

Driving More Affordable, Accessible and Effective Care

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President & Chief Executive Officer

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Health Care Conference**

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The logo for CVS Health, featuring a white heart icon to the left of the text "CVSHealth" in a white, sans-serif font.





