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In the Fall of 2006, Wal-Mart and Wegmans announced a program for certain generic drug purchases. Other pharmacies may have followed suit. It is important to note that we believe these new programs will continue to evolve – both at the already announced stores as well as other pharmacies.

Q1: What is the Wal-Mart Program?

A1: Under the Wal-Mart program, generic medications on their list will cost \$4 for up to a 30-day supply at commonly prescribed dosages (or \$12 for a 90-day supply under their program). The list of over 300 generic prescriptions is made up of as many as 143 compounds in 24 therapeutic categories. Wal-Mart estimates that the list of \$4 prescription medications represents nearly 25 percent of prescriptions that it currently dispenses in its pharmacies nationwide. At this time, the \$4 prescriptions are available in New York as well as Alaska, Arizona, Arkansas, Delaware, Florida, Illinois, Indiana, Nevada, New Jersey, New Mexico, North Carolina, Oregon, Texas and Vermont.

Q2: How can I learn more about the Wal-Mart program?

A2: For further information on the program including store locations, you can call 1-800-WAL-MART (1-800-925-6278/v), go to www.walmart.com, or visit your local Wal-Mart, Neighborhood Market or Sam's Club in the 15 participating states to discuss the program with their pharmacist or pick up a brochure explaining program details.

Q3: I heard Wegmans has a program too. How does that one work?

A3: Wegmans has also developed a list of generic medications that are commonly used for maintenance therapy. The Wegmans program is a little different than the Wal-Mart program – at Wegmans, you would pay \$11.99 for the most common quantity for a 90-day supply (you cannot purchase a 30-day supply to obtain the favorable pricing). This program is available at all Wegmans locations.

Q4: Are there similar programs with other pharmacies?

A4: You should check with your pharmacy to find out if they have this type of program. It is likely that the programs will all be a little different so it is important that you understand your pharmacy's plan and rules.

Q5: Is the Wegmans list of generic drugs the same as the Wal-Mart list?

A5: Each organization has developed its own list and many medications are on both lists. However, some medications may be part of one program but not the other. You should review each program based on your prescription medication needs. Be sure to check to see if your medications are on the list – do not assume that all generics are on the list because they are not.

Q6: How can I learn more about the Wegmans program?

A6: You can check out their website at www.wegmans.com or contact your local Wegmans pharmacy.

Q7: How would these programs work with my RIT Rx coverage with Medco?

A7: RIT Rx will work a little differently since the Wegmans program requires a 90-day purchase and the Wal-Mart program only allows a 30-day supply. See the following Q&As for more details.

Q8: The Wegmans program requires a 90-day purchase; the Wal-Mart program allows a 90-day supply. How would these program work since RIT Rx does not cover a 90-day supply at the pharmacy?

A8: Wegmans and Wal-Mart have informed us that they would simply charge you their program copay amount and would not submit the claim through RIT Rx (even if they submitted it, the claim would be denied). It is important to note that any medications purchased this way would NOT be in your records with Medco. Therefore, you should contact Medco to make sure your health records are updated to reflect that you are taking this medication (see question #9). This will protect you if you are later prescribed another medication that could have an interaction.

Q9: How do I update my health record at Medco for these generic medications?

A9: Call Medco at (800) 230-0508/v and (800) 759-1089/TTY. For voice callers, say “customer service.” The answering machine lady may try to narrow down what you need but just say “customer service” again and you should be transferred to a real person. Tell the representative that you want to update your health record and the representative will connect you to a pharmacist. The pharmacist will then take the medication information and update your record.

Q10: The Wal-Mart program allows a 30-day purchase. How will this work with the new Retail Refill Allowance (RRA) that RIT Rx has?

A10: Under RIT Rx, you will always pay the cost of the drug at the pharmacy or the RIT Rx copay, **whichever is less**. According to Wal-Mart, you will pay the lesser of \$4 or the copay, so in this case, you would pay \$4.

Q11. Is Medco going to introduce a similar program for the mail order pharmacy?

A11: There is no plan to modify the RIT Rx copay amounts for 2007. Since you always pay the lesser of the cost of the drug or the RIT Rx copay, you should purchase your medication wherever you can get the best price – be that Medco By Mail or a retail pharmacy like Wal-Mart or Wegmans .

Q12: *My medication is on the list but in a different dosage. What does that mean?*

A12: It probably means that your medication is not eligible for this program. However, we recommend that you contact the store directly to understand the details.

Q13: *Will these programs stay the same?*

A13: It is possible that each program introduced will change over time, including the drugs listed – in other words, it is possible that the list of eligible medications will change over time. We recommend that you contact the store directly to understand the details.

Q&A About Generic Drugs

Q: *What are generic drugs?*

A: A generic drug is a copy that is the same as a brand-name drug in dosage, safety, strength, how it is taken, quality, performance and intended use.

Q: *Are generic drugs as safe as brand-name drugs?*

A: Yes. The U.S. Food and Drug Administration (FDA) requires that all drugs be safe and effective. Since generics use the same active ingredients and are shown to work the same way in the body, they have the same risks and benefits as their brand-name counterparts.

Q: *Why are generic drugs less expensive?*

A: Generic drugs are less expensive because generic manufacturers don't have the investment costs of the developer of a new drug. New drugs are developed under patent protection. The patent protects the investment—including research, development, marketing, and promotion—by giving the company the sole right to sell the drug while it is in effect. As patents near expiration, manufacturers can apply to the FDA to sell generic versions. Because those manufacturers don't have the same development costs, they can sell their product at substantial discounts. Also, once generic drugs are approved, there is greater competition, which keeps the price down. Today, almost half of all prescriptions are filled with generic drugs.

Q: *If brand-name drugs and generic drugs have the same active ingredients, why do they look different?*

A: In the United States, trademark laws do not allow a generic drug to look exactly like the brand-name drug. However, a generic drug must duplicate the active ingredient. Colors, flavors, and certain other inactive ingredients may be different.

Q: *Does every brand-name drug have a generic counterpart?*

A: No. Brand-name drugs are generally given patent protection for 20 years from the date of submission of the patent. This provides protection for the innovator who laid out the initial costs (including research, development, and marketing expenses) to develop the new drug. However, when the patent expires, other drug companies can introduce competitive generic versions, but only after they have been thoroughly tested by the manufacturer and approved by the FDA.