

Craig L. Fuller
President & CEO

June 16, 2003

The Honorable William M. Thomas
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

We have reviewed The Medicare Prescription Drug and Modernization Act of 2003. On behalf of the members of the National Association of Chain Drug Stores, I want to share with you our view that progress has been made on our priorities, and we therefore support moving forward with this legislation.

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It remains very important to us that, during the process over the next few weeks, we continue to work directly with you and your colleagues on issues that are of vital concern to our industry. From the beginning, we have sought legislation that provides a voluntary, quality, cost-effective prescription drug benefit that allows seniors to have access to the pharmacy provider of their choice. We also want to insure that as the management of prescription programs continues to evolve, the laws written today will provide for better approaches and new technologies in the future.

During the development this important legislation, we have been clear about the importance of creating a more level playing field when it comes to delivering a pharmacy benefit. We have shared our desire to see legislation that calls for rules that limit the risk to community pharmacy, that require transparency to protect the taxpayer's investment in these programs and rules that allow any pharmacy willing to meet the terms and conditions established in a region to participate in the Medicare prescription drug plan.

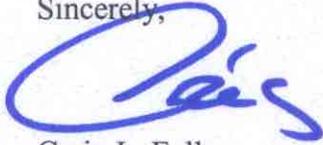
I thank you for the work you are doing to build a Medicare program for our nation's seniors that includes prescription medication. We appreciate the work you and your colleagues have done to address the concerns of

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retail pharmacy. Just as healthcare has evolved dramatically since the original Medicare laws were passed in 1965, so too will the way we manage pharmacy benefits. We share your desire to have a pharmacy benefit program that maximizes the patient's choice and can evolve to insure that the most efficient systems and technologies available can play a role in delivering these benefits.

We look forward to continuing our work with you.

Sincerely,

A handwritten signature in blue ink, appearing to read "Craig", written over the word "Sincerely,".

Craig L. Fuller