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**BCBSNC Could Change Pharmacy Benefits
Management Vendor to Prime Therapeutics**

Investment in Blues-owned Prime Therapeutics would save money, improve PBM offering

Chapel Hill, N.C. – Blue Cross and Blue Shield of North Carolina (BCBSNC) is in negotiations to change its Pharmacy Benefits Management (PBM) vendor, a move that would result in lower pharmacy costs for BCBSNC customers and more flexibility regarding services and programs. Pending successful completion of current negotiations and regulatory approval, BCBSNC would invest in Prime Therapeutics, a privately held PBM owned by non-profit Blues Plans and their affiliates. BCBSNC's current PBM relationship is with Medco.

In the 12 months ending May 2011, BCBSNC spent \$1.7 billion on customers' pharmacy claims – a 157 percent increase over the same period in 2005.

Prime Therapeutics has a long history of providing a full range of pharmacy benefit management services for its participating plans. These services include claims processing, formulary management, mail service, pharmacy network management, manufacturer trade contracting and clinical programs. Prime has the goal of achieving the lowest net pharmacy costs while providing high quality care and service to customers.

“Being more hands-on with our PBM will help us lower costs and provide better service to our customers,” said BCBSNC President and CEO Brad Wilson. “We also will be able to work with other non-profit Blues on formulary designs, improved information and communications to customers, and programs that integrate pharmacy and disease management programs to improve health.”

For example, BCBSNC's self-funded group customers have asked for more flexibility with formulary development and communication to customers. In the long term, moving to Prime would offer multiple existing formulary options for customers to choose from and much greater ability to customize communications to customers. In addition, BCBSNC's customers would benefit from the big-picture view and improved health and financial outcomes Prime consistently achieves through integration of medical and pharmacy.

“Prime’s proven commitment to lowering the cost of care while providing outstanding member service and safe access is unmatched in our industry,” stated Eric Elliott, President and Chief Executive Officer, Prime Therapeutics. “Prime will continue to demonstrate the value that an in-house, full-service pharmacy solution brings to Blue plans and their customers.”

Pending successful completion of the change, BCBSNC would be a part-owner of the company, along with nine other Blue organizations representing 12 plans. Prime Therapeutics serves 17 million customers across the U.S.

About BCBSNC:

Blue Cross and Blue Shield of North Carolina is a leader in delivering innovative health care products, services and information to more than 3.7 million members, including approximately 900,000 served on behalf of other Blue Plans. For 77 years, the company has served its customers by offering health insurance at a competitive price and has served the people of North Carolina through support of community organizations, programs and events that promote good health. Blue Cross and Blue Shield of North Carolina is an independent licensee of the Blue Cross and Blue Shield Association. Access BCBSNC online at www.bcbsnc.com.

About Prime Therapeutics:

Prime Therapeutics is a pharmacy benefit management company dedicated to providing innovative, clinically-based, cost-effective pharmacy solutions for clients and members. Providing pharmacy benefit services nationwide to approximately 17 million covered lives, its client base includes Blue Cross and Blue Shield Plans, employer and union groups, and third-party administrators. Headquartered in St. Paul, Minnesota, Prime Therapeutics is collectively owned by 12 Blue Cross and Blue Shield Plans, subsidiaries or affiliates of those Plans. Learn more at www.primetherapeutics.com.