



March 17, 2009

Dear Member:

Walgreens Health Initiatives (WHI) manages your pharmacy benefit for the Kentucky Retirement Systems (KRS) and strives to provide its members with pharmacy services they can depend on. While providing these services, member records are regularly shared between KRS and WHI. As part of our standard procedures, we take great care that these records are transmitted in a highly secure manner for your protection.

We are sending this letter to let you know that member records were recently electronically transmitted from WHI to the benefits office of the KRS without applying the encryption process normally utilized by WHI. The file was only addressed to a single and proper contact at KRS, and the receipt of the file in question has been confirmed. While there is a remote possibility that these records, containing limited personal information (name, date of birth, Health Insurance Claim (HIC) Number and social security number), were accessible while being transmitted, we believe the likelihood of any harm from this transmission to be very minimal. Furthermore, the information in question did not contain any personal health history information of members.

The transmission of this data was solely the responsibility of WHI, and not that of KRS. We regret this occurrence and want to assure you that our policies and systems have been reviewed, and actions have been taken to ensure such situations do not occur again. If you have any questions, please feel free to contact Walgreens Health Initiatives at 866-292-9063

Sincerely,

Walgreens Health Initiatives