



Summary Plan Description

Medical/Prescription

Dental

Vision Benefits

Employee Assistance Plan

**Effective June 1, 2010
California**

Introduction

CVS Caremark Corporation (“CVS”) maintains The CVS Caremark Corporation Welfare Benefit Plan (the “Plan”) for the exclusive benefit of and to provide welfare benefits to its eligible employees, their spouses, and eligible dependents. The welfare benefits under the Plan include medical, prescription, dental, vision insurance and an Employee Assistance Plan (EAP) offered to eligible CVS employees in California. This Summary describes your prescription (Rx) benefits, vision insurance and EAP benefits. In addition, this Summary is being distributed with the medical and dental insurance booklets and/or policies in order to supplement the information contained in those documents (for example, the Plan’s eligibility rules are contained in this Summary) in order to provide you with a complete description of the Plan.

ERISA Summary Plan Description

This document, produced by CVS, combined with the medical insurance booklets and/or policies (referred to as the “Evidence of Coverage”) issued by Kaiser Permanente and Health Net of California (“Health Net”), and the dental insurance booklet-certificate provided by Aetna Life insurance Company, constitute your Summary Plan Description with respect to the insured benefits offered under the Plan, as required under the Employee Retirement Income Security Act (“ERISA”). The Summary Plan Description is a resource you can reference when you have a question about your medical, prescription, dental, vision, and EAP benefits under the Plan.

Note that while the Plan also includes disability and life insurance benefits, the eligibility, enrollment and benefit provisions that apply to those benefits are addressed in separate documents. If you would like a copy of the summary that applies to dental, disability or life benefits offered under the Plan, call the CVS Contact Support Center at 1-866-528-7272.

Because this Summary is intended to “supplement” the Evidence of Coverage provided to you by Kaiser Permanente, Health Net, and Aetna Life insurance Company please note that:

- This Summary does not fully describe your medical or dental benefit coverage. For details on your medical benefit coverage, please refer to the *Evidence of Coverage* of Kaiser Permanente, Health Net or Aetna Life insurance Company, as applicable. The *Evidence of Coverage* is the binding document between Kaiser Permanente, Health Net, or Aetna Life insurance Company as applicable, and its members.
- A Plan physician must determine that the services and supplies are medically necessary to prevent, diagnose, or treat your medical condition. The services and supplies must be provided, prescribed, authorized, or directed by a Plan physician. You must receive the services and supplies at a Plan facility or skilled nursing facility inside our Service Area, except where specifically noted to the contrary in the *Evidence of Coverage*.

- For details on the benefit and claims review and adjudication procedures, please refer to the *Evidence of Coverage* of Kaiser Permanente, Health Net or Aetna Life insurance Company, as applicable.
- If there are any discrepancies between benefits included in this Summary and the *Evidence of Coverage (EOC)*, the *EOC* will prevail in determining the medical services provided under the Plan. However, the *EOC* will not prevail in determining the Plan's eligibility rules.

ERISA Plan Document

Portions of this document, together with the insurance contracts entered into between CVS and the applicable insurance company constitute the written Plan document with respect to the insured benefits offered under the Plan.

Certain benefits under the Plan (such as medical and dental benefits) are provided pursuant to insurance contracts which, together with this Summary, constitute the governing plan document adopted by CVS. For purposes of determining medical and dental services covered under the Plan, the terms of the insurance contract or *Evidence of Coverage (EOC)* will control in the event of a conflict with this Summary. However, if any of the other rules (including the eligibility rules) set forth in this Summary conflict with the terms of such insurance contract or any other document, then the terms of this Summary shall control, unless otherwise required by law.

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Eligibility

Your Eligibility

You are eligible for coverage under the Plan if you:

- are an eligible employee (described below); and
- the Plan Administrator has determined that you live in the Service Area covered under the respective plan.

You are an eligible employee if you are an active full-time employee of CVS (or related company or business division that has adopted the Plan, referred to herein as “CVS”) working in the United States and you meet the Plan’s employment requirements (discussed in the Section of this Summary titled “How to Enroll and When Your Coverage Begins”). You will not be eligible to participate in the Plan if you are (a) covered by a collective bargaining agreement where benefits were the subject of good faith bargaining (unless that agreement provides for participation in the Plan) or (b) are classified, by CVS in its sole discretion under its customary worker classification procedures as a part-time employee, temporary employee, seasonal employee, leased employee, independent contractor, consultant or other designation that would exclude eligibility (whether or not you actually are an employee), unless your specific contract or agreement with CVS provides for coverage under the Plan.

For purposes of the medical, prescription, dental, and vision benefits provided under the Plan, you generally are considered a full-time employee if you work an average of at least 30 hours per week. If you work an average of at least 23 hour per week, you will still be eligible to participate in the Plan, however a longer period of employment is required before your Plan coverage may begin. (The Plan’s employment requirements are discussed below in the Section of this Summary titled “How to Enroll and When Your Coverage Begins.”) To remain eligible for the Plan, you must work an average of at least 23 hours per week. If you are not actively at work due to a health factor, your absence will be counted for purposes of determining eligibility. Continued eligibility for benefits is reviewed for all eligible employees twice annually based on whether this minimum average has been maintained during the prior 26-week period. Note that employees who work for Retail and PBM are classified according to the respective jobs they hold for each business unit. Hours worked are not aggregated for purposes of benefit eligibility.

Prescription Plan. For purposes of prescription plan eligibility, in addition to being subject to the above eligibility requirements, you must be enrolled for medical coverage under the Plan. If you are enrolled for medical insurance under the Plan, you are automatically enrolled in the prescription plan. Likewise, if your dependents are enrolled for medical insurance under the Plan, they are automatically enrolled in the prescription plan.

Dependent Eligibility

You may enroll your eligible dependents (described below) when you are first eligible for Plan coverage and during the Plan's Annual Enrollment period. Generally, you may also enroll newly eligible dependents within 30 days of their becoming eligible (by marriage, birth, adoption, or commencement of a domestic partnership recognized under California laws (described below)). You may also drop coverage of an eligible dependent only upon a Change in Status event (described below) or at Annual Enrollment, unless your dependent's coverage is paid for on an after-tax basis (in which case you can disenroll that dependent at any time).

No person can be covered as both an employee and a dependent. In addition, no dependent may be covered without the employee having coverage. No person can be covered as a dependent of more than one employee under the Plan.

You should be aware that not all coverage for eligible dependents under the Plan can be paid for on a pre-tax basis. As discussed under the "Paying for Coverage" section below, coverage for dependents can be paid for on a pre-tax basis only if the dependent meets the IRS' definition of a tax dependent under Section 152 of the Internal Revenue Code.

Shortly after you enroll a dependent, CVS' audit partner, HR Advance, will send you a letter requesting proof that your dependent is eligible under the terms of the Plan. Required documentation may include a government-issued marriage certificate, government-issued birth certificate, and a Federal tax return.

Note: If a covered person is ineligible or unverified, you will be required to pay to the Plan all claims incurred on behalf of your ineligible or unverified dependent(s); if this is the case, you may not be eligible for future coverage under the Plan until you pay all amounts owed. If the termination of a person results in a coverage level change, such as from family to individual coverage, you will not be refunded for premiums deducted from your pay at the higher coverage level. Your coverage level will be adjusted only for pay periods that occur after the removal of any non-verified dependent(s).

Eligible Dependents

- Your legal spouse* of the same or opposite sex where the marriage is legally certificated. A marriage between same-sex spouses will be considered "legally certificated" if the marriage certificate was legal on the date of issuance under applicable state laws, or, for marriage certificates issued outside the United States, under applicable foreign laws. To confirm eligibility for coverage under the Plan, CVS requires a copy of your marriage certificate and proof that you remain married.

*If you are legally separated from your spouse, your spouse is not an eligible dependent.

- Your domestic partner, provided he or she is your domestic partner under the laws of the State of California (“California Domestic Partner”). A Certificate of Domestic Partnership issued by the State of California (the “Certificate”) must be provided to the Plan Administrator in order for your domestic partner to be eligible for coverage under the Plan. You can learn more about how to obtain a Certificate and who qualifies as a domestic partner under the laws of the State of California by visiting the State of California’s Domestic Partners Registry at www.sos.ca.gov/dpreistry;
- Your same-sex domestic partner for whom you do not have a California Certificate of Domestic Partnership, but where you attest to the Plan’s requirements (which requirements include that you and your domestic partner be in a committed, exclusive relationship, have resided together for at least six months, and be mutually responsible for basic living expenses) in a signed, notarized Affidavit of Domestic Partnership approved by the Plan Administrator. An Affidavit is available at www.cvshealthcarehub.com;

*Domestic Partner coverage is not available in States where same-sex marriage is legal.

- Your unmarried biological children, legally adopted children (including children placed with you for adoption), or step-children*; your eligible domestic partner’s unmarried biological or legally adopted children*; and children for whom you or your spouse or eligible domestic partner are the legal guardian* (as determined by an authorized placement agency, or by judgment, decree, or any order of a court) provided they
 - have not reached the maximum dependent age;
 - receive over 50% of their support and maintenance from you or your spouse or eligible domestic partner; and
 - have the same residence as you for more than one-half of the year (or, if less than one-half of the year, have resided with you since birth).

*A child who is not your biological child, legally adopted child, or child for whom you are the legal guardian is not an eligible dependent if you divorce, separate from, or otherwise terminate the relationship with your spouse or domestic partner, or if your spouse or domestic partner no longer lives with you.

Children must be less than 19 years of age or, if a full-time student, less than age 23. If a child is age 19 or older (but under age 23), you will need to certify to the Plan Administrator that the child:

- is enrolled in an accredited secondary or post-secondary school or university on a full-time basis (as defined by the applicable school or university);
- is not regularly employed on a full-time basis;

- receives over 50% of their support and maintenance from you or your spouse or eligible domestic partner; and
- has the same residence as you for more than one-half of the year. (Temporary absences for special circumstances, such as education, are not considered in determining whether a child meets the residency requirement.)

You will be required to recertify semi-annually that a dependent child continues to be a student and satisfies the foregoing conditions. If your dependent ceases to be a full-time student due to a medically necessary leave of absence from school or other change in enrollment (for example, a change from full-time to part-time status) due to a serious illness or injury and your dependent is covered immediately prior to the leave of absence, he or she may be entitled to extend coverage for up to 12 months. Refer to the “When Coverage Ends” Section later in this document for more information.

In satisfying the residency requirement above, special rules apply in the case of divorced parents, separated parents, and parents who live apart. In particular, in the case of an individual whose parents (a) are divorced or legally separated, (b) are separated under a written separation agreement, or (c) live apart at all times during the last six months of the year, the individual will be considered an eligible “child” of either parent if the child receives one-half of the child’s support from the child’s parents and such child is in custody of one or both of the child’s parents for more than one-half of the calendar year. Note that even with the special rule for parents who are divorced, separated, or live apart, the child must not have reached the maximum dependent age to be eligible;

- A child in one of the categories described above, who is older than 19 and has a physical or mental disability that is expected to last for a continuous period of not less than 12 months (as determined by the Insurance Company), provided the child
 - is incapable of self-sustaining employment;
 - receives over 50% of their support and maintenance from you, your spouse or your eligible domestic partner; and
 - has the same residence as you for more than one-half of the year.

