

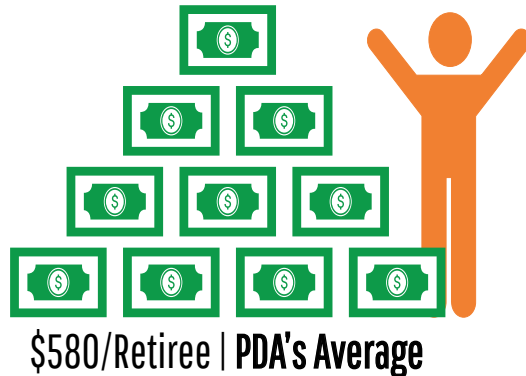
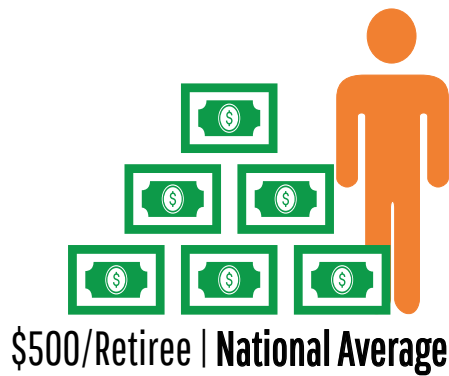
THE RDS OPPORTUNITY

with Part D Advisors

The Retiree Drug Subsidy (RDS) program was created to incentivize employers to continue covering the prescription costs for their Medicare eligible retirees. The RDS program reimburses Plan Sponsors up to 28% of all allowable Retiree Drug expenses to help subsidize their financial obligation. The program operates with a budget of \$6 billion a year, but Plan Sponsors have collected an average of only \$4 billion, meaning there is money being left on the table.



how much have you been leaving on the table?

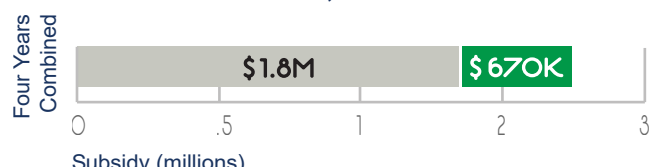


REAL PLAN SPONSOR RESULTS

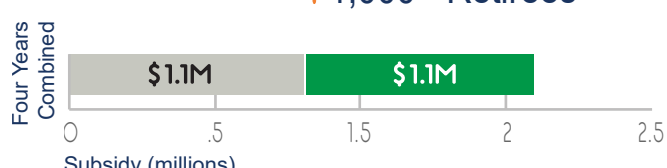
who does PDA serve?

As the Nation's number one ongoing and reopening Retiree Drug Subsidy service provider, PDA has clients representing all industries, ranging in size from a few hundred to well over one hundred thousand retirees. Whether a Plan Sponsor serves a labor union, privately held corporation or governmental organization, they all want what's best for their retirees, which is why they hire PDA to handle all their Retiree Drug Subsidy administration needs.

+670K CORPORATE | MULTINATIONAL AUTO & AIRCRAFT SUPPLIER
1,000+ Retirees

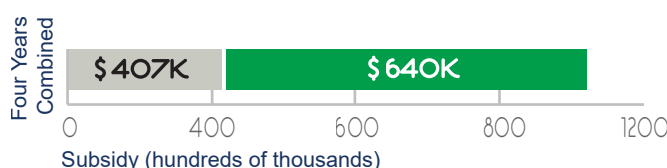


+1.1M MUNICIPAL | MIDWESTERN STATE TROOPER RETIREES
1,000+ Retirees



8%-15%
Average Additional Subsidy Dollars

+640K LABOR | NATIONAL PIPE TRADE LOCAL UNION
300+ Retirees



Original Subsidy PDA Appeal

THE PDA PROCESS | How We Find More

PDA's goal is to **maximize** past, present and future subsidy payments for our clients. To meet this goal, PDA has spent over a decade crafting a proprietary suite of custom software tools focused on finding additional subsidy in three primary areas.

