifth Avenue, Suite 2900
Seattle, WA 98101

and

Wexler Wallace LLP
55 West Monroe Street, Suite 3300
Chicago, IL 60603

www.wtwlaw.us

One Main Street, 4th Floor
Cambridge, MA 02142

www.hbsslaw.com

Spector Roseman & Kodroff, PC
1818 Market Street, Suite 2500
Philadelphia, PA 19103

www.srk-law.com

Edelson & Associates LLC
45 West Court Street
Doylestown, PA 18901

In addition, the following law firms, which have represented TPP interests in numerous prescription drug class action cases, have worked with the above-listed law firms and are included as Class Counsel in the Settlement Agreement:

Lowey Dannenberg, Cohen & Hart, PC
One North Broadway
White Plains, NY 10601-2310

www.lowey.com

Rawlings & Associates, PLLC
325 West Main Street, Suite 1700
Louisville, KY 40202-4204

19. *How will the lawyers be compensated?*

The lawyers who were appointed by the Court to represent you in this lawsuit are called Class Counsel. You will not be charged personally for these lawyers, but they will ask the Court for an award of attorneys' fees, expenses and costs associated with the litigation not to exceed 30% of the Settlement Amount, plus interest, to be paid out of the \$350 million Settlement Amount. More information about Class Counsel and their experience is available at the websites listed above. Class Counsel will also ask the Court to award a special payment to the named plaintiffs to compensate for the time spent prosecuting this case on behalf of the Settlement Class.

20. *When and where will the Court decide on whether to grant final approval of the Proposed Settlement?*

On July 24, 2009, the Court approved the terms of the settlement as being fair, reasonable and adequate. At the Final Approval Hearing held on July 23, 2009, the Court also awarded attorneys' fees and expenses to Class Counsel. In addition, the Court reviewed the comments and objections it received. A copy of the Court's Memorandum and Order Approving Class Settlement can be downloaded from the settlement website at www.McKessonAWPSettlement.com/CourtDocuments.htm.

21. *Must I attend the Final Approval Hearing?*

No. Attendance is not required, even if you properly mailed a written response. Class Counsel is prepared to answer the Court's questions on your behalf. If you or your personal attorney still want to attend the Hearing, you are more than welcome to do so at your expense. However, it is not necessary that either of you attend. As long as the objection is postmarked before the deadline, the Court will consider it, even if you or your attorney do not attend.

22. *May I speak at the Final Approval Hearing?*

No. The deadline for filing a Notice of Appearance has passed and needed to be filed with the Court and served on counsel by June 8, 2009.

23. *Where do I obtain more information?*

More details are in the Complaint filed by Class Counsel, the Answer filed by McKesson, and the other legal documents that have been filed with the Court in this lawsuit. These documents include the Amended Settlement Agreement and Release, which sets forth in great detail the Settlement's provisions. You can look at and copy these legal documents at any time during regular office hours at the Office of the Clerk of Court, John Joseph Moakley U.S. Courthouse, 1 Courthouse Way, Suite 2300, Boston, Massachusetts 02210. These documents are also available at the link on the left entitled "Court Documents". For updated information about

any decisions by the Court affecting the Class or the Settlement, please refer to this website.

In addition, if you have any questions about the lawsuit, you may:

Call: Toll-Free 1-877-625-9414
Write: McKesson Settlement Administrator
c/o Rust Consulting, Inc.
P.O. Box 24607
West Palm Beach, FL 33416
Email: info@McKessonAWPSettlement.com
Visit: www.McKessonAWPSettlement.com