You must provide proof of the ongoing disability as often as requested by the Plan. The child must be disabled prior to age 23 or become disabled while covered as a dependent under the Plan. In satisfying the residency requirement, special rules (described above) apply in the case of divorced parents, separated parents, and parents who live apart;

- A child who is the subject of a “qualified medical child support order” (“QMCSO”) as determined by judgment, decree, or any order of a court. Note that the Plan Administrator will not recognize an order that requires a child of your spouse or your eligible domestic partner to be covered under the Plan if your spouse or domestic partner does not live with you; or

- Your or your opposite-sex spouse's grandchild who meets the "qualifying child" criteria under Section 152 of the Internal Revenue Code as set forth in the Affidavit of Status as a Grandchild under the Internal Revenue Code, or your same-sex spouse's or eligible domestic partner's grandchild who meets the requirements (which include a requirement that your same-sex spouse or domestic partner reside with you) set forth on the Affidavit of Status of a Grandchild of a Domestic Partner or Same-Sex Spouse. You must attest to the grandchild meeting the Plan's eligibility criteria by providing the signed, notarized Affidavit which must be approved by the Plan Administrator. Affidavits are available from the CVS Contact Support Center, which can be reached at 1-866-528-7272.

If the grandchild is not disabled (as described above) and is age 19 or older (but under age 23), you will need to certify to the Plan Administrator that the grandchild meets the same criteria as noted above to qualify for coverage as a student. You will be required to recertify semi-annually that the grandchild continues to be a student and satisfies the foregoing conditions.

You may be asked to re-certify with an Affidavit annually that the grandchild continues to meet the Plan's requirements.

How to Enroll and When Your Coverage Begins

EAP coverage is automatic and begins on your first day of employment. All other plans require you to take action. You can enroll from home or work anytime (24/7). Log onto **my.cvs.com** The first time you log on, click on the "Registration" link to register and create your password. Additional instructions are supplied with your enrollment materials.

Customer Service Representatives are available to answer your enrollment questions at **1-866-528-7272**, 24 hours a day, seven days a week.

You must enroll prior to your eligibility date, otherwise you will have waived coverage and will need to wait until the next Annual Enrollment, held in April, or you may be able to enroll mid-year if you experience a qualified change in status.

Coverage begins on the effective date shown on your letter, which is the first of the month following 90 days of continuous full-time employment, provided you enroll and are actively at work. Employees who experience a break in full-time employment will be required to fulfill the 90-day wait period from their most recent full-time employment date.

By enrolling in the Plan, you authorize CVS to deduct coverage contributions from your pay. In the event you owe premiums, you are also authorizing CVS to deduct the outstanding benefit contribution balance through payroll deductions in an amount not to exceed double the required contribution of the benefit option and level you selected, until the balance is repaid in full. Any questions about enrolling should be directed to the Contact Support Center at 1-866-528-7272.

New Hire

If you are a new hire who is scheduled to work an average of 30 hours or more per week, your coverage begins on the first day of the month following 90 days of continuous full-time employment with CVS, assuming you properly enroll in the Plan (as described below); provided, your coverage under the Employee Assistance Plan (EAP) begins on your date of hire. Your enrolled dependents' coverage takes effect on the same date your coverage takes effect.

If you are a new hire who is scheduled to work an average of at least 23 (but less than 30) hours per week, you may begin participation in the Plan on the first day of the second month following 26 weeks of continuous employment, provided you are properly enrolled at that time. Your enrolled dependents' coverage takes effect on the same date your coverage takes effect. Your coverage under the EAP begins on the date of your hire.

If you are not continuously at work due to a health factor (such as being absent from work on sick leave), your absence will be counted for purposes of determining eligibility for purposes of medical, prescription, dental, and vision benefits under the Plan. (The eligibility rules for other benefits, such as life and disability insurance, do not count sick leave and other health-related absences toward satisfying the 90-day employment requirement.) However, if you are not continuously at work due to a reason other than a health factor, your absence will not be counted.

As a new hire, you must enroll prior to your eligibility date. Failure to enroll prior to your eligibility date results in your benefits being waived. Your next opportunity to enroll is during the Annual Enrollment period. Annual Enrollment elections are effective June 1. You will be notified of the Annual Enrollment period.

Annual Enrollment

The Annual Enrollment period is the period of time during which you are given the opportunity to enroll in the Plan, drop coverage, or change your coverage level (for example, from employee to employee plus more than one dependent). Generally, the Annual Enrollment period is in April, and elections made during this period are effective June 1. You may need to reenroll in the Plan during each Annual Enrollment period to continue your previous year's coverage. Look for information from CVS regarding Annual Enrollment to determine whether reenrollment action is required to continue coverage into the next Plan Year.

Special Enrollment

Ordinarily, if you do not enroll for coverage when you are first eligible, you must wait until the next Annual Enrollment period. However, as described below, in certain cases you and/or your dependents may be eligible for "Special Enrollment" outside of the Annual Enrollment period. If this is the case, you may make election changes with regards to your medical and prescription benefits under the Plan. You may also change benefit options (e.g., from Basic to Premium or Plus coverage) when a Special Enrollment event is the result of marriage, birth, or adoption. If you or your dependent

experience a Special Enrollment event described below, you must call the CVS Contact Support Center (at 1-866-528-7272) within the time period set forth below. After calling the CVS Contact Support Center, you will be provided with additional instructions to enroll or change your existing elections. You will be required complete the transaction by the later of (a) 14 days of your calling the Contact Support Center or (b) 30 days following your event.

The Special Enrollment rules for the medical, prescription, and dental plan are described below. (The Special Enrollment procedures for your medical coverage are also described in the applicable Evidence of Coverage issued by the Insurance Companies.)

Loss of Other Coverage

If you decline enrollment for medical, prescription, or dental benefits under the Plan for yourself and your dependents (including your spouse or domestic partner) because of other health coverage, you may be able to enroll yourself and dependents for medical and prescription coverage under the Plan, provided you request enrollment by calling the CVS Contact Support Center (at 1-866-528-7272) within 30 days after the other coverage ends. For this Special Enrollment event to apply, (a) you must have stated that you were declining coverage under the Plan for you and/or your dependents because of other health coverage and (b) you or your dependent's other coverage must be lost because it was (i) COBRA coverage that was exhausted, (ii) other coverage for which you or your dependent are no longer eligible (for example, by reason of legal separation, divorce, death, termination of employment, reduction in the number of hours of employment, or incurring a claim that would meet or exceed a lifetime limit on all benefits under the other coverage), or (iii) provided by another employer which ceased to pay for it. If you fail to provide the written statement required under (a) in the foregoing sentence, the Plan may not provide Special Enrollment to you or any of your dependents. Note that the loss of coverage due to a failure to pay premiums will not trigger Special Enrollment rights; nor will loss of coverage for cause (such as making a fraudulent claim or an intentional misrepresentation) trigger Special Enrollment rights.

Addition of New Dependent

If you have a new dependent as a result of marriage, birth, adoption, placement for adoption, or commencement of domestic partnership with respect to a California Domestic Partner, you may be able to enroll yourself and your dependents for medical and prescription coverage under the Plan, provided you request enrollment by calling the Contact Support Center (at 1-866-528-7272) within 30 days after the event.

Special Rules in Case of Medicaid and CHIP

If you or a dependent is eligible but not enrolled for coverage under the terms of the Plan, you or your dependent may enroll for coverage under the terms of the Plan if either of the following conditions are met: (1) you or your dependent is covered under a Medicaid plan or a State child health plan under the Children's Health Insurance Program ("CHIP") and coverage under the Medicaid or CHIP plan is terminated as a result of a loss of eligibility for such coverage, and you request coverage under the Plan

by calling the Contact Support Center (at 1-866-528-7272) not later than 60 days after termination of the Medicaid or CHIP coverage, or (2) you or your dependent become eligible for a premium assistance program (that could be used toward the Plan costs) under a Medicaid or state child health plan under CHIP (including any waiver or demonstration project conducted under or in relation to such a plan), and you request coverage under the Plan by calling the Contact Support Center (at 1-866-528-7272) not later than 60 days after the date you or your dependent is determined to be eligible for the premium assistance.

Level of Coverage

With regards to medical, prescription, dental and vision coverage, you may choose from four levels of coverage: coverage for you, coverage for you plus your spouse/domestic partner, coverage for you plus one or more children, or family coverage (you, your spouse, and child(ren)) .

Paying for Coverage

Generally, you and CVS share the cost of your Plan coverage (with CVS paying the majority of the cost). However, for vision benefits offered under the Plan, you pay the full cost of your coverage. Your contributions are not used to pay Plan expenses for vendors or other service providers who are affiliated with CVS (such as Caremark), except as may be permitted by ERISA.

Your contributions will be deducted from your pay on a before-tax basis and are subject to change on June 1 of each year or when you change your benefits. (Paying for your coverage on a pre-tax basis means you don't pay Social Security or Federal (and, in most cases, state) income tax on your contributions. Since your taxable earnings are lower, you pay less in taxes.) However, before-tax treatment is not available where coverage is provided to a dependent who is not considered your dependent for federal tax purposes. For example, unless your domestic partner qualifies as a "dependent" for federal tax purposes, same-sex domestic partner coverage (including coverage of children of your domestic partner) generally is not available on a before-tax basis. If you have coverage for a domestic partner or a child of a domestic partner who is not your federal tax dependent, your payroll contribution will be a combination of before-tax and after-tax dollars (with the before-tax dollars being used to pay for coverage for you and your tax dependents, and after-tax dollars being used to pay for coverage of your domestic partner and/or coverage of children of your domestic partner). In addition, you will be subject to income tax on CVS's contribution attributable to coverage for your domestic partner and children of your domestic partner. If you elect domestic partner coverage, a detailed explanation of the calculation will be provided to you.

Changing Your Coverage

You may change your coverage under the Plan during the Annual Enrollment period each year, or during the year if you have a Change in Status as provided below. Changes to your coverage that are made during the year due to a Change in Status are effective as of the date of the Change in Status.

If you want to change your coverage as a result of a Change in Status, you must notify the CVS Contact Support Center within 30 days of the date of your Change in Status. After calling the CVS Contact Support Center, you will be provided with additional instructions in order to change coverage for you or your dependents, as applicable. You will be required to complete the transaction by the later of (a) 14 days of your calling the Contact Support Center or (b) 30 days following your Change in Status. If you do not complete the transaction timely, you will have to wait until the next Annual Enrollment period to add coverage under the Plan.

