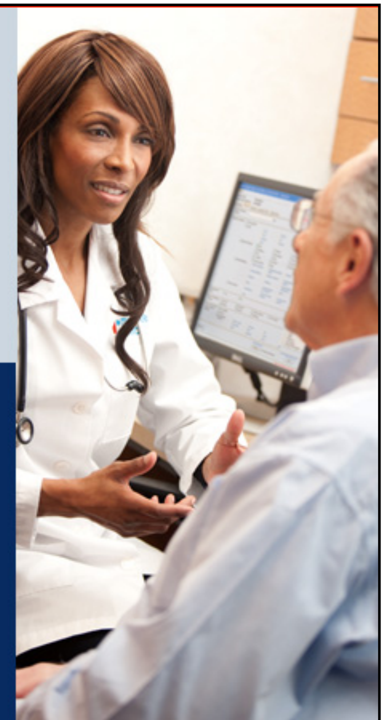

CVS CAREMARK | A Pharmacy Innovation Company

PBM Growth Strategy

Jon Roberts

Executive Vice President & President – CVS Caremark Pharmacy Services

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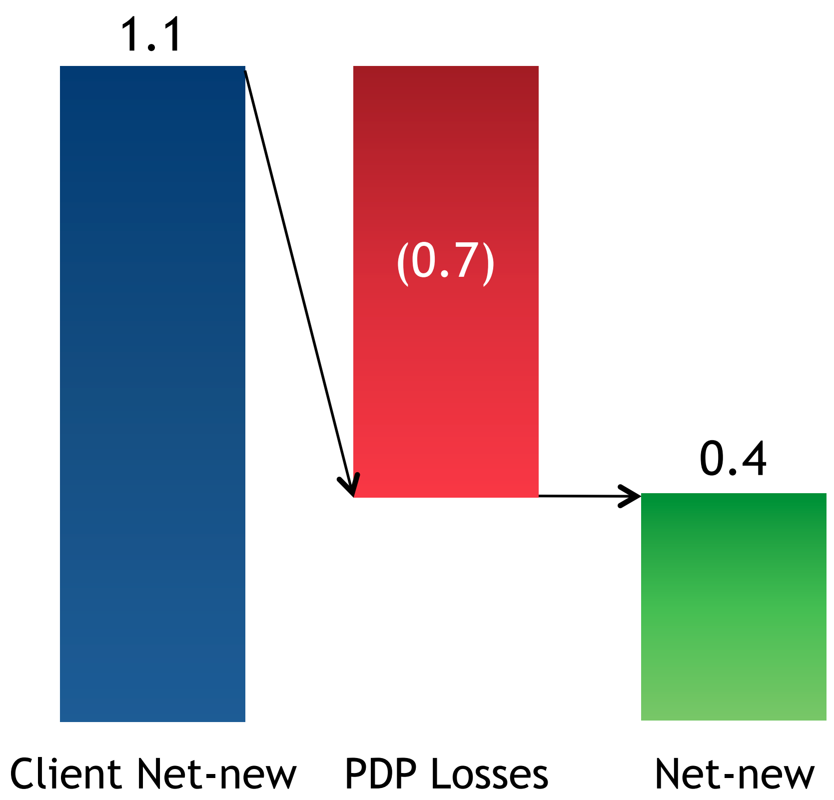
Core growth opportunities

Unique enterprise initiatives

Continued Positive Momentum In 2013 Selling Season

2013 Selling Season ($ billions)	
Gross new business	4.4
Retention rate	96%

2013 Net-new Business
($ billions)

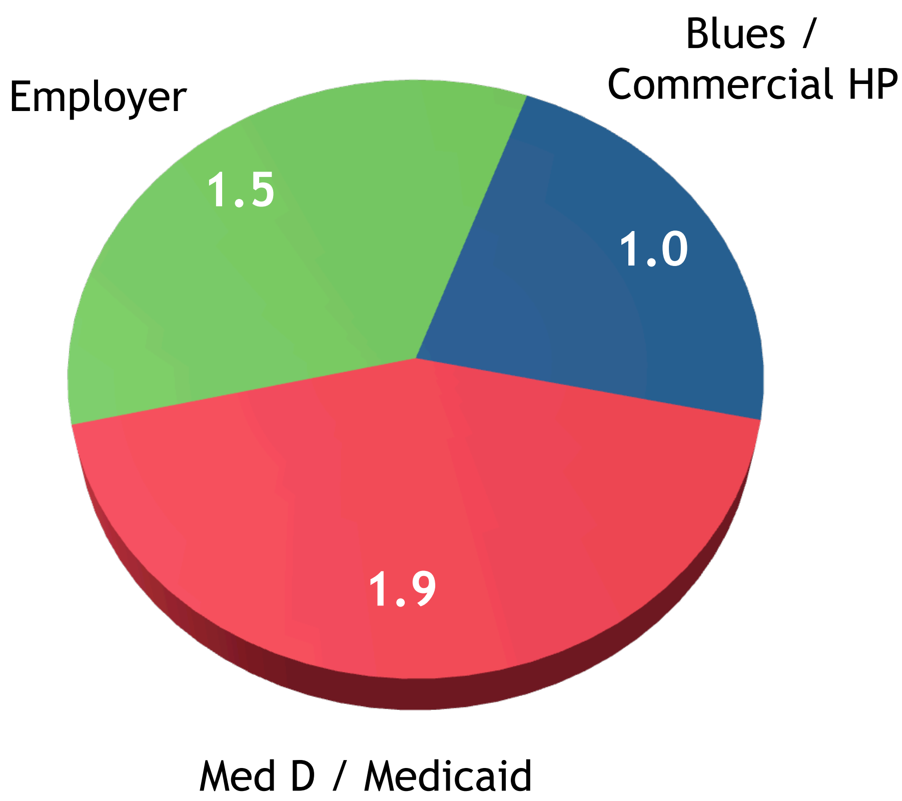


$24 billion of net-new business during the past three years

Notes:
1. PDP losses reflect impact of lost regions, net of benefit from new auto-assigns and open enrollment; excludes EGWPs.
2. Retention rate excludes impact of our net PDP losses.

