



Message from the President



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President & CEO

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The latest statements by the U.S. attorney in one of the Pennsylvania Districts on PBM contracting and transparency provides strong validation for the Ventegra model (see Drug Benefit News, March 2, 2007). We've always touted that our business model and contractual guarantees provides a level of legal protection for BOTH payors and pharmaceutical industry. Her statement that "unfortunately, you can be unaware of the hanky-panky that's going on and still be responsible for it" means that pharmaceutical industry must be especially diligent about understanding the entire process by which their products and discounts are administered. Ventegra's transparent model makes it much easier for pharmaceutical industry to validate and account for the distribution of products, discounts and other services. We stand by, and support, our contracted pharmaceutical industry partners in their efforts to demonstrate the steps they are taking to address these issues with all interested parties.

Ventegra has very positive business news to share. Here are highlights and strategic business initiatives planned for our enterprise in 2007.

- **Enrollment:** The Ventegra model of transparency is resonating widely and well with clients. In the past three months, we have signed another three (3) clients and are representing a client base exceeding 1,200,000. Our message is attracting many clients in the capitated medical group systems, "true commercial payors" (e.g., entities that are paying the health care benefit dollars), and Medicare Advantage plans.

- **Pharmaceutical Industry:** The increased granularity and detail about distribution of rebate and discount dollars along with the protection from regulatory scrutiny (e.g., OIG, Attorney Generals) based upon our representations and warranties is very attractive to our pharmaceutical company partners. As an industry “first” (as far as we know), we have initiated our **Pharmaceutical Advisory Council** where our contracted pharma partners gather with us to discuss administrative simplification opportunities, and learn about important market trends and issues.
- **Ventegra Injectable Program (VIP):** Our Ventegra Injectable Program (VIP) has been a resounding success, and we have worked aggressively to solidify our strength in this area. Providing injectables at their true acquisition cost and passing 100% of all manufacturer discounts and rebates to our clients has been a key factor in our success. Our pharmaceutical company partners have found greater access into new markets as we help promote the value of their products through our **injectable formulary** (contact us for a free copy).
- **Clinical Programs:** We just celebrated the first anniversary of our Clinical Advisory Committees (CAC), led by respected industry leader Alex Gilderman, Pharm.D. For our Clinical Programs, we have developed several components of the Ventegra Outbound Education Program, including vendor agreements for fulfillment, in step with meeting our clients’ expressed needs. In addition, our formularies are now available for viewing online and we continue to make refinements on behalf of our clients.

We will be present at AMCP and available to discuss any questions or provide an update. Please feel free to schedule a time with Tricia Koedel (Manager, Business Operations) at 858.551.8111, Ext. 101 (email: tricia@ventegra.NET). In addition, you may contact me directly at bob@ventegra.net, or call me at (858) 551-8111, ext. 109.