A change in coverage must be consistent with your Change in Status. For example, if you become divorced, you may drop coverage for your former spouse, but you cannot change your own coverage options. Changes in Status include:

- marriage, divorce, legal separation, annulment, or termination of a domestic partner relationship, or commencement of a California domestic partnership;
- birth or adoption (or placement for adoption) of your child, domestic partner's child or eligible grandchild, or the addition of your stepchildren;
- death of a dependent;
- change in employment status including termination or commencement of employment, a commencement of or return from an unpaid leave of absence or change in work schedule (including part-time to full-time or vice versa) for you , or your dependent that affects eligibility for this plan or another employer plan;
- change in health insurance eligibility due to a relocation of residence or work place for you;
- a judgment, decree, or order resulting from your marriage, divorce, legal separation, annulment, or change in child custody requiring you to add or allowing you to drop coverage for your dependent child (this is dependent on state mandates);
- your or your spouse's or dependent child's entitlement, or loss of entitlement, to Medicare or Medicaid benefits;
- a significant increase in cost of coverage, or a reduction in benefits, under the Plan or your spouse's plan or the plan of your California Domestic Partner; and
- a change in a dependent's coverage under another employer plan that is permitted under that plan and applicable IRS regulations.

You may also drop coverage if your spouse or domestic partner gains coverage for you during his/her plan's annual enrollment, or add coverage if your coverage under another

employer plan is dropped at the other plan's open enrollment. You must show documentation from your spouse's or domestic partner's plan of such activity. You are not allowed to drop your coverage other than during the Annual Enrollment period unless you have a Change in Status.

For more information, call the Contact Support Center at 1-866-528-7272. If you believe you are eligible to make a mid-year election change for one of the reasons described here, you must notify the Contact Support Center at 1-866-528-7272 within 30 days of the date of the event.

When Coverage Ends

Your coverage and your dependents' coverage ends on your last day of employment with CVS. Under certain circumstances, you may be able to continue your coverage under COBRA and/or Cal-COBRA.

Coverage also ends if any of the following events occurs:

- you no longer meet the eligibility requirements for coverage under the Plan;
- you retire;
- you stop making contributions for coverage; or
- The Plan is terminated.

Coverage for your dependents will end on the date any of the following events occurs:

- your coverage ends;
- your dependent child turns age 19 (except with regard to disabled children);
- your full time student turns age 23 or ceases to be a full-time student (for example due to graduation), whichever is sooner. However, if your covered dependent ceases to be a full-time student due to a medically necessary leave of absence from school or other change in enrollment due to a serious illness or injury, coverage under the Plan will not terminate until the earlier of (1) the date that is 1 year after the first day of the medically necessary leave of absence or other change in enrollment, or (2) the date on which coverage would otherwise terminate under the terms of the Plan. To receive this extension of coverage, you must provide the Plan with a written certification by the dependent's treating physician which states that your dependent is suffering from a serious illness or injury, and that the leave of absence or other change in enrollment is medically necessary. The physician's certification must be provided at least 30 days prior to the medical leave of absence from the school if the medical reason for the absence and the absence are foreseeable, and if not foreseeable, then within 30 days after the start of the medical leave of absence. To apply for this extension, call the Contact

Support Center at 1-866-528-7272 and the required forms will be mailed to you;

- you are divorced or legally separated, you terminate your domestic partner relationship or same-sex marriage, or you (i) no longer hold yourselves out to the public as spouses or domestic partners, or (ii) either you or your same-sex spouse has married, or entered into a domestic partnership or civil union with, someone else. These events affect your spouse/domestic partner's eligibility and the eligibility their children and grandchildren;
- your dependent child no longer meets the eligibility requirements for coverage under the Plan;
- you stop making contributions for dependent coverage;
- you disenroll your dependent as provided under the Plan (for example, due to a Change in Status). You may disenroll your dependents who are domestic partners at any time, unless your domestic partner coverage is paid for on a pre-tax basis; or
- the Plan is terminated.

Note that you are required to provide notice by calling the Contact Support Center at 1-866-528-7272 no later than 30 days following your dependent ceasing to be eligible under the Plan.

Loss of Benefits

You or your dependents also may experience a reduction or loss of benefits in any of the following circumstances:

- you fail to follow the Plan's procedures;
- you fail to reimburse the Plan for a claim that was paid in error;
- you receive reimbursement for a covered expense by another similar insurance plan which is primary to the Plan while also receiving primary reimbursement from the Plan;
- you receive a judgment, settlement or otherwise from any person or entity with respect to the sickness, injury or other condition which gives rise to expenses the Plan pays;
- you are found to have committed a fraudulent act against the Plan including, but not limited to, the fraudulent filing of a claim for reimbursement;
- the Plan is amended or terminated, but only with respect to expenses incurred after the amendment or termination becomes effective; or
- you or your provider fails to file a claim within 12 months of the date service is provided.

Erroneous Claims and Administrative Errors

If the Plan Administrator determines that a benefit was paid under the Plan that either (a) exceeds the covered expenses or (b) was paid in error (for example, if the Plan provided coverage to an ineligible or unverified dependent), you will be required to repay to the Plan the improperly covered benefits. The Plan provides that the Plan Administrator in its discretion may recoup the improperly covered benefits under any methods of collection available, including any of the following:

- notification to you of the error, and an accompanying request that you immediately pay the amount of the improperly covered benefit as directed by the Plan Administrator;
- offsetting the amount of the improperly covered benefit against any other eligible Plan benefits (regardless of the Plan Year in which it is submitted); and
- if permissible under applicable law, withholding the amount of the improperly covered benefits from your pay on a post-tax basis.

If the Plan Administrator is unable to recover all or a portion of your debt to the Plan, you may not be eligible to participate in the Plan during the next Annual Enrollment period.

The Pharmacy (Rx) Plan

Schedule of Benefits		
	CVS/pharmacy Up to a 30-day supply	CVS/pharmacy or CVS Caremark Mail Service Up to a 90-day supply
Generic medicine	You pay \$ 7.50	You pay \$9.99 for over 400 common generics*. For all others, you pay \$15.00 *In some States, pricing laws may require a higher copay
Preferred Brand Medicine (on the preferred drug list)	You pay 20%	You pay \$41.50
Non-Preferred Brand medicine	You pay 35%	You pay \$91.00
Specialty Medicine	You pay \$75 for a 30 day supply.	
Non-participating pharmacy	You pay 50% of the retail cost	Not covered
Infertility Medications	\$10,000 Lifetime Maximum	
Quantity Limit and Prior Authorization	Log in to www.caremark.com or call Customer Care at 1-866-284-9226 to find out if your medicine has a quantity limit or requires prior authorization.	

How the Prescription (Rx) Plan Works

Prescription benefits are administered through CaremarkPCS Health, L.P. (hereinafter referred to as "Caremark"). Upon enrollment, Caremark will mail an identification card and a preferred drug list to your home. Present this card, along with your prescription or refill order at any CVS/pharmacy, Longs Drugs or CVS Caremark Mail Service Pharmacy and pay the applicable copay. The pharmacy may dispense a thirty (30) day supply or a ninety (90) day supply of the drug to you. Certain drugs are limited to the dosage recommended by the drug manufacturer. Such dosage recommendations may result in less than a thirty (30) day or ninety (90) day supply. Refer to the section of this Summary below titled "Quantity Restrictions on Covered Medications" for more information.

Retail Pharmacy Service

You must use CVS/pharmacy or Longs Drugs for your retail benefits. If you use a non-participating pharmacy, you will be asked to pay 100% of the prescription price, then, you need to submit a paper claim form along with the original prescription receipt(s) to Caremark for 50% reimbursement of covered expenses. You can download and print a claim form when you log in to www.caremark.com or call the Caremark Customer Care toll-free number on your prescription benefit ID card.

Mail Service Pharmacy

If you use maintenance medications for chronic illnesses like high blood pressure, diabetes, arthritis and high cholesterol, you may want to consider purchasing your prescriptions through Caremark Mail Service Pharmacy. You may receive up to a ninety (90)-day supply of medication through Caremark's mail order service.

Call Caremark at (866) 284-9226 for more information on its mail order service.

Covered Medications

The following drugs are covered under the Plan, unless specifically excluded below under the "Excluded Drugs and Items" section of this Summary.

- Federal legend drugs
- Compounds with at least one legend drug
- Insulin
- Insulin needles and syringes
- Infertility drugs (up to \$10,000 per lifetime)
- Diabetic supplies
- Legend vitamins
- Oral Contraceptives
- Fluoride agents (topicals and supplements)
- Injectable drugs
- Growth hormones
- Smoking Cessation*

*Chantix, for smoking cessation, is available to Plan members who also enroll in the Trestle Tree personal health coaching program. For more information, call 1-877-816-4656 or go to <http://enroll.trestletree.com>.

Preferred Drug List

The preferred drug list is a listing of non-preferred brand-name medicines and a sampling of their preferred brand and generic equivalents. As indicated on the above Schedule of Benefits, brand name medicines are subject to a larger copay. Upon initial enrollment, the preferred drug list will be mailed to you along with your ID card. Because new medications frequently enter the market, the preferred drug list will be updated regularly. You should check for updates periodically by logging in to www.caremark.com

Note: Ask your doctor to make a copy of the preferred drug list to place in your medical file. If you can't find your preferred drug list, or you need an updated copy, log in to www.caremark.com or call Caremark at (866) 284-9226.

Reducing Health Care Costs with Generics

If there is a less expensive alternative to a medicine you have been prescribed, Caremark may contact your doctor or other prescriber and ask whether it might be appropriate to substitute another product. In most cases, the alternative is a generic equivalent. It is Caremark's policy to never make such a substitution without your doctor or other prescriber's approval.

Paying for Brand Drugs

If you or your physician select a brand-name drug when a generic is available, you are required to pay the brand co-payment plus the cost difference between the generic and the brand drug.

Non-Preferred drugs with no preferred equivalent are covered at the non-preferred brand name co-payment, unless the drug is an excluded medication.

High Performance Formulary

As part of Caremark's clinical approach to managing your prescription benefit, you will be required to try a generic before a non-preferred brand is covered for certain therapeutic class medicines. This applies even if your doctor prescribes the brand medicine with no substitutions ("dispense as written"). As part of this step-therapy approach, if you choose a non-preferred brand medicine without first trying a generic medicine, you may be responsible for the full cost of the non-preferred brand medicine. You may also have the option of choosing preferred brands that are proven to be safe and effective, but cost much less than non-preferred brands.

Quantity Restrictions on Covered Medications

There may be quantity limits on certain medicines. Quantity limits are based on the Food and Drug Administration's (FDA) recommended dosing guidelines for each medication and are reviewed regularly by Caremark to ensure clinical appropriateness. Limits are set to ensure safety and efficacy in the treatment of various health conditions.

Medicines that have limits on the quantity allowed are less than the standard, which is a thirty (30) day supply. For specific medicine limitations, please log in to www.caremark.com or call Caremark at (866) 284-9226. Quantity limits may change periodically based on updates from the FDA's recommended dosing guidelines.

Prior Authorizations (PA)

Certain medications, such as Lamisil, Meridia, Retin-A, Remicade, may only be covered by the Plan under certain conditions with a prior authorization (PA) from Caremark prior to purchasing the medicine. For consideration, your attending physician must submit a letter describing your medical condition and treatment plan. For a complete list of medications requiring prior authorization, please log in to www.caremark.com or call Caremark at (866) 284-9226.

Additionally, prior authorization is required for replacement medications that are lost, stolen, or broken; and for an advance supply if you plan to be out of the service area (*i.e.* vacation or travel); and for a unit/supply quantity in excess of the limits described above.