2013 Selling Season: Winning Across All Segments

Gross New Business:
$4.4 billion



LOWE'S Home Improvement Warehouse
Improving Home Improvement

ups

healthfirst

HMSA
Blue Cross Blue Shield of Hawai'i
An Independent Licensee of the Blue Cross and Blue Shield Association

Blue Cross of Idaho
An Independent Licensee of the Blue Cross and Blue Shield Association

Our Strategic Partnership With Aetna Is Gaining Share In The Marketplace In 2013

- Implementing more than one million new members
- Aetna CVS/pharmacy PDP offered in 29 Medicare regions
- Migration to CVS Caremark platform should be completed by the end of 2013
- Strategic programs an increasing part of Aetna's value proposition

Pharmacy Advisor® Programs Are Gaining Rapid Adoption

CVS CAREMARK

Condition Focus:

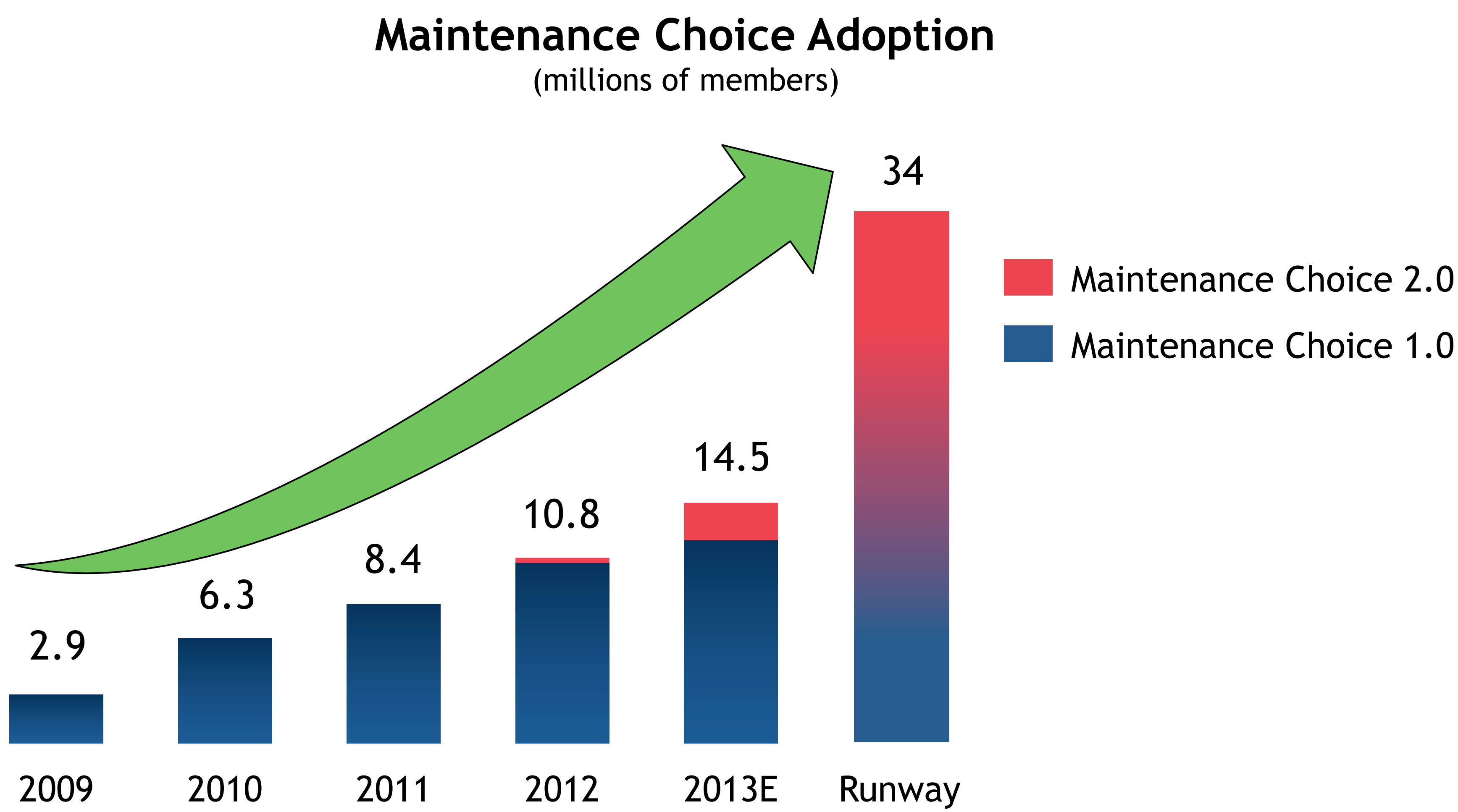
2012
- Diabetes
- Hypertension
- Dyslipidemia
- Coronary Artery Disease
- Congestive Heart Failure

2013
- Asthma
- COPD
- Depression
- Osteoporosis
- Breast Cancer

- ~16 million lives enrolled in Pharmacy Advisor programs in 2013
- Expanding Pharmacy Advisor to Medicare

Members trust and value our pharmacists as part of their clinical team

Client & Member Value Drive Continued Adoption Of Maintenance Choice®



Note: Maintenance Choice 1.0 includes Mandatory, Mandatory Opt-Out and Incentive-based plans.

