

**DELAWARE HEALTH
AND SOCIAL SERVICES**

OFFICE OF THE SECRETARY

September 9, 2005

Dear Provider Synergies:

The **State of Delaware Department of Health and Social Services** ("Delaware") has approved the transition of Delaware's Medicaid Preferred Drug List and supplemental rebate programs into Provider Synergies' multi-state PDL initiative, TOP\$SM – The Optimal PDL SolutionSM.

As part of its continued efforts to control costs and to provide clinically sound drug therapy for recipients, Delaware will continue to partner with its fiscal agent, EDS, to engage Provider Synergies in the implementation and maintenance of the PDL and supplemental rebate agreements.

Under TOP\$SM, Delaware understands that:

1. It will continue to maintain its own P&T Committee;
2. The TOP\$SM P&T Meetings are conducted two (2) times per year;
3. Supplemental Rebate Agreements are between manufacturers and Provider Synergies. Delaware will be a party to such Supplemental Rebate Agreements through its signature of a Participation Agreement;
4. As of this date, Louisiana, Maryland, West Virginia and Wisconsin are participants in TOP\$SM; and
5. Provider Synergies will continue to provide balanced clinical and financial information in support of PDL recommendations.

Delaware authorizes Provider Synergies to begin negotiations with manufacturers for Delaware's participation in TOP\$SM effective as of this date. Delaware will participate in its first TOP\$SM meeting scheduled for early 2006.

Sincerely,

A handwritten signature in black ink that reads "Vincent P. Meconi".

Vincent P. Meconi
Secretary

VPM: pbg