Prescription Plan Definitions

Co-payment or copay - A co-payment or copay is the amount you pay to have your prescription filled. The type of medication you purchase determines the amount of your co-payment.

Brand Name Medicine - The brand name drug is generally the trade name given to the drug while it is protected by a patent (during which time it can be produced and sold only by the company holding the patent). A brand-name drug is therapeutically equivalent and more costly than a generic drug.

Generic Drug Medicine – A commonly used term to identify non-brand name drug. Generic versions of a drug can be offered for sale when the patent protection for a brand name drug expires. Generic drugs cost less than brand name drugs because manufacturers don't typically advertise, and don't have to invest in the original research, development, and testing. A generic drug is a pharmaceutical equivalent to a brand drug and has identical strength, dosage form, quality, active ingredient and effectiveness. All generic drugs are approved by the Food and Drug Administration (FDA) as a generic equivalent to the brand-name drug.

Federal Legend Drugs – all drugs that require a prescription.

Compound Drugs – drugs that contain at least one FDA approved component and is custom mixed by a pharmacist.

Excluded Drugs and Items

The following drugs and items are excluded from coverage in the Plan.

- Over the counter (OTC) products
- Investigational and experimental drugs
- Smoking cessation products, unless otherwise specifically noted in this Summary
- Cosmetic drugs
- Non-insulin needles and syringes
- Appetite suppressants
- Appliances, devices and durable medical equipment (DME)
- Weight control products
- Vaccines and immunizations
- Surgical supplies and devices
- Drugs obtained while under the care of a treatment facility, clinic, hospital, etc.
- Charges for the administration of any drug
- Drugs administered in a physicians office

Vision Service Plan (VSP)

Vision benefits are offered to eligible employees through an insurance contract with VSP. The vision benefits provided through VSP help you pay for eye exams, eyeglasses and other eye care expenses.

Refer to this Summary's description of the Plan's eligibility terms and enrollment procedures for information on eligibility and enrollment for vision benefits through VSP.

Note that VSP does not provide an ID card for this benefit. To verify your eligibility for services, you can log onto www.vsp.com. You must register on the site by using the employee's data. If you cover dependents, their enrollment information will appear under your record. For assistance, please call VSP Member Services at (800) 877-7195.

Cost of Coverage

As discussed above under the "Paying for Coverage" Section of this Summary, you pay the full cost of vision coverage for both you and your eligible dependents. The cost of your vision coverage depends on the level of coverage you choose.

In-Network and Out-of-Network Coverage

You receive a higher benefit under the vision plan when you use a VSP network doctor. If you use a non-VSP doctor, you will still receive benefits, but they will be at a lower, out-of-network level. The VSP network doctors are listed in a provider directory. You can access the VSP provider directory by logging onto www.vsp.com. You also can request a copy of the provider directory from VSP by calling (800) 877-7195, which will be furnished without charge.

If there is no vision care provider close to where you live and you go to a provider that is not part of the network, you will receive out-of-network benefits.

Benefit	How much and how often
Vision exams for eyeglasses	In-network: the Plan pays 100% after \$10 co-pay Out-of-network: the Plan pays \$35
Vision exams for contact lenses	In-network: the Plan pays 100% after \$10 co-pay Out-of-network: the Plan pays \$35
Eyeglass frames	In-network: the Plan pays \$180 after the \$15 co-pay Out-of-network: the Plan pays \$45
Single vision lenses	In-network: the Plan pays 100% for basic lenses Out-of-network: the Plan pays up to \$25
Bifocal lenses	In-network: the Plan pays 100% for basic lenses Out-of-network: the Plan pays up to \$40
Trifocal lenses	In-network: the Plan pays 100% for basic lenses Out-of-network: the Plan pays up to \$55
Lenticular lenses	In-network: the Plan pays 100% for basic lenses Out-of-network: the Plan pays up to \$80
Necessary contacts	In-network: the Plan pays 100% (must be prescribed and preauthorized by VSP) no co-pay on contacts Out-of-network: the Plan pays 100% up to \$210 (see exclusions) no co-pay on contacts
Elective contacts	In-network: the Plan pays 100% up to \$150 (see exclusions) no co-pay on contacts Out-of-network: the Plan pays 100% up to \$150 (see exclusions) no co-pay on contacts

The Plan covers each of the following once per year:

- one eye exam with a \$10 co-pay
- one frame and one set of eye glass lenses with \$15 co-pay, or
- contact lenses covered up to \$150

Covered Benefits

The VSP vision plan generally covers eyeglasses and contact lenses you may need to correct your vision.

Other covered benefits include:

- *Added lenses.* If provided in-network, polycarbonate and blended lenses are covered. Out of network, you will be 100% responsible for any lens options added to your eyeglasses.
- *Rimless Mounted Frames.* This frame is covered if provided in-network. Out of network, you will be 100% responsible for any frame coverage above the amount of allowance.
- *Prescription sunglasses.* Prescription sunglasses are covered the same as any other pair of eyeglasses.

Discounts

You can receive a discount from the VSP network of providers on the following merchandise:

- *Laser Vision Correction*
 - After surgery, use your frame allowance (if eligible) for sunglasses from any VSP doctor.
- *Glasses and Sunglasses*
 - Savings on lens options such as scratch resistant and anti-reflective coatings and progressives
 - 30% off additional glasses and sunglasses, including lens options, from the same VSP doctor on the same day as your WellVision Exam. Or get 20% off from any VSP doctor within 12 months of your last WellVision Exam
- *Contacts*
 - 15% off cost of contact lens exam (fitting and evaluation)
 - Available from any VSP doctor within 12 months of your last eye exam

VSP Contact Lens Program

Starting in July 2009, new and current contact lens wearers may qualify for a program that includes a contact lens evaluation and initial supply of lenses. Check with your VSP doctor to see if you qualify.

Excluded Benefits

The vision benefits offered through VSP under the Plan do not cover:

- Both eyeglasses and contact lenses
- Replacement of lost, stolen or broken eyeglasses or contact lenses
- Safety eyewear
- Services or supplies covered by a medical option, including medical or surgical treatment, drugs, or medication
- Cosmetic lenses or processes
- Oversize lenses
- The coating or laminating of the lens or lenses
- Photo chromic lenses: tinted lenses except Pink #1 and Pink #2
- Corrective vision treatment of an experimental nature
- Coverage for medical treatment and illnesses associated with your eyes (Refer to the description of your medical coverage in the insurance documents distributed with this Summary to determine the extent of coverage under the medical portion of the Plan.
- Accessories for eyeglasses
- Vision care solutions

Note that the VSP vision plan does not have a mail-order contact lens program.

Employee Assistance Plan (EAP) – LifeScope for You

LifeScope for You is available 24 hours a day, seven days a week, with trained and licensed counselors who can provide confidential advice, counseling or referral services to assist employees and their family members to resolve a full range of human life, work-family, or health problems. Employees and their dependents are eligible for LifeScope for You services on the first day of employment.

Assistance is available for a wide range of situations including emotional and personal concerns; financial concerns; legal assistance; marriage, family and relationships; elder care and child care resources and counseling; and drug and alcohol addictions.

If you are enrolled in a CVS Caremark medical plan, you are also eligible for up to six face-to-face, private counseling sessions per issue per plan year **at no cost** to you. Sessions must be approved by LifeScope in advance. Counseling sessions after the sixth session may be covered under the medical plan at the same copay as an office visit. See your medical plan Summary Plan Description for more information. LifeScope will work with you to find a specialist in your network and close to your home.

LifeScope for You can be accessed 24 hours per day, seven days per week. For assistance please call LifeScope for You at 1-800-789-8990, or visit www.LifeScopeEAP.com Login: "cvscaremark".

Subrogation and Right of Reimbursement

When This Provision Applies (Prescription Plan Only)

You or your dependent(s) (hereinafter "beneficiary") may incur medical or prescription expenses because of illness or injuries for which benefits are paid by the Plan but which were caused by another party. The beneficiary may therefore have a claim against the other party for payment of the medical or prescription expenses incurred. In these instances, the Plan has no duty or obligation to pay claims related to this illness or injury. However, if the Plan chooses to pay benefits, it has both a right of Subrogation and a right of Reimbursement. Each right is separate and the waiver of one right by the Plan shall not be deemed to waive the other right. Under the Plan's right of Subrogation, the Plan is subrogated to all of the rights the beneficiary may have against that other party. This right of Subrogation also applies when a beneficiary has a right to recover under an uninsured or underinsured motorist's plan, homeowner's plan, renter's plan, or any other insurance policy under which the beneficiary is insured. The Plan also retains a right of first lien against any monies received by the beneficiary from the other person. Any monies received by a beneficiary or his attorney to which this Plan has a right of Subrogation or Reimbursement shall be held in trust for the benefit of the Plan. Under this right of Reimbursement, the beneficiary will be required to reimburse the Plan out of any monies the beneficiary receives from the other person or on behalf of the other person as a result of judgment, settlement, or otherwise, without regard as to whether the recovery has been apportioned between medical and other damages, and without regard as to whether full or complete recovery of damages has occurred. The Plan specifically rejects the "make-whole doctrine" and the "common-fund doctrine" with respect to its rights of Subrogation and Reimbursement. The Plan will not be responsible for expenses or attorney's fees incurred by a beneficiary in connection with any recovery. Accordingly, beneficiaries must pay their own legal fees. Furthermore, the Plan is subrogated to attorney's fees and expenses in enforcing its rights.

The beneficiary may be required to execute a Subrogation Reimbursement Agreement and/or a Trust Agreement to receive benefits under the Plan. Failure to execute these documents upon request by the Plan Administrator may result in the non-payment of any related claims. Further, if the beneficiary fails to return signed copies of these documents within the time period specified by the Plan Administrator, the Plan may refuse to pay claims incurred with respect to the Illness or Injury from the date of your injury or illness through the date the Plan Administrator receives the signed documents. If the documents are received after the deadline established by the Plan Administrator, the Plan will pay eligible claims incurred subsequent to its receipt of the signed documents.

To the extent the Evidence of Coverage issued by an Insurance Company for medical coverage is inconsistent with this "Subrogation and Right of Reimbursement" section, the subrogation and reimbursement terms under the Evidence of Coverage will control.

Amount Subject to Subrogation and Reimbursement

In no case will the amount subject to Subrogation or Reimbursement exceed the amount of medical or prescription benefits paid for the illness or injuries under the Plan.

The beneficiary is required to provide information and assistance including testimony or the execution of documents to enforce the Plan's rights of Subrogation and Reimbursement. In addition, the beneficiary must notify the Plan Administrator of any action, judgment, settlement or other recovery for which the Plan has rights of Subrogation and Reimbursement. Further, the beneficiary will do nothing to prejudice the right of the Plan to Subrogation or Reimbursement. The Plan also reserves the right to initiate an action in the name of the Plan or in the name of the beneficiary to recover the Plan's subrogation and/or reimbursement interest.

The beneficiary shall be entitled to recover payment for benefits under the Plan only once. In the event a beneficiary becomes entitled to recovery from the Plan Administrator for a work-related illness or injury, and the amount of such recovery includes amounts for prescription benefits previously paid by the Plan, the Plan Sponsor shall be entitled to offset the amount of such recovery by the amount of benefits previously paid by the Plan.