ENHANCED DRUG FILTERING

Determining if a drug is Part D eligible is one of the most complex pieces of the RDS program. By developing a filter with the nation's leading pharmacy experts, PDA can accurately categorize Part B and Part D drugs, allowing us to maximize Plan Sponsors' subsidy payments. With the ability to review every claim for Part D eligibility, PDA adds considerable value in additional subsidy dollars identified and program compliance assurance.



IMPROVED MEMBER ELIGIBILITY

Because the Medicare database is the source of truth for determining RDS eligibility, retiree lists submitted by participating Plan Sponsors must match those records exactly. By identifying and retaining member alias information from all available sources, PDA's proprietary software gives Plan Sponsors an unique advantage by submitting records repeatedly with varying information to get a RMEI approved.



INCREASED CLAIM MATCHING

Utilizing the same member alias information stored for improving member eligibility, PDA's prescription and medical claims processing systems re-adjudicates claims using only Medicare's eligibility rules to maximize orphan claims to member matching. Our one-of-a-kind software is designed to connect every eligible, paid claim to the correct member's claim record.



ONGOING TIMELINE

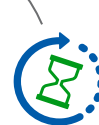
Step 1: Contracting
Negotiate and Execute Contracts
Establish Main Points of Contact,
Introduce Dedicated Account Manager
and Business Analyst



Step 2: Implementation
Provide PDA with RDS website access, and Initial Eligibility,
PDA Coordinates with PBM for Ongoing Data Feed



Step 3: Ongoing Administration
PDA Maintains Monthly Eligibility Updates,
PDA Files Monthly Payment Requests,
PDA Provides Ongoing Claims Matching and Drug Filtering



Step 5: Audit Preparation
PDA Warehouses All Data for 6 Years,
PDA Provides Audit Support in case of CMS Audit



Step 4: Deadline Management
PDA Handles Application Renewal Deadlines,
PDA Handles Final Reconciliation Deadlines,
PDA Assists in Avoiding RDS Site Permission Expiration



Part D Advisors' Ongoing RDS Support Services begin immediately upon execution of service agreement and require minimal effort or disruption on the part of the Plan Sponsor. PDA Provides a full range of services which include coordinating with your Pharmacy Benefit Manager and brokers to gather all the necessary data and arrange HIPAA compliant transfer and storage.

Most Plan Sponsors have grown accustomed to handling the onerous RDS administrative functions themselves. While some vendors may provide assistance with tasks like cost reporting, the vast majority of the annual application and final reconciliation process is the sole responsibility of the Plan Sponsor. Making the transition to PDA's ongoing support services means your staff can be free from their RDS duties and focus on their other responsibilities while you benefit from maximized monthly RDS cash flow.

....what do you mean a CMS AUDIT?

As a participant in and a recipient of the RDS program and the subsidy payments it provides, a Plan Sponsor agrees to actively engaged in as well as support an audit by the CMS for up to six years after an application is completed. While these audits were essentially nonexistent in the earlier years of the RDS program, within the past year, they recently have become much more frequent with little sign of slowing. In fact, one of PDA's clients had one of, if not the first experience with such an audit this past year.

Audit support is included as part of PDA's standard ongoing and/or reopening services, meaning our clients can rest easy knowing they're not alone if the CMS comes knocking. We collect and store the information our experience with a CMS audit taught us was critical to a successful outcome. Additionally, we maintain any and all data used for ongoing RDS administration or reopening appeal services provided by PDA for the CMS required six year term. If a CMS audit were to occur, having this documentation warehoused together will allow PDA to provide our clients with the fastest resolution possible.

what are they looking for?

the CMS is looking for documented proof of the following...

RETAIN FOR SIX YEARS

- The retirees were qualified to receive subsidy;
- The group health plan was qualified to receive subsidy;
- The amount of drug claims paid for retirees were accurate;
- The amount for any cost adjustments such as rebates were calculated correctly.

NEXT STEPS

Call PDA today to learn more about how to learn more about our ongoing retiree drug subsidy services.

You have nothing to lose so find out how many additional subsidy dollars your group may be eligible for today!

PART D
ADVISORS

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