

Medco is committed to ethical and socially responsible behavior and to full compliance with all applicable statutory, regulatory and other legal requirements, specifically including federal and state program requirements. Business with integrity is a core value for Medco, and nothing is more important to our company's success than the strength of its reputation. This Code of Conduct is intended to foster a culture of ethical conduct and to ensure that all members of the Medco community avoid wrongdoing and abide by the highest standards of integrity.

Scope

This Code of Conduct is applicable to Medco, its subsidiaries and affiliates, and all employees, officers, directors and contingent workers.

This Code of Conduct sets forth Medco's commitment to compliance and ethics, but Medco in addition has developed more detailed policies and procedures regarding the operation of its Compliance and Ethics program and other key matters. For complete policy details, please contact the Corporate Compliance and Ethics Office, or visit Medco's Compliance home page at <http://website.medco.com/compliance> or HR WorkWays, Medco's human resources home page, at <http://www.hrworkways.com/medcohealth>.

In addition, Medco's Standards of Business Conduct (SOBC) contains summaries of Medco's highest profile compliance policies, and Medco has prepared Standards of Business Conduct training which is required of all employees, officers, directors and contingent workers.

Commitments

Medco is committed to, and expects and requires of each employee, officer, director and contingent worker the following:

- Conduct at all times in accordance with ethical principles that reflect the highest standard of corporate and individual behavior, as provided in this Code and in our SOBC, which summarizes and explains Medco's key compliance policies, including those summarized below
- Avoidance of all conflicts of interest between work responsibilities and personal affairs or taking for

themselves corporate opportunities as provided in the *Conflict of Interest* policy described within the SOBC

- Obedience to all applicable laws, regulations, policies and procedures in all business dealings on behalf of Medco and compliance with Medco's policies and procedures regarding the operation of the Medco Compliance and Ethics program as provided in the *Corporate Compliance and Ethics Program Charter*
- Full compliance with all Federal or state program requirements, including the requirements set forth in Medicare Part D, 42 CFR Section 423, and to prepare and submit accurate claims consistently with such requirements, as provided in the policy on *Compliance with Government Program and Other Client Commitments*, as described in the SOBC
- Maintaining the confidentiality of information entrusted to them by Medco or its clients or members as provided in the policy on *Confidentiality of Company Records and Documents*, including the protection of member information as provided in the policy on *Use and Disclosure of Individual Health Information*, described within the SOBC
- Fostering an environment in which all employees of Medco are treated fairly
- Protecting Medco's assets and assuring their efficient use
- Full, fair, accurate, timely and understandable disclosure in the reports and documents that we file with authorities such as the Securities and Exchange Commission, and in all of the public communications that we make.

Fair Dealing

Each employee, officer, director and contingent worker should endeavor to deal fairly with Medco's customers, service providers, suppliers, competitors and employees. No director, officer or employee should take unfair advantage of anyone through manipulation, concealment, abuse of confidential information, misrepresentation of material facts or any unfair dealing practice.

Medco competes on the merits of its products and services, and it does not make agreements with

competitors to “fix” prices or restrain trade. Pricing and bidding information is not shared with competitors and mischaracterizing a competitor’s products is not permitted.

Reporting Financial Condition and Results of Operations Fairly and Honestly:

The Company’s books and records will be kept in accordance with generally accepted accounting principles, and with established finance and accounting policies. Accrual and reserve entries, and the capitalization of costs will be used only for legitimate business purposes. All personnel will cooperate fully with internal and outside auditors during their examinations of the Company’s books, records and operations. Certifications and reports of financial conditions will be true and accurate. Deception is inconsistent with principles of integrity and will not be countenanced.

Individual Responsibilities for assuring this Code of Conduct is followed

Each Medco Health employee, officer, director and contingent worker is expected to:

- Learn the details of this Code of Conduct, our Standards of Business Conduct, and any policies and procedures that relate to Medco employment.
- Seek assistance from managers, Human Resources, the Compliance and Ethics Office, Medicare Compliance Office, Accredo Compliance Office or the Office of General Counsel for anything that is not understood.
- Promptly raise any concerns about one’s own conduct or the conduct of others that may appear to violate any Medco policy or federal or state law or regulation.
- Promptly report suspected violations of law, regulation, policy or procedure, including suspected violations of federal or state program requirements or Medco Policies and Procedures, to the Corporate Compliance Officer, Medicare Compliance Officer or Accredo Compliance Officer or other individual designated by Medco, who will assure appropriate reporting to the Health and Human Services Office of Inspector General (OIG), Centers for Medicaid and Medicare Services (CMS), its designees or other law enforcement.