Defined Terms

- "Recovery" means monies paid to the beneficiary by way of judgment, settlement, claim, or otherwise by the other party to compensate for the Illness or Injuries sustained;
- "Subrogation" means the Plan's right to pursue the beneficiary's Claims for medical or prescription charges against the other party and to be compensated in accordance with appropriate laws and regulations; and
- "Reimbursement" means repayment or reimbursement to the Plan of medical or prescription benefits that it has paid toward care and treatment of the beneficiary's Illness or Injuries.

Right of Recovery

Whenever payments have been made by the Plan with respect to allowable expenses in excess of the maximum amount of payment necessary to satisfy the intent of this Plan, the Plan shall have the right, exercisable alone and in its sole discretion, to recover such excess payments.

Claim Information

A “Claim” is defined as any request for a Plan benefit, made by a covered person or by a representative of a claimant that complies with the Plan’s procedure for making benefit claims. The term “covered person” means an employee or dependent for whom the coverage provided by the Plan is in effect.

Medical and Dental Claims

The claims procedures for the medical & dental benefits provided to you under the Plan are contained in the applicable Evidence of Coverage issued by the Insurance Companies, and are intended to comply with regulations governing claims procedures contained in Department of Labor Regulations Section 2560.503-1.

Vision and Prescription Claims

Vision. If you use a provider that is part of the VSP network, you do not need to file a claim. If you do not go to a network provider, you will need to pay for the services when received and submit a claim for reimbursement. You have 180 days following the date you incur a vision expense to file a claim with VSP. However, failure to submit a claim may not invalidate your right if it was not reasonably possible to submit the claim. You can get a claim form by calling (800) 877-7195 or visiting VSP’s website at <http://www.vsp.com/go/cvs>. Include the claim form and the bill when you file your claim with VSP. Indicate on your claim form if you want the check for claim payment to be mailed to you or to your provider.

Prescription. With respect to prescription drug coverage, when services are rendered with a network provider, that provider will submit your claim to Caremark on your behalf. For claims that you paid directly to a pharmacy and seek reimbursement from Caremark, please mail your claim to:

Caremark Pharmacy Services
Attention: Claims Department
PO Box 52196
Phoenix, AZ 85072-2196

With respect to claims under the prescription plan, Caremark will have full discretion and authority, within the limits of CVS policies, to determine questions concerning the interpretation or administration of this plan. The determinations of Caremark shall be conclusive and binding regarding all persons for all purposes.

Claims Review Procedure

To receive benefits under the Plan as quickly as possible, complete the claim forms clearly and accurately. Following is a description of how the Plan processes Claims for benefits. Note that if you disagree with a Claim determination, you must exhaust the claims procedures below before taking any legal action against the Plan.

Types of Claims and Time Period for Processing.

There are different kinds of Claims and each one has a specific timetable for approval, payment, request for further information, or denial of the Claim. If you have any questions regarding this procedure, please contact the Claims Administrator. A period of time begins at the time the Claim is filed. "Days" means calendar days.

Urgent Care Claim

A Claim involving Urgent Care is any Claim for medical care or treatment where using the timetable for a non-urgent care decision could seriously jeopardize the life or health of the covered person or the ability of the covered person to regain maximum function, or, in the opinion of the attending or consulting Physician, would subject the covered person to severe pain that could not be adequately managed without the care or treatment that is the subject of the Claim.

In the case of the Claim involving Urgent Care, the following timetable shows the maximum amount of time in which particular events generally must occur:

Event	Time Permitted
Notification to covered person of benefit determination (adverse or not)	72 hours
If there is insufficient information on the Claim, or the Covered Person has failed to follow the Plan's procedure for filing a Claim:	
Notification to covered person of deficiency, orally or in writing	24 hours
Response by covered person, orally or in writing	Not less than 48 hours
Benefit determination, orally or in writing	48 hours after receipt of additional information or expiration of Covered Person's time to respond
Ongoing courses of treatment, notification of:	
Reduction or termination before the end of treatment	72 hours
Determination as to extending course of treatment	24 hours
Review of adverse benefit determination	72 hours

If there is an adverse benefit determination on a Claim involving Urgent Care, a request for an expedited appeal may be submitted orally or in writing by the covered person. All necessary information, including the Plan's benefit determination on review, may be transmitted between the Plan and the covered person by telephone, facsimile, or other similarly expeditious method.

Pre-Service Claim

A Pre-Service Claim means any Claim for a benefit under the Plan where the Plan conditions receipt of the benefit, in whole or in part, on approval in advance of obtaining medical care. These are, for example, Claims subject to pre-authorization (PA) under the prescription plan.

In the case of a Pre-Service Claim, the following timetable shows the maximum amount of time in which particular events generally must occur:

Event	Time Permitted
Notification to covered person of benefit determination (adverse or not)	15 days
Extension due to matters beyond the control of the Plan	15 days
If there is insufficient information on the Claim:	
Notification to covered person of deficiency	15 days
Response by covered person	At least 45 days
Notification, orally or in writing, of failure to follow the Plan's procedures for filing a Claim	5 days
Ongoing courses of treatment, notification of:	
Reduction or termination before the end of treatment	15 days
Determination as to extending course of treatment	15 days
Review of adverse benefit determination	30 days

Post-Service Claim

A Post-Service Claim means any Claim for a Plan benefit that is not a Claim involving Urgent Care or a Pre-Service Claim. In other words, a Claim that is a request for payment under the Plan for covered medical services already received by the covered person for which no prior approval was required. Most Claims for vision benefits through VSP under the Plan will be Post-Service Claims. In the case of a Post-Service Claim, the following timetable shows the maximum amount of time in which particular events generally must occur:

Event	Time Permitted
Notification to covered person of benefit determination (adverse or not)	30 days
Extension due to matters beyond the control of the Plan	15 days
If there is insufficient information on the Claim: Notification to covered person of deficiency Response by covered person	15 days At least 45 days
Review of adverse benefit determination	30 days

If Your Claim Is Denied

If your Claim is denied, in whole or in part, you will receive written notice of the denial. The Claims Administrator will provide written or electronic notification of any adverse benefit determination. The notice will set forth:

- the specific reason(s) for the adverse determination;
- reference to the specific Plan provision(s) on which the determination was based;
- a description of any additional material or information necessary for the claimant to perfect the Claim and an explanation of why such material or information is necessary;
- a description of the Plan’s review procedures and the time limits applicable to such procedures, including a statement of the claimant’s right to bring an action under Section 502(a) of ERISA following an adverse benefit determination on review; and
- a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claim.

In addition, if the adverse benefit determination is based on an internal rule, guideline, protocol, or other similar criterion, the specific rule, guideline, protocol, or criterion will be provided free of charge. If this is not practical, a statement will be included that such rule, guideline, protocol, or criterion was relied upon in making the adverse benefit determination and a copy will be provided free of charge to the claimant upon request.

Further, if the adverse benefit determination is based on the fact that the treatment was not medically necessary or the experimental/investigational exclusion or similar exclusion or limit was applied, an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the covered person’s medical circumstances, will be provided. If this is not practical, a statement will be included that such explanation will be provided free of charge, upon request.

Appeal of Adverse Benefit Determination

When a covered person receives an adverse benefit determination, the covered person has 180 days following receipt of the notification in which to appeal the decision. A covered person may submit written comments, documents, records and other information relating to the Claim. If the covered person so requests, he or she will be provided, free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claim.

The review will take into account all comments, documents, records, and other information submitted by the covered person relating to the Claim, without regard to whether such information was submitted or considered in the initial benefit determination.

The review will not afford deference to the initial adverse benefit determination and will be conducted by a fiduciary of the Plan who is neither the individual who made the adverse determination nor a subordinate of that individual.

If the determination was based on a medical judgment, including determinations with regard to whether a particular treatment, drug, or other item is experimental, investigational, or not medically necessary or appropriate, the fiduciary will consult with a health care professional who was not involved in the original benefit determination.

This health care professional will have appropriate training and experience in the field of medicine involved in the medical judgment. Additionally medical or vocational experts whose advice was obtained on behalf of the Plan in connection with the initial determination will be identified upon request.

Notice of Adverse Determination on Appeal

The Claims Administrator will provide written or electronic notification of an adverse benefit determination on appeal. The notice will set forth:

- the specific reason(s) for the adverse determination;
- reference to the specific Plan provision(s) upon which the determination was based;
- a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of all documents, records, and other information relevant to the claimant's Claim for benefits; and
- any other information required by law.

In addition, if the determination is based on an internal rule, guideline, protocol, or other similar criterion, the specific rule, guideline, protocol, or criterion will be provided free of charge. If this is not practical, a statement will be included in the notice of adverse determination that such rule, guideline, or protocol was relied on in making the adverse benefit determination and a copy will be provided free of charge upon request.

Further, if the adverse benefit determination was based on medical necessity or experimental treatment or similar exclusion or limit, an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the covered person's medical circumstances, or a statement that such explanation will be provided free of charge upon request will be included in the notice of adverse determination.

Legal Action (Prescription Plan Only)

If you believe your Claim under the Plan is being improperly denied in whole or in part, you have the right to sue for those benefits. However, no legal action may be commenced or maintained against the Plan prior to your exhaustion of the Plan's claims procedures. In addition, for purposes of claims with regard to vision and prescription benefits, no legal action may be commenced against the Plan more than 90 days after the Plan Administrator's decision on review.

Other Important Information

Continuing Coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA)

A federal law called "COBRA" requires the Plan to offer employees and their dependents the opportunity for a temporary extension of health coverage (called "continuation coverage") at group rates in certain instances where coverage under the Plan otherwise would end due to the occurrence of a "qualifying event." Thus, in accordance with COBRA and as described below (except to the extent as specified in the applicable insurance booklet), if you are no longer eligible to participate in the Plan's medical, prescription, dental, EAP, or vision programs due to a qualifying event, you and your covered spouse and covered dependents will be entitled to continue coverage under COBRA with respect to those benefit programs, as described below.

Limited Continuation of Coverage

You and your covered dependents may be able to continue coverage under this Plan upon the occurrence of a qualifying event. If your coverage terminates because your employment is terminated (for reasons other than gross misconduct) or your number of hours of employment is reduced, such that you are no longer eligible for coverage, then you and your covered dependents may elect to continue coverage under the Plan for up to 18 months as a result of these qualifying events.

The 18 months of continuation coverage may be extended in two situations: (a) if you or your covered dependents are determined to be disabled or (b) another event occurs which would cause your covered dependent(s) to lose coverage, provided certain notices are timely provided to the COBRA Administrator. See the paragraphs below titled "Notice: Disability Extension" and "Notice: Second Qualifying Events."

Your covered dependents may elect to continue medical, prescription, dental, and/or vision coverage under the Plan for up to 36 months, if their coverage terminates as a result of one of the following qualifying events:

- you die;
- you are divorced, legally separated, or your domestic partnership is terminated;
- you become entitled to Medicare benefits under the Social Security Act (under Part A, Part B, or both); or
- your covered dependent ceases to be a dependent under the terms of the Plan.