Our Continuum Of Network Solutions Meet A Wide Range Of Client Needs …

CVS CAREMARK

90 Day Pricing Networks

Retail 90	Maintenance Choice 2.0	Maintenance Choice 1.0

↑ Choice … Savings ↑

30 Day Pricing Networks

National (~65k pharmacies)	Preferred (65k pharmacies; up to 30k preferred)	Narrow (45k pharmacies)

↑ Choice … Savings ↑

… And Enable Clients To Achieve Substantial Savings

90 Day Pricing Networks

Retail 90 — **Maintenance Choice 2.0** — **Maintenance Choice 1.0**

↑ Choice — Savings ↑

Up to 4%

30 Day Pricing Networks

National (~65k pharmacies) — **Preferred** (65k pharmacies; up to 30k preferred) — **Narrow** (45k pharmacies)

↑ Choice — Savings ↑

Approx. 2%

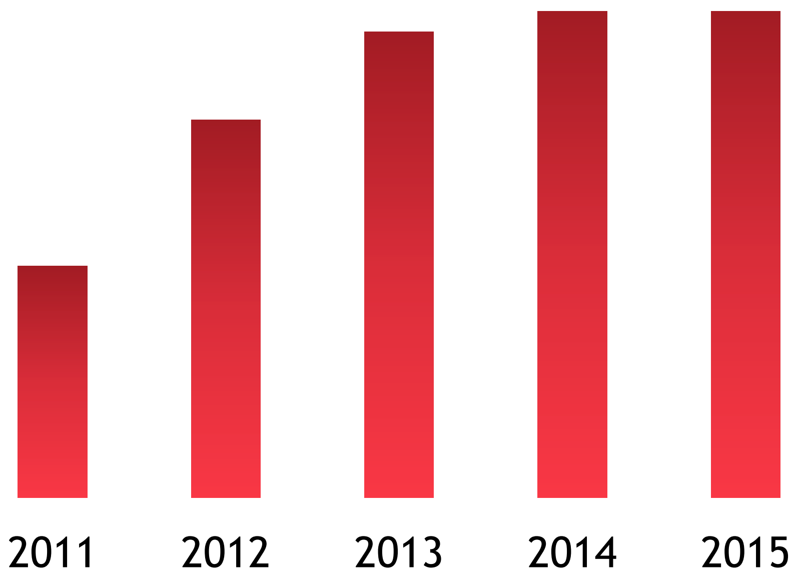
~40% of new clients adopted a narrow network or Maintenance Choice

Note: Savings as a percent of gross retail spend.
Source: CVS Caremark Retail Strategies.

Streamlining Initiative On Track To Deliver Substantial Savings

CVS CAREMARK

$225 To $275 Million In Estimated Annual Savings



- On track to deliver more than $1 billion of cumulative savings from 2011 through 2015
- Benefits outweighed costs in 2012; should be more favorable in 2013
- Expect to hit full run rate of annual savings in 2014

Streamlining Initiative Lays The Groundwork For Continuous Productivity Improvements

CVS CAREMARK

Streamline Operations

- Two new automated mail pharmacies operational

- Completed workflow process redesign to improve efficiency

Rationalize Capacity

- Continued facilities consolidation

Invest In Technology

- ~85% of business expected to be on destination platform by end of 2013

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Well Positioned To Capitalize On Fastest-growing Market Segments

