

How spread pricing works

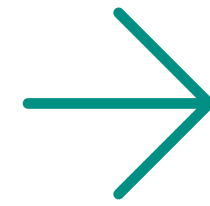
Express Scripts
By EVERNORTH

All clients choose:

01 Their pricing model

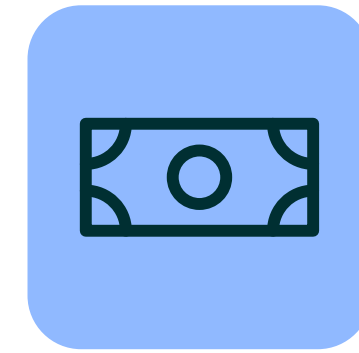
02 Their pharmacy network

Many clients specifically request a spread arrangement at the outset of their engagement with Express Scripts



Express Scripts contracts with pharmacies

- + Retail pharmacies pay wholesalers for drug supply
- + Express Scripts contracts with pharmacies to secure reduced prices



Clients receive certainty and value

- + Express Scripts provides guaranteed discounts to clients
- + If the actual rate Express Scripts secures is **less** than the guaranteed discount amount, Express Scripts covers the difference for the client and recognizes the loss
- + If the actual rate Express Scripts secures is **more** than the guaranteed discount amount, Express Scripts shares in the savings by retaining incremental value



Clients use savings to benefit consumer

- + Shows up through lower premiums and deductibles, greater medication access and more predictability and transparency at the pharmacy counter