Notice: General

Covered Person's Responsibility. You or your covered dependents must notify the Contact Support Center, by calling (866) 528-7272, to advise them of a divorce, legal separation, termination of your domestic partnership, or when a covered dependent ceases to be a dependent under the terms of the Plan, within 60 days of such event. Failure to do so will result in the loss of the right to elect to continue coverage under this continuation of coverage provision. Notice must be given prior to the qualifying event or as soon as possible thereafter, and not later than 60 days after the qualifying event occurs. After calling the Contact Support Center, you or your covered dependents will be provided a form to complete (the "Qualifying Event Form"), on which the specific qualifying event information must be provided. You or your covered dependents will be required to complete the Qualifying Event Form by the later of (a) 14 days of calling the Contact Support Center or (b) 60 days following the occurrence of the qualifying event. When the Contact Support Center receives a completed Qualifying Event Form in a timely manner, it will direct the COBRA Administrator to notify the applicable covered persons (individually or jointly) of the right to elect COBRA coverage.

If you or your covered dependents fail to provide the Contact Support Center with timely notice (which, as described above, includes timely completion of the Qualifying Event Form) when one of these qualifying events occurs, the right to COBRA coverage will be waived. A covered person who elects COBRA coverage will have the same enrollment rights that apply to active employees.

CVS's Responsibility. For other qualifying events (your end of employment or reduction of hours of employment or your death), CVS will notify the COBRA Administrator. Upon notice of a qualifying event, the COBRA Administrator will notify you and your covered dependents (individually or jointly) of the right to elect COBRA coverage.

Notice: Disability Extension

If you or your covered dependent is totally disabled under the Social Security definition at the time of a reduction in hours or termination of employment, or become(s) disabled within 60 days of beginning COBRA coverage, all covered persons with respect to the disabled individual(s) may extend the continuation coverage period an additional 11 months for up to a total of 29 months.

To extend coverage beyond the 18-month period, you or your covered dependent must notify the COBRA Administrator of the Social Security Administration's ("SSA's) determination within 60 days after the later of: (a) the date of the SSA's determination, (b) the date on which the qualifying event occurs under the Plan, or (c) the date on which you or your covered dependent are informed of your responsibility to provide notice of your disability to the COBRA Administrator and of the Plan's procedures for providing such notice (which descriptions are included in this Summary), and in all cases before the end of the 18-month period of COBRA coverage. Notice must be provided in writing to the COBRA Administrator and must be sent, along with a copy of the SSA's disability determination, to the COBRA Administrator at the address listed under the "General Plan Information" section at the end of this Summary.

If there is a determination by the SSA that you or the applicable covered dependent is no longer disabled, the COBRA Administrator must be notified of that fact within 30 days of the SSA's determination. This notice must be provided in writing to the COBRA Administrator, and must be sent along with a copy of the SSA's disability determination, to the COBRA Administrator at the address listed under the "General Plan Information" section at the end of this Summary. Upon receipt of this notice, COBRA coverage extended beyond the maximum period that would otherwise apply will be terminated on the first day of the month, which is 30 days after the determination that you or your covered dependent is no longer disabled.

Notice: Second Qualifying Events

If you or your covered dependent experiences another qualifying event while already on COBRA coverage due to your termination of employment or reduction in hours, your covered dependents may elect to extend the period of COBRA coverage for up to 36 months from the date of termination or reduction in hours, provided notice of the second qualifying event is properly given (as described below). For example, assume that you and your covered dependents elect COBRA coverage because of your termination of employment. If you die during the first 18 months of COBRA coverage, your covered dependents could elect to continue COBRA coverage for up to 36 months from your date of termination.

A covered person must notify the COBRA Administrator of the second qualifying event within 60 days of the second qualifying event. This notice must be provided in writing to the COBRA Administrator at the address listed under the "General Plan Information" section at the end of this Summary.

Election

You and your covered dependents are entitled to a period of 60 days in which to elect to continue coverage under the Plan. The 60-day election period begins on the date you or your covered dependents would lose Plan coverage because of one of the events described above, and ends on the later of 60 days following such date or the date the notice is sent about eligibility to elect to continue coverage. To enroll in COBRA online, go to <https://webenroll.connexion.shps.com/webenroll>. A user name and password will be included in your COBRA qualifying event notice.

If you or your covered dependents elect continuation coverage within the 60-day election period, continuation coverage will generally begin on the date regular Plan coverage ceases. Even if you or your covered dependents waive continuation coverage, but within the 60-day election period revoke the waiver, continuation coverage will also begin on the date regular Plan coverage ceases. A waiver may not be revoked after the end of the 60-day election period.

If you or your covered dependents do not choose continuation coverage within the 60-day election period, eligibility for continuation coverage under the Plan ends at the end of that period.

Cost of Continuation Coverage

To receive continuation coverage, you or your covered dependents, or any third party, must pay the required monthly premium plus a two percent administrative charge. If you or your covered dependents are eligible for an extension of coverage due to disability, the cost of continuation coverage will be 150% of the normal required monthly premium for all months after the 18th month of continuation coverage.

Each monthly premium for continuation coverage is due on the first day of the month for which coverage is being continued. However, the first such monthly premium is not due until 45 days after the date on which you and/or your covered dependents initially elect continuation coverage.

The American Recovery and Reinvestment Act of 2009 (ARRA), as amended by the Department of Defense Appropriations Act, 2010 and the Temporary Extension Act of 2010 (TEA), created a new COBRA premium subsidy for certain "assistance eligible individuals." This temporary federal subsidy is available to you and your covered dependents where the COBRA event is your involuntary termination of employment between September 1, 2008, and March 31, 2010. The COBRA premium subsidy means eligible COBRA participants will only be required to pay 35% of their COBRA premium for a period of up to 9 months, or until they become eligible for coverage under another group health plan or Medicare. The premium subsidy is effective for monthly periods of COBRA coverage. Part or all of the COBRA premium subsidy will be taxed to any persons who claim the subsidy and have a modified adjusted gross income in excess of \$125,000 (single) or \$250,000 (joint filers) for the taxable year in which the subsidy is received. You will receive additional information on the premium subsidy and how to take advantage of it upon experiencing a COBRA qualifying event.

Benefits under Continuation Coverage

If you or your covered dependents choose continuation coverage, the coverage is identical to the coverage being provided under the Plan to similarly situated employees, and their covered dependents who have not experienced a qualifying event. If their coverage changes, continuation coverage will change in the same way.

Payment of Claims

No claim will be payable under this continuation of coverage provision until the applicable premium is paid to the COBRA Administrator.

Termination

Coverage under this continuation of coverage provision will terminate on the earliest of:

- the date on which CVS ceases to provide a group health plan to any employee;
- the date you or your covered dependents first become covered under any other group health plan after electing continuation coverage, provided that the new plan does not contain any pre-existing condition exclusion that would affect the covered person's coverage under the new plan;
- the date you or your covered dependents become entitled to Medicare benefits under Title XVIII of the Social Security Act after electing continuation coverage;
- the date the required monthly premium is due, if you or your covered dependents fail to make payment within 30 days after the due date; or
- the end of the applicable continuation coverage period described above.

In no case will coverage extend beyond 36 months from the original qualifying event, even if a second qualifying event occurs during the continuation coverage period.

If You Have Questions

Questions concerning the Plan or your COBRA continuation coverage rights should be addressed to the contact or contacts identified below. For more information about your rights under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit the EBSA website at www.dol.gov/ebsa. (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.)

Keep Your Plan Informed of Address Changes

In order to protect you and your covered dependents' rights, you should keep the COBRA Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the COBRA Administrator.

Plan Contact Information

For employees working in the Retail Business Unit

SHPS Continuation Services

PO Box 27047

Minneapolis, MN 55427-9788

Phone: 1-866-697-6072

<https://webenroll.connexion.shps.com/webenroll>

For employees working in the PBM Business Unit

Benefit Strategies, LLC

P.O. Box 3910

Manchester, NH 03105-3910

Phone: 1-800-371-7542

Fax: 1-401-457-7266 or 1-800-796-4971

Email: customerserviceri@BenStrat.com

Continuation Rights under CalCOBRA or Senior COBRA

Under California law, you may have the right to continue your medical coverage for a limited period of time beyond that provided for under federal COBRA. The Evidence of Coverage (or booklet-certificate) provided by the applicable Insurance Company contains a description of the additional continuation coverage to which you and your dependents may be entitled under California law. Refer to the discussions of CalCOBRA and/or Senior COBRA in your insurance certificates for more information.

Continuation Coverage under the Uniformed Services Employment and Re-Employment Rights Act of 1994

Under a federal law called the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"), you have certain rights regarding continuance of Plan benefits while you are on a leave of absence for military service or uniformed service (referred to herein as a "military leave of absence"). The terms "uniformed services" or "military service" mean the Armed Forces, the Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty, the commissioned corps of the Public Health Service, and any other category of persons designated by the President in time of war or national emergency. A "leave of absence" is a predetermined period of time in which you are not working for CVS. You are, however, expected to return to active employment at the end of your leave of absence.

It is CVS's policy to allow employees on a military leave of absence to continue medical, prescription, dental, and/or vision benefits under the Plan for up to 12 months at the active-employee cost. If you continue to be on a military leave of absence at the time the foregoing 12-month period is exhausted, under USERRA, you may elect to continue your medical, prescription, dental, EAP, and/or vision plan coverage for an additional 24 months (or if less, for the period you are on military leave) by paying for the full cost of the benefits plus a 2% administrative charge. Under USERRA, covered dependents also have a right to continue their health coverage during the employee's period of military leave of absence.

Regardless of whether you choose to continue medical, prescription, dental, and/or vision coverage while on a military leave of absence, if you return to a position of employment with CVS, your health coverage and that of your eligible dependents will be reinstated under the Plan, provided you call the CVS Contact Support Center within 30 days of your return to work. However, reinstatement of coverage is **not** automatic. After calling the CVS Contact Support Center, you will be provided additional instructions about how to re-enroll. You will be required to complete the re-enrollment process by the later of (a) 14 days of your calling the Contact Support Center or (b) 30 days following your return to work.

If you do not call the Contact Support Center and request reinstatement of coverage within the first 30 days of returning to work, or if you fail to timely complete the re-enrollment process, you will be required to wait until the Annual Enrollment period to reinstate your Plan coverage. No exclusions or waiting period may be imposed on you or your eligible dependents in connection with this reinstatement, unless a sickness or injury is determined by the Secretary of Veterans Affairs to have been incurred in, or aggravated during, the performance of military service.

For more information about filing for coverage while you are on a military leave of absence, and applicable costs, call the Contact Support Center at (866) 528-7272.

Family and Medical Leave Act (FMLA)

All eligible participants of this Plan who have worked for CVS for at least one year and worked at least 1,250 hours over the previous 12 months are covered under a federal law called the Family and Medical Leave Act (FMLA). According to this law, you are eligible for at least 12 weeks of unpaid leave for the following reasons:

- the birth or adoption of your child or placement of a child with you for adoption or foster care (you must take the leave within one year of the birth, adoption, or placement);
- a serious health condition of your child, spouse, or parent; or
- your own serious health condition that prevents you from performing the duties of your job (this condition must require inpatient care or continuing treatment by a health care provider).

If you experience a qualifying FMLA leave event and want to take a leave of absence under FMLA, you should first discuss it with your supervisor. Then, provide written notification to your supervisor at least 30 days before your leave is scheduled to begin or as soon as possible. To initiate your leave, you must call the Contact Support Center at (866) 528-7272.

If you take a leave of absence under FMLA, you may continue your coverage for prescription, medical, dental, and vision benefits under the Plan during the leave period by continuing to pay the required contributions.

To the extent any portion of your FMLA leave is paid leave, you will continue to have your benefit contributions deducted from your pay. Otherwise, you must submit your contributions on an after-tax basis. If your required contribution during FMLA leave is more than 30 days late, your coverage will be terminated in accordance with the FMLA retroactive to the date through which you have paid for coverage.

If you acquire a new dependent while your coverage is continued during an approved FMLA leave, the dependent will be eligible for continued coverage on the same terms as would be applicable to you if you were actively at work, not on an approved FMLA leave.

If you choose not to continue your coverage while on a FMLA leave, you will not be reimbursed for any benefit claims incurred while you are on the FMLA leave. When you return from the leave, call the Contact Support Center at 1-866-528-7272, within 30 days, if you wish to re-enroll. However, reinstatement of coverage is **not** automatic. After calling the Contact Support Center, you will be provided a form to complete in order to re-enroll. You will be required to complete the re-enrollment process by the later of (a) 14 days of your calling the Contact Support Center or (b) 30 days following your return to work. If you do not call the Contact Support Center and request reinstatement of coverage within the first 30 days of returning to work, or if you fail to timely complete the re-enrollment process, you will be required to wait until the Annual Enrollment period to reinstate your Plan coverage.

If you do not return to work after your FMLA leave ends, you may be allowed to continue your coverage at the active-employee rate under another CVS leave policy (provided premiums are paid). Otherwise, your coverage at the active-employee rate will terminate (although as described below you and your dependents may have COBRA continuation coverage rights).

If your medical, prescription, dental, and/or vision coverage ends because your approved FMLA leave is considered terminated by CVS, you and your dependents may, on the date of such termination, be eligible to elect to continue your coverage under COBRA. COBRA continuation coverage will be available on the same terms as though your employment terminated, for reasons other than for gross misconduct, on such date. (Although not addressed in this Summary, you have the same rights to continue dental coverage.)

Impact of Leaves of Absences (Other than FMLA or USERRA) on Coverage under the Plan

Company-Approved Leaves

If you are on a CVS-approved leave of absence (other than a personal leave or military leave of absence), it is CVS's policy to allow you and your dependents to continue your medical, prescription, and vision coverage under the Plan for up to 180 days at the active-employee rate, provided you continue to pay Plan premiums to CVS, unless your collective bargaining agreement indicates otherwise. If you continue to be on a company-approved leave of absence at the end of the foregoing 180 day period, you may be eligible to elect to continue your health coverage under COBRA. COBRA continuation coverage will be available on the same terms as though your employment terminated, for reasons other than for gross misconduct. As discussed in detail in this Summary above, under COBRA you must pay the full cost of the benefits plus a 2% administrative charge.

The 180 days of benefits continuation at the active employee rate contains a 12-month look back period and is based on leave time, not coverage time. At the start of your leave of absence, CVS will look back 365 days and determine if you were on a CVS-approved leave of absence (other than personal or military leave). This time will count toward the 180 day limit, whether or not you are actually enrolled in a CVS medical, prescription, dental, or vision plan.

Personal Leaves

If you are on a personal leave of absence, it is CVS's policy to allow you and your dependents to continue your medical, prescription, dental, and vision coverage under the Plan for up to 30 days at the active-employee rate, provided you continue to pay Plan premiums to CVS. If you continue to be on a leave of absence at the end of the foregoing 30-day period, you may be eligible to elect to continue your coverage under COBRA. COBRA continuation coverage will be available on the same terms as though your employment terminated (for reasons other than gross misconduct). As discussed in detail in this Summary above, under COBRA you must pay the full cost of the benefits plus a 2% administrative charge.

Return from Leave

If you choose not to continue your coverage while on a CVS-approved leave of absence (including a personal leave), you may reinstate your coverage when you return to work. Reinstatement of coverage is **not** automatic. When you return to work, call the CVS Contact Support Center at 1-866-528-7272, within 30 days, if you wish to re-enroll in the medical, prescription, or vision plan. After calling the Contact Support Center, you will be provided re-enrollment process by the later of (a) 14 days of your calling the Contact Support Center or (b) 30 days following your return to work. If you do not call the Contact Support Center and request reinstatement of coverage within the first 30 days of returning to work, or if you fail to timely complete the re-enrollment process, you will be required to wait until the Annual Enrollment period to reinstate your Plan coverage.

Plan Is Not an Employment Contract

The Plan is not to be construed as a contract for or of employment. Accordingly, nothing in this document says or should be read to imply that participation in the Plan is a guarantee of continued employment with CVS.

Women's Health and Cancer Rights Act

The Plan complies with the Women's Health and Cancer Rights Act of 1998. That law mandates that all group health plans providing coverage for mastectomies also cover:

- all stages of reconstruction of the breast on which a mastectomy has been performed;
- surgery and reconstruction of the other breast to produce a symmetrical appearance;
- prostheses and treatment of physical complications through all stages of a mastectomy, including lymph edemas; and
- coverage in a manner that is determined in consultation with the attending physician and patient.

A health plan cannot penalize, reduce, or limit reimbursement of providers because they provided care under the terms of this law.

Federal Minimum Maternity Benefits

Group health plans and health insurance issuers generally may not, under federal law, restrict benefits or require pre-authorization for a hospital stay in connection with childbirth of less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the insurance issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

Non-discrimination

Notwithstanding anything in the Plan to the contrary, the Plan may not discriminate against any individual or dependent of that individual with respect to health coverage on the bases of a health factor. Further, the Plan shall not (a) adjust premium contribution amounts based on genetic information, (b) request or require an individual or family member of an individual to undergo a genetic test (except in certain circumstances related to research), or (c) request, require, or purchase genetic information with respect to any individual prior to the individual's enrollment in the Plan or coverage in connection with enrollment in the Plan.

Qualified Medical Child Support Order

The Plan complies with the requirements of any “Qualified Medical Child Support Order” as defined in Section 609(a)(2)(A) of ERISA. A Medical Child Support Order is any judgment, decree, or order (including approval of a settlement agreement) issued by a court of competent jurisdiction or state agency that:

- provides for child support with respect to your child under a group health plan or provides for health benefit coverage for your child; and
- is made pursuant to a state domestic relations law (including a community property law), and relates to benefits under the company’s health care plan.

A Qualified Medical Child Support Order creates or recognizes the existence of an Alternate Recipient’s rights to — or assigns to an Alternate Recipient the right to — receive benefits for which you are eligible under the Plan. The Plan Administrator has developed procedures to determine whether a medical child support order is qualified and for complying therewith. A covered person may obtain, without charge, a copy of these procedures upon request to the Plan Administrator.

Your Privacy Rights under the Health Insurance Portability and Accountability Act of 1996 (HIPAA)

We understand that your health information is private, and we are committed to maintaining the privacy of your medical information. The Health Insurance Portability and Accountability Act of 1996 (HIPAA) gives you certain rights to privacy concerning your health information. The Plan will follow the policies below to help ensure that your health information (or “protected health information” (“PHI”)) is protected and remains private.

Each time you submit a claim to the Plan for reimbursement, and each time you see a health care provider who is paid by the Plan, a record is created. The record may contain your PHI. In general, the Plan will only use or disclose your PHI without your authorization for the specific reasons detailed below. Except in limited circumstances, the amount of information used or disclosed will be limited to the minimum necessary to accomplish the intent of the use or disclosure.

The Plan does not operate by itself but rather is operated and administered by CVS and the Insurance Companies acting on the Plan's behalf. As a result, PHI used or disclosed by the Plan (as discussed below) necessarily means that CVS and the Insurance Companies, as applicable are using or disclosing the PHI on behalf of the Plan. As a result, references to the Plan in this section shall also be construed as references to CVS and the Insurance Companies to the extent necessary to carry out the actions of the Plan.

Permitted Uses and Disclosures

The following categories describe different ways that the Plan may use or disclose your medical information. Not every use or disclosure in a category will be listed. However, all of the ways the Plan is permitted to use and disclose information will fall within one of the categories.

The Plan may use or disclose your PHI for the following reasons:

- for treatment, payment, and health care operations;
- to family members, relatives, and close personal friends involved in your care or payment for your care (but only to the extent of their involvement);
- as required by law;
- to avert a serious threat to your health and safety or the health and safety of the public or another person;
- for purposes of organ or tissue donation;
- as required by military command authorities, if you are a member of the armed forces;
- for workers' compensation or similar programs;
- for public health activities (for example, to prevent or control disease, injury, or disability, to report reactions to medications or problems with products, etc.);
- for certain health oversight activities (for example, audit and inspection to monitor the health care system);
- in response to a court or administrative order or subpoena or discovery request;
- to the Department of Health and Human Services for purposes of determining the Plan's compliance with these privacy rules;
- to coroners, medical examiners, and funeral directors (for example, to identify a deceased person or determine the cause of death);
- for national security and intelligence activities; and
- if you are an inmate of a correctional institution for specified reasons such as the protection of your health and safety.

Disclosures to CVS

The Plan will disclose your PHI to CVS for Plan administration purposes only upon receipt of a certification from CVS that the Plan sets forth the permitted uses and disclosures of PHI by CVS on behalf of the Plan, and that CVS has agreed to the following assurances:

- CVS shall implement administrative, technical, and physical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic PHI that it creates, receives, maintains, or transmits on behalf of the Plan;
- CVS shall not further use or disclose your PHI other than as permitted or required by the Plan documents or as required by law;
- CVS shall ensure that any agents, including subcontractors, to whom it provides PHI received from the Plan agree to the same restrictions and conditions that apply to CVS with respect to such information and agree to implement reasonable and appropriate security measures to protect such information;
- CVS shall not use or disclose PHI for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of CVS;
- CVS shall report to the Plan any use or disclosure of PHI that is inconsistent with the permitted uses and disclosures, including any security incidents, of which it becomes aware;
- CVS shall make its internal practices, books, and records relating to the use and disclosure of PHI received from the Plan available to the Department of Health and Human Services for purposes of determining whether the Plan is complying with applicable regulations;
- CVS shall, if feasible, return or destroy all PHI received from the Plan about you and retain no copies of the information when it is no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, to limit further uses or disclosures to those purposes that make such return or destruction infeasible;
- CVS shall ensure that there is adequate separation between the Plan and CVS (as described below) and that the separation is supported by reasonable and appropriate security measures;
- CVS shall make your PHI available to you (as described below);
- CVS shall make your PHI available to you for amendment and incorporate any amendment into your PHI (as described below); and
- CVS shall make available the information required to provide you an accounting of disclosures (as described below).