CVS CAREMARK

1. Medicare Part D
2. Managed Medicaid
3. Specialty Pharmacy

Medicare Is Quickly Emerging As A Major Payor For Prescription Drugs In America

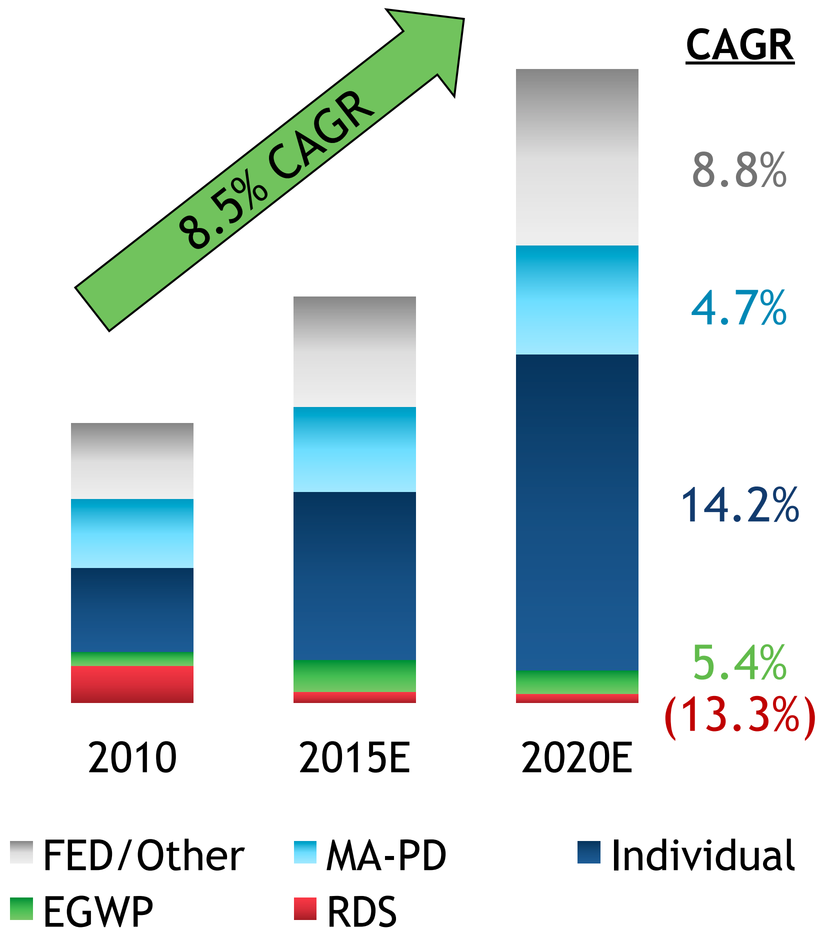
CVS CAREMARK

- Traditional employer-sponsored coverage being replaced by Medicare Part D plans
  - Employer Group Waiver Plan (EGWP): employer sponsored, often with secondary benefits
  - Prescription Drug Plan (PDP): drug plans open to Medicare-eligibles
  - Medicare Advantage – Prescription Drug (MA-PD): plans with medical and drug coverage

- Retirees below income thresholds eligible for low-income subsidies
  - Automatically assigned by Medicare, based on annual bid process

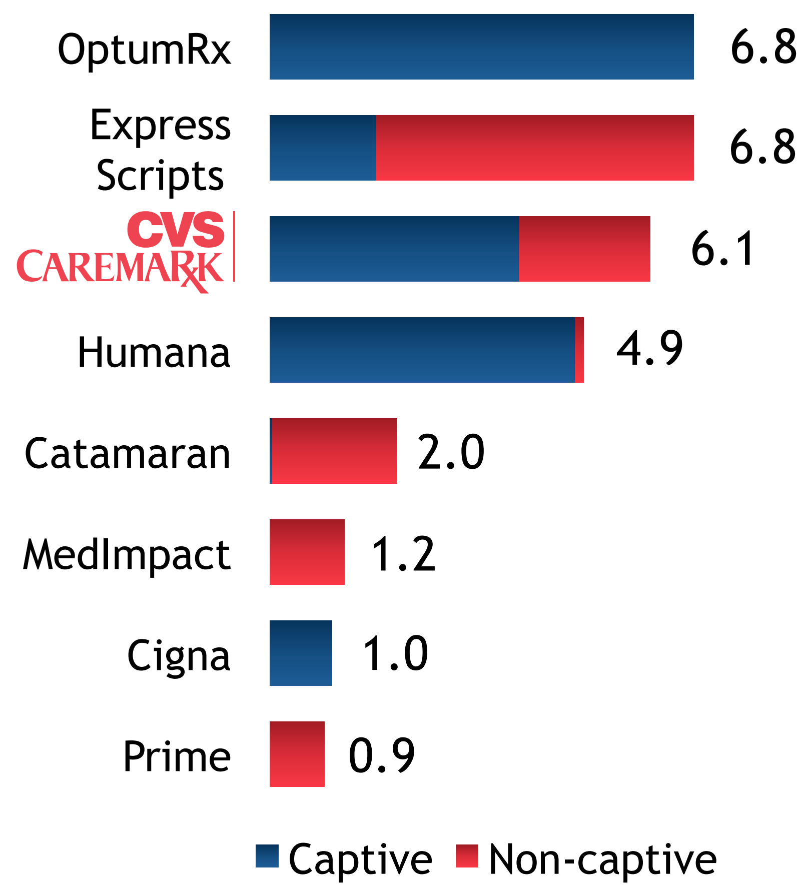
Medicare Market Is Growing Rapidly And Consolidating

Drug Spend By Medicare-eligibles



Medicare Members Served By PBM

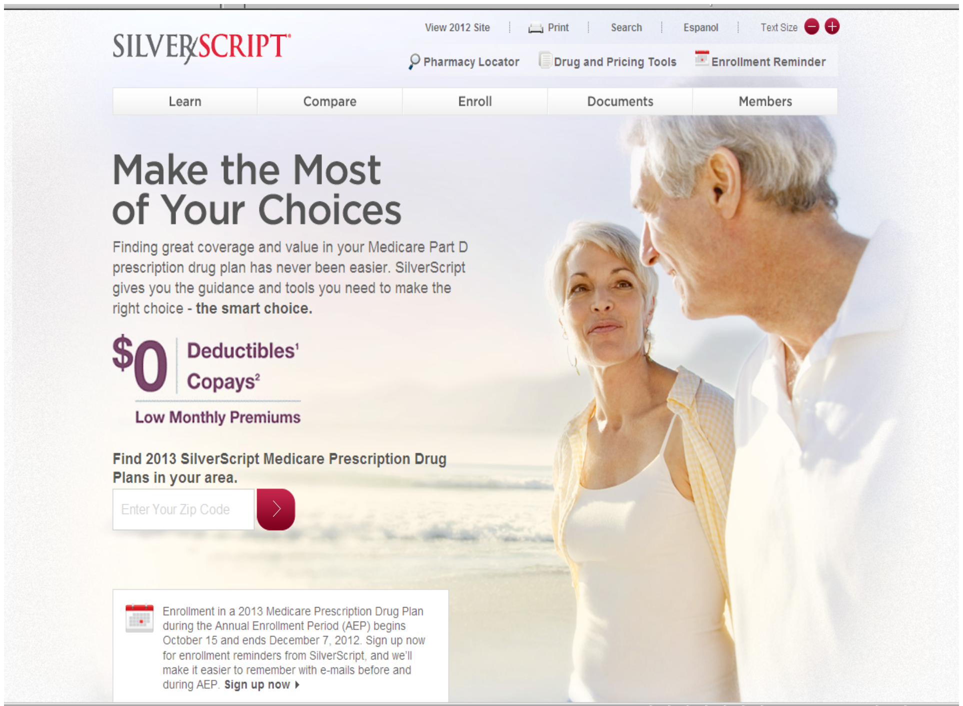
(millions)



