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**STATE OF NEW HAMPSHIRE  
INSURANCE DEPARTMENT**

**Consent Agreement and Order**

**Medco Health Solutions, Inc.**

**Docket No.: INS No. 07-008-EP**

This Consent Agreement and Order ("Order") is between the New Hampshire Insurance Commissioner (the "Commissioner") and Medco Health Solutions, Inc. ("Medco"). This Order arises out of the delayed submission by Medco of encrypted claims data pursuant to RSA 420-G:11 and 420-G:14, and the assistance that Medco was provided in order to organize and submit its data expeditiously.

The relevant substantive provisions of New Hampshire law were enacted in 2003. However, RSA 420-G:11 was amended in 2006 via a "technical amendment", effective August 8, 2006, to include "third party administrators" in the list of parties required to provide electronic data. Medco is not a "health carrier" for purposes of these requirements, but it is a third-party administrator.

The Maine Health Information Center ("MHIC") contacted Medco in November 2006 to discuss the claims reporting obligations under RSA 420-G. MHIC is a private organization that works with the New Hampshire Insurance Department (the "Department") as the designated collection agent.

On January 5, 2007, Medco completed its registration form. On that date, Medco also, through counsel, advised the Department that it would immediately adjust its data processing workflow in order to provide the claims data as quickly as possible. Medco understood that it was the third party administrator for the pharmacy benefits provided to state employees under the state of New Hampshire health benefits plan.

Medco achieved compliance with the submission of its pharmacy claims files for the period from January 2005 through December 2006 on January 31, 2007. Medco achieved compliance with submission of its eligibility files on February 13, 2007. Between January 5 and February 13, Medco relied upon MIHC's technical expertise in preparing and reviewing trial submissions. During this period, Medco also sought and received legal assurance from the Department with respect to HIPAA compliance.

Medco agrees that it did not register until January 5, 2007, did not submit claims data until January 31, 2007 and did not submit eligibility data until February 13, 2007. Medco also acknowledges the significant assistance that was rendered by MIHC in enabling Medco to come into compliance so quickly.

The Department appreciates Medco's efforts to come into compliance, but it also believes that Medco's compliance was delayed and depended upon significant assistance rendered by MIHC.

For these reasons, Medco agrees to pay the amount of \$12,500 to the Department to compensate the Department for the delays attendant Medco's registration and claims submission, including the additional assistance required of MHIC.

Medco appreciates MHIC's and the Department's assistance and believes that future compliance with these reporting requirements will not be problematic.

SO ORDERED:

  
\_\_\_\_\_  
Roger A. Sevigny, Commissioner  
New Hampshire Insurance Department

DATE: 4-19-07

AGREED:

  
\_\_\_\_\_  
Medco Health Solutions, Inc.  
By: David Machlowitz  
Its: Senior Vice President, General Counsel  
and Secretary

DATE: April 19, 2007