Access to PHI

The Plan will make your PHI available to you for inspection and copying upon your written request to the applicable Insurance Company. The Plan may charge a fee for the costs of copying, mailing or other supplies associated with your request. The Plan may deny your request to inspect and copy in certain very limited circumstances. If you are denied access to PHI, you may request that the denial be reviewed.

Amendment of Medical Information

If you feel that PHI the Plan has about you is incorrect or incomplete, you may ask the Plan to amend the information. You have the right to request an amendment for as long as the information is kept by or for the Plan. Your request must be made in writing and submitted to the applicable Insurance Company. In addition, you must provide a reason that supports your request.

The applicable Insurance Company may deny your request for an amendment if it is not in writing or does not include a reason to support the request. In addition, the applicable Insurance Company may deny your request if you ask the Insurance Company to amend information that is not part of the medical information kept by or for the Plan; was not created by the Plan, unless the person or entity that created the information is no longer available to make the amendment; is not part of the information which you would be permitted to inspect and copy; or is accurate and complete.

Accounting of Disclosures

If you wish to know to whom your PHI has been disclosed for any purpose other than (a) treatment, payment, or health care operations, (b) pursuant to your written authorization, and (c) for certain other purposes, you may make a written request to the applicable Insurance Company.

Your request must state a time period that may not be longer than six years and may not include dates before April 14, 2004. Your request should indicate in what form you want the list (for example, paper or electronic). The first list you request within a 12-month period will be free. The accounting will not include disclosure for the purposes of treatment, payment, or health care operations. In addition, the accounting will not include disclosures that you have authorized in writing.

Separation Between the Plan and CVS

Only employees of CVS and IBM, CVS' administrative agent and HIPAA Business Associate, who are involved in the day-to-day operation and administrative functions of the Plan will have access to your medical information. In general, this will only include the following individuals: employees of the Corporate Human Resources Health & Welfare Benefits Group, the Corporate Human Resources Shared Services Operations Group (includes authorized employees of IBM), and the Legal and Employee Relations Departments. These individuals will receive appropriate training regarding the Plan's privacy policies. In the event an individual fails to comply with the Plan's provisions regarding the protection of your medical information, CVS will take appropriate action in accordance with its established policy for failure to comply with the Plan's privacy provisions.

Other Uses of PHI

Any other uses and disclosures of your PHI will be made only with your written authorization. If you provide the Plan authorization to use or disclose your PHI, you may revoke that authorization, in writing, at any time. If you revoke your authorization,

the Plan will no longer use or disclose your PHI for the reasons covered by your written authorization. Please note that the Plan is unable to take back any disclosures it has already made with your authorization.

If you have a question about your rights under the HIPAA regulations, call the Contact Support Center at 1-866-528-7272.

Your Rights under ERISA

As a participant in the Plan, you are entitled to certain rights and protections under ERISA. ERISA provides that all Plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as work sites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

Continue Group Health Plan Coverage

- Continue health care coverage for yourself, spouse or dependents if there is a loss of coverage under the plan as a result of a qualifying event. You or your dependents may have to pay for such coverage. Review this summary plan description and the documents governing the plan on the rules governing your COBRA continuation coverage rights.
- Reduction or elimination of exclusionary periods of coverage for pre-existing conditions under your group health plan, if you have creditable coverage from another plan. You should be provided a certificate of creditable coverage, free of charge, from your group health plan or health insurance issuer when you lose coverage under the plan, when you become entitled to elect COBRA continuation coverage, when your COBRA continuation coverage ceases, if you request it before losing coverage, or if you request it up to 24 months after losing coverage.

Without evidence of creditable coverage, you may be subject to a pre-existing condition exclusion for 12 months (18 months for late enrollees) after your enrollment date in your coverage.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties on the people who are responsible for the operation of the Plan. The people who operate your Plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or Federal court subsequent to exhausting the Plan’s claims procedures. In addition, if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a medical child support order, you may file suit in a Federal court subsequent to exhausting the Plan’s claims procedures. If it should happen that Plan fiduciaries misuse the Plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Department of Labor’s Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and

responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at (800) 998-7542.

General Plan Information

This section provides administrative information for the Plan, but is subject to the terms of the legal documents, which may be modified from time to time. Where this description and the official documents differ, the official plan documents or insurance booklets/contracts are the final authority. This description of administrative information is not an employment contract or any type of employment guarantee.

The Plan is a welfare benefit plan. The Plan provides medical, vision, and dental benefits in California that are fully insured through the Insurance Companies. The Insurance Companies, not CVS, are responsible for paying claims. CVS and the Insurance Companies share responsibility for administering the Plan's benefits. With respect to prescription benefits, the Plan is self-insured and administered through Caremark.

The Plan Administrator will help resolve any problem you might have about your rights to benefits. The official plan documents, insurance contracts, and related information are available if you want to review these materials. If, for some reason, it becomes necessary to contact the U.S. Labor Management Services Administration, Department of Labor, you will need to provide the information contained in this section to identify the plan properly.

Formal Plan Name

The CVS Caremark Corporation Welfare Benefit Plan

Plan Year

The Plan's records are kept on a 12-month period beginning June 1 and ending May 31.

Employer/Plan Sponsor

CVS Caremark Corporation
One CVS Drive
Woonsocket, RI 02895
(401) 765-1500

Employer and Plan Identification Number

The employer identification number assigned to the Employer/Plan Sponsor by the Internal Revenue Service (IRS) is 05-0494040.

The Plan number assigned to the Plan is 510.

Plan Administrator

The Plan Administrator is the Senior Vice President and Chief Human Resources Officer of CVS Pharmacy, Inc. Communications to the Plan Administrator should be directed as follows:

Attn: Lisa Bisaccia
Senior Vice President and Chief Human Resources Officer
CVS Pharmacy, Inc.
One CVS Drive
Woonsocket, RI 02895
(401) 765-1500

With respect to medical, dental, and vision coverage, the Plan Administrator has delegated authority to determine all claims under the Plan to the Insurance Companies. Also, with respect to prescription drug coverage, the Plan Administrator has delegated to Caremark PCS Health, the Claims Administrator, the discretionary authority to determine all claims under the Plan. Such discretionary authority is intended to include, but is not limited to, the determination of whether a person is entitled to benefits under the Plan and the computation of any and all benefit payments. The Plan Administrator also delegates to Caremark PCS Health the discretionary authority to perform a full and fair review, as required by ERISA, of each claim denial that has been appealed by a claimant or his or her duly authorized representative.

Except with regard to administrative authority delegated to the Insurance Companies and Caremark, the Plan Administrator shall have the sole discretionary authority to construe the terms of the Plan and all facts surrounding claims under the Plan (such as whether an individual is eligible for coverage under the Plan), and shall determine all questions arising in the administration, interpretation and application of the Plan. All determinations of the Plan Administrator shall be conclusive and binding on all parties.

Agent for Service of Legal Process

General Counsel
CVS Pharmacy, Inc.
One CVS Drive
Woonsocket, RI 02895
(401) 765-1500

Process may also be served on the Plan Administrator.

Named Fiduciary

The named fiduciary is the Senior Vice President and Chief Human Resources Officer of CVS Pharmacy, Inc. Communications to the named fiduciary should be directed to:

Attn: Lisa Bisaccia
Senior Vice President and Chief Human Resources Officer
CVS Pharmacy, Inc.
One CVS Drive
Woonsocket, RI 02895
(401) 765-1500

A fiduciary exercises discretionary authority or control over management of the Plan or the disposition of its assets, renders investment advice to the Plan, or has discretionary authority or responsibility in the administration of the Plan.

The “named Fiduciary” is the one named in the Plan, which is the Plan Administrator. The named fiduciary can appoint others to carry out fiduciary responsibilities under the Plan. To the extent that the named fiduciary allocates its responsibility to other persons, the named fiduciary will generally not be liable for any act or omission of such person.

Claims Fiduciary

While the Plan Administrator is the Named Fiduciary, the Claims Administrator is the Plan fiduciary with respect to decisions regarding whether a claim for benefits will be paid under the Plan.

Claims Administrator

The Claims Administrator receives, processes, and pays for the benefits under the Plan. The Claims Administrator for medical insurance benefits provided through insurance contracts in California is the applicable Insurance Company listed below. The Claims Administrator for the prescription plan is CaremarkPCS Health. The prescription plan is self-insured. With regard to administrative authority delegated to the Claims Administrator, the Claims Administrator shall have the sole discretionary authority to construe the terms of the Plan and all facts surrounding claims under the Plan and shall determine all questions arising in the administration, interpretation and application of the Plan. All determinations of the Claims Administrator shall be conclusive and binding on all parties.

Prescription Plan Claims Administrator

CaremarkPCS Health, L.P.
211 Commerce St
8th Floor
Nashville, TN 37201
(866) 284-9226
www.caremark.com

Insurance Companies

Medical

Medical benefits are provided through insurance contracts with the Insurance Companies listed below:

Health Net of California, Inc.
PO Box 14702
Lexington, KY 40512
(888) 893-1598
<http://www.healthnet.com/cvscaremark>

Kaiser Permanente
Claims Administration Department
P.O. Box 7004
Downey, CA 90242-7004
(800) 464-4000
www.kaiserpermanente.org

Dental

Aetna Life Insurance Company
151 Farmington Avenue
Hartford, CT 06156
(800) 770-2386
www.aetna.com/docfind/custom/aahc.

Vision

Vision benefits are provided through an insurance contract with VSP.

Vision Services Plan (VSP)
3333 Quality Drive
Rancho Cordova, CA 95670
(800) 877-7195
<http://www.vsp.com/go/cvs>

EAP Administrator

Sobel & Raciti Associates, Inc.
222 Richmond Street
Suite 305
Providence, RI 02903
(800) 789-8990

COBRA Administrator

For employees working for the Retail Business Unit

SHPS Continuation Services
PO Box 27047
Minneapolis, MN 55427-9788
(866) 697-6072

For employees working for the PBM Business Unit

Benefit Strategies, LLC
P.O. Box 3910
Manchester, NH 03105-3910
Phone: 1-800-371-7542
Fax: 1-401-457-7266 or 1-800-796-4971
Email: customerserviceri@BenStrat.com

CVS Contact Support Center

CVS Caremark Corporation
P. O. Box 1135
Woonsocket, RI 02895
Attention: FSS Benefits Administration
(866) 528-7272

Future of the Plans

The continued maintenance of the Plan is completely voluntary on the part of CVS and neither its existence nor its continuation will be construed as creating any contractual right to or obligation for its future continuation. While CVS expects to continue the Plan indefinitely, CVS reserves the right at any time and for any reason, in its sole discretion, to curtail benefits under, otherwise amend, modify, or terminate the Plan or any portion thereof without notice, including, without limitation, those portions of the Plan outlining the benefits provided or the classes of employees or dependents eligible for benefits under the Plan. The Plan may be amended by CVS or by approval of the Senior Vice President and Chief Human Resources Officer of CVS Pharmacy, Inc. Any claims requested after the effective date of termination, modification, or amendment are payable in accordance with the respective Plan documents. However, no amendment or termination can reduce or otherwise affect any claim for a benefit you became entitled to before the date of amendment or termination. In the event the Plan terminates, you will be informed of any termination rights you may have.