Notes:
1. Reflects enrollments recognized by CMS as of October 2012.
2. Excludes other PBMs.
3. Membership figures include Employer Group members - reflecting CMS' standard enrollment reporting.

Sources: U.S. Bureau of the Census, Medicare Trust Fund Report, 2012; CVS Caremark analysis.

New SilverScript Choice Plan Attractive For Choosers



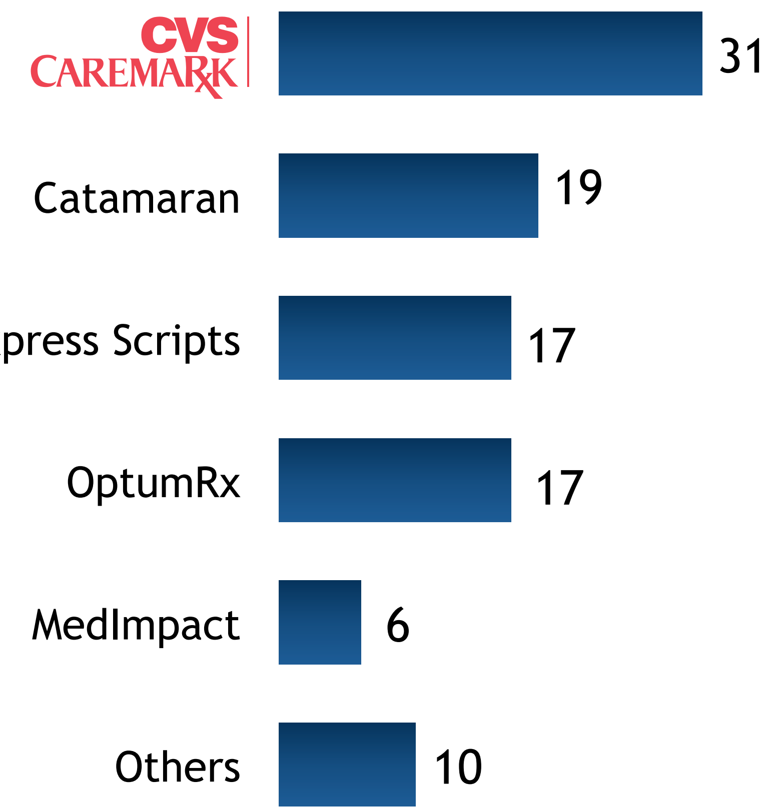
- Plan targeted at savvy senior shoppers
- Moderately priced, zero-deductible plan
- $0 co-pay for tier one drugs in preferred network
- Innovative marketing solutions to drive enrollment

Enrolled more than 200,000 members in the 2013 plan year

Medicaid Market Position Is Strong … Tailoring Programs To Further Expand Our Leadership Position

2012 Managed Medicaid PBM Market

(estimated % of lives)



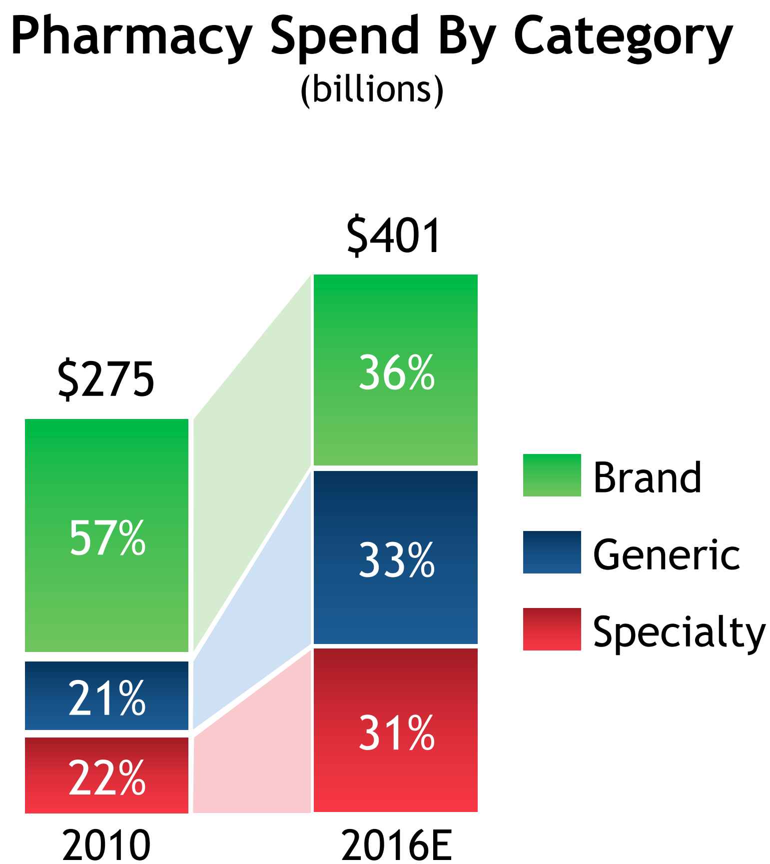
Member Engagement
Effective and direct interactions with Medicaid members to improve their care

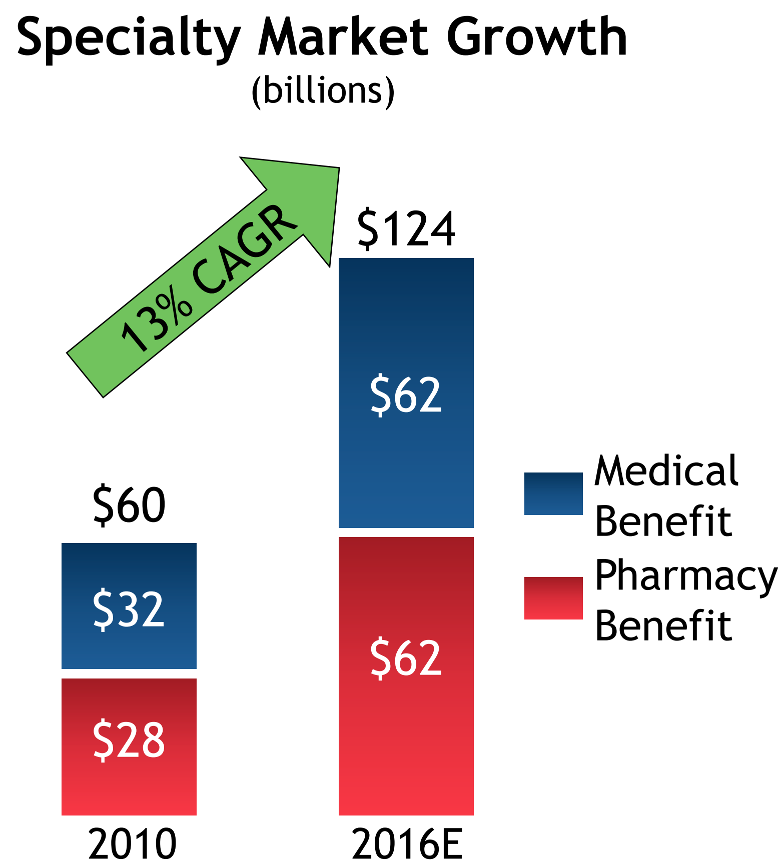
Clinical And Cost Control
Products and services tailored to the needs of Medicaid plans and their members

Operational Excellence
Meeting client needs for a partner with deep Medicaid knowledge and competence at a low administrative cost

Sources: company reports; CVS Caremark analysis.

Specialty Spend Expected To Double By 2016





By 2016, eight of the top ten drugs will be in specialty

Sources: CVS Caremark analysis; IMS Health; Buck Consultants; NHE; Credit Suisse; Kaiser Commission on Medicaid and the Uninsured, Kaiser Family Foundation, September 2011; 7 reasons why specialty drug dispensing will boom, Specialty Pharmacy Times, June 2012.

Our Breadth Of Solutions Is Unmatched: A Continuum Of Options For Managing Specialty Trend

CVS CAREMARK

Drugs In Pharmacy Benefit			Drugs In Medical Benefit		
Specialty Guideline Management	Preferred Drug Strategies	Exclusive Pharmacy Network	Benefit Alignment/ Optimization	Site Of Care Management	Medical Pharmacy/ Oncology Management

Unit Cost	Optimize discounts, manage reimbursement and site of service
Utilization	Expand prior authorization and step edits
Drug Mix	Product selection

Clients can save up to 12% to 16% of specialty spend

Source: CVS Caremark Analytics; Novologix (presented at “The Pharmacy Group, 2012 Annual Medical Roundtable”)

Our Breadth Of Solutions Is Unmatched: Rheumatoid Arthritis Example

CVS CAREMARK

Drugs In Pharmacy Benefit

- Specialty Guideline Management
- Preferred Drug Strategies
- Exclusive Pharmacy Network

Drugs In Medical Benefit

- Benefit Alignment/ Optimization
- Site Of Care Management
- Medical Pharmacy/ Oncology Management

Has patient tried and failed methotrexate oral agent?

Estimated Cost Per Month:

• Methotrexate	~$15
• Biologic average	$2,000 - $3,000

Our Breadth Of Solutions Is Unmatched: Rheumatoid Arthritis Example

CVS CAREMARK

Drugs In Pharmacy Benefit

- Specialty Guideline Management
- Preferred Drug Strategies
- Exclusive Pharmacy Network

Drugs In Medical Benefit

- Benefit Alignment/ Optimization
- Site Of Care Management
- Medical Pharmacy/ Oncology Management

What is the preferred self-injectable?

Humira, Enbrel, Simponi, Cimzia, Orencia

Our Breadth Of Solutions Is Unmatched: Rheumatoid Arthritis Example

CVS CAREMARK

Drugs In Pharmacy Benefit

- Specialty Guideline Management
- Preferred Drug Strategies
- Exclusive Pharmacy Network

Drugs In Medical Benefit

- Benefit Alignment/ Optimization
- Site Of Care Management
- Medical Pharmacy/ Oncology Management

Where is the most cost-effective site of treatment?

Cost Per Treatment:

• Hospital	\$5,900
• Home/Physician Office	\$2,700 - \$2,900

Source: Milliman Specialty Medical Drug 2010 Commercial Benchmark Study.

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Unique Enterprise Initiatives

CVS CAREMARK

- Create greater health care value
- Serve customers in new ways
- Optimize enterprise assets

Unlock Adherence
Transform Primary Care
Expand Role In Specialty
Differentiate For Providers
Partner With Health Plans
Integrated Digital Offering

Integrated Specialty

Integrated Specialty: Uniquely Positioned To Offer Specialty Patients Pharmacy Of Choice

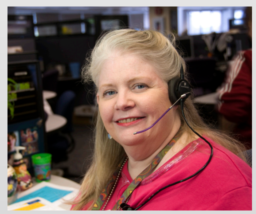
CVS CAREMARK

Intake From Anywhere

7,400 Retail Stores

Our Specialty Mail Pharmacies

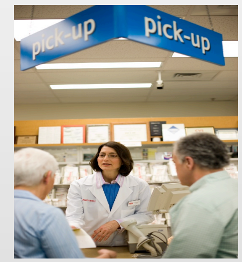
Integrated Services Provided Centrally



Expert On-boarding And Processing

Consistent, High-quality Clinical Services

Convenient Delivery



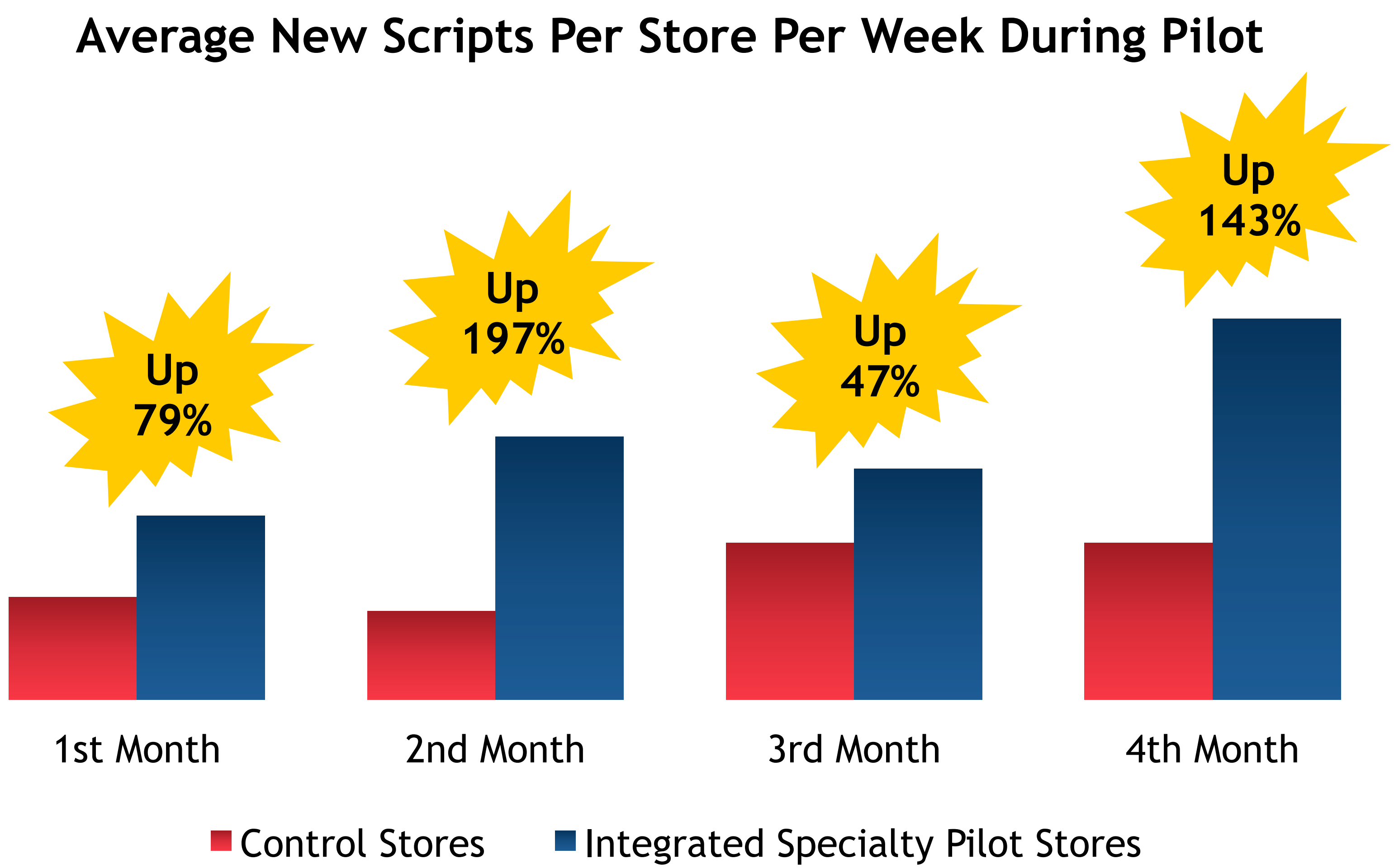
In-store Pick-up

Home Delivery

Unmatched access, convenience and clinical quality

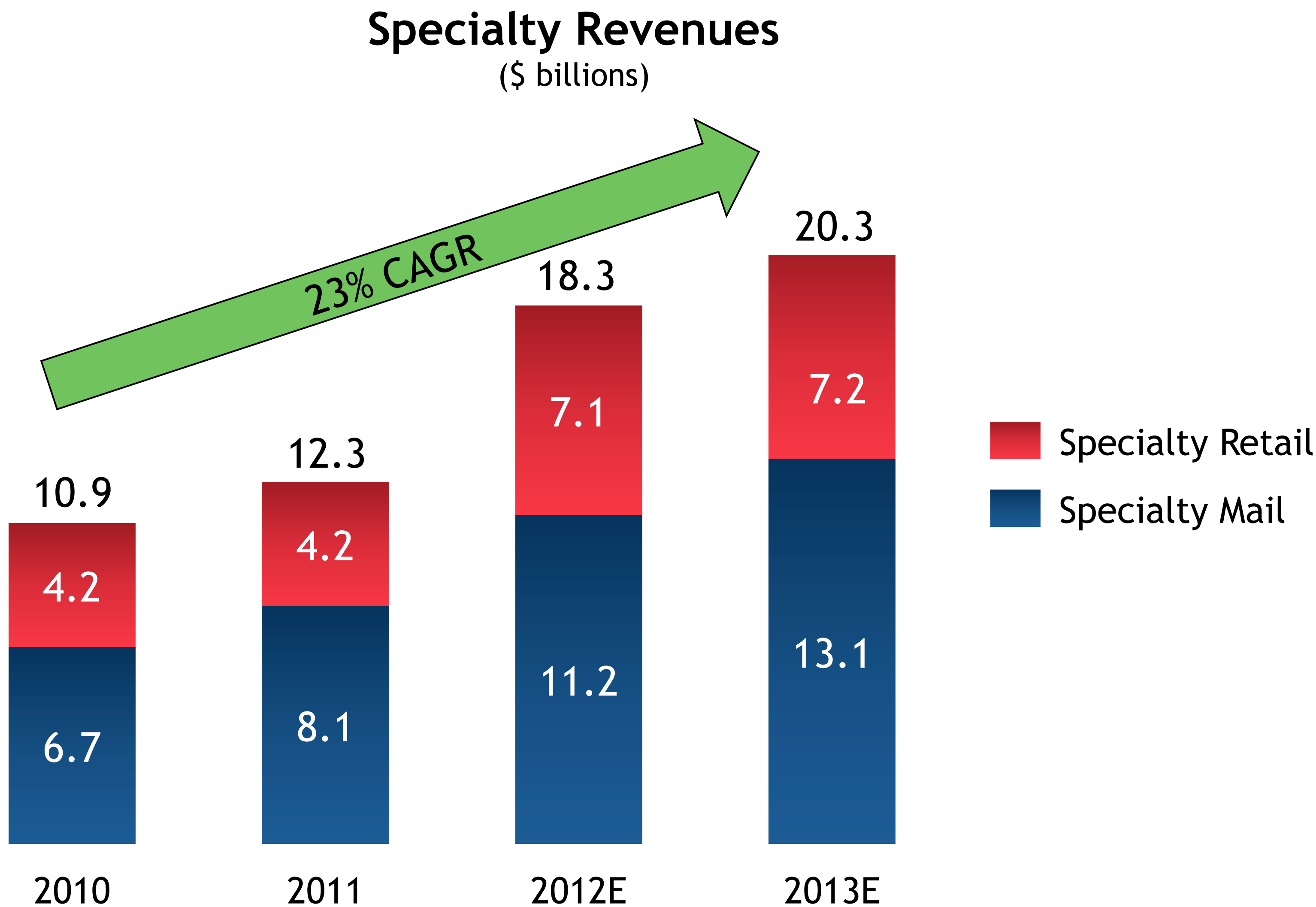
Note: Prescriptions enter through complete range of current channels—mail, digital, phone, voicemail, fax, walk-in, other pharmacy, and PBM, among others.

Initial Pilot Results:
New Therapy Starts Up 112% Over Four Months



Notes:
1. Non-Pilot Control based on data from 63 stores which was normalized to match the number of stores used for each test and indexed to Pre-Test Fills.
2. 3rd and 4th months for pilot only include data from mini-test.
3. Analysis excludes any patient and NDC combination which shows Rx Fill Nbr 0 but has been presented within pilot market during FY12.

Strong Specialty Growth Expected To Continue



Note: Specialty Retail includes PBM Network Revenues and specialty product revenues at CVS/pharmacy.

Unique Enterprise Initiatives

- Create greater health care value
- Serve customers in new ways
- Optimize enterprise assets

- Unlock Adherence
- Transform Primary Care
- Expand Role In Specialty
- Differentiate For Providers
- Partner With Health Plans
- Integrated Digital Offering

MinuteClinic Co-pay Reduction

MinuteClinic Co-pay Reduction With Marriott: Program Yielding Promising Results

Member out-of-pocket cost	↓ 80%
Visits vs. baseline	↑ 3x
First-time users	67%

Uniquely Positioned For Growth

- Continue to achieve profitable net-new business

- Leverage unique model to create truly distinctive client and member value

- Continue progress in driving clinical outcomes

- Build on leadership position in Specialty, Medicare and Medicaid

- Establish a culture of continuous productivity improvement