- Ensure that any concerns raised are adequately addressed.
- Cooperate with any investigation activity on behalf of Medco.
- Disclose immediately to the Compliance and Ethics Office any debarment, exclusion, suspension, or other event that makes that person ineligible to participate in Medicare, Medicaid or other Federal or state programs or upon conviction of a criminal offense that falls within the ambit of 42 U.S.C. Section 1320A-7(a).

Further Responsibilities of Leadership

Medco’s management team has responsibilities beyond those of employees and contingent workers. Managers and supervisors are expected to:

Maintain a culture of compliance by:

- Communicating corporate policies and procedures and applicable federal and state statutory, regulatory and program requirements to all employees and contingent workers
- Ensuring that employees understand that compliance is never secondary to business results
- Promoting compliance efforts through frequent meetings with direct reports and through employee evaluations
- Encouraging employees to read and follow their individual responsibilities to ensure this code of conduct is followed
- Leading by example, through their own behavior

Detect compliance problems by:

- Reviewing appropriate internal control measures across all business processes to detect compliance risks or variances
- Ensuring that periodic monitoring and reviews for compliance occur and identifying needed improvements

Respond to compliance problems by:

- Promptly correcting any identified violations of law or variances in compliance activity
- Identifying any necessary modifications to business processes as a result of a compliance review

- Taking appropriate disciplinary action
- Consulting with the Compliance and Ethics Office and assisting in making appropriate disclosures to governmental authorities

Any waiver of the code, insofar as executive officers or directors are affected, may be made only with the approval of the Board of Directors or a committee of the Board of Directors. Any such waiver will be promptly disclosed to Medco's stockholders and described in a Current Report on Form 8-K or other SEC filing.

Consequences of Non-Compliance

Failure to act with integrity, apply appropriate business ethics or comply with applicable laws and regulations can have a severe adverse impact on Medco and its business. Nothing is more important to Medco's success than the strength of its reputation, and nothing has a more profound impact on Medco's reputation than our conduct as individuals.

Further, failure to comply with the specific provisions of law, such as Medicare, Medicaid, or other federal or state programs requirements, can result in significant loss of business through exclusion or debarment of Medco from serving specific programs as well as potential penalties or even criminal sanctions.

Penalties for Non-Compliance

Anyone to whom these policies apply who fails to comply with them shall be subject to disciplinary action up to and including termination of employment. Such discipline may apply to direct violation of a Medco policy or requesting others to violate a Medco policy; failing to demonstrate leadership required to ensure compliance with Medco policies and applicable law; failure to cooperate with an investigation or an audit; and retaliating against an employee for raising a compliance concern.

Raising Compliance or Ethics Concerns

In order to ensure ethical conduct throughout all of Medco, employees are encouraged to raise concerns they might have about conduct that falls short of compliance standards. This is one of the most important responsibilities an employee has, in order to protect the health, safety and well-being of fellow employees, the company as a whole, our customers and the larger community.

There are a number of ways to raise any concerns or to get answers to any questions about ethical conduct in the work place:

- The department's supervisor or manager
- The local human resources representative
- The local compliance official
- The Corporate Compliance and Ethics Office
- The Medicare Compliance Office
- The Accredo Compliance Office
- The Office of General Counsel
- The Audit Committee of the Board of Directors

Local management or the local Human Resources representative should be in the best position to resolve most issues. If any compliance issue is not resolved, it should be raised with one of the other contacts listed above.

Above all, concerns should be raised early to allow any problems to be resolved quickly.

Anonymous Reporting through the Compliance and Ethics Line

Medco maintains the Medco Compliance and Ethics Line (1 877-285-4131), a toll-free hotline available around the clock. The Compliance and Ethics Line is a mechanism to enable individuals to disclose to the Compliance Officer any identified compliance or business ethics issues or questions associated with this Code of Conduct or Medco's policies, conduct, practices or procedures. The Compliance and Ethics Line includes a mechanism for individuals to make a report and engage in follow-up communications anonymously. Substantive matters are promptly reported to the Audit Committee of the Board of Directors.

Retaliation Prohibited

Medco prohibits any employee from retaliating or taking adverse action against anyone for raising or helping to resolve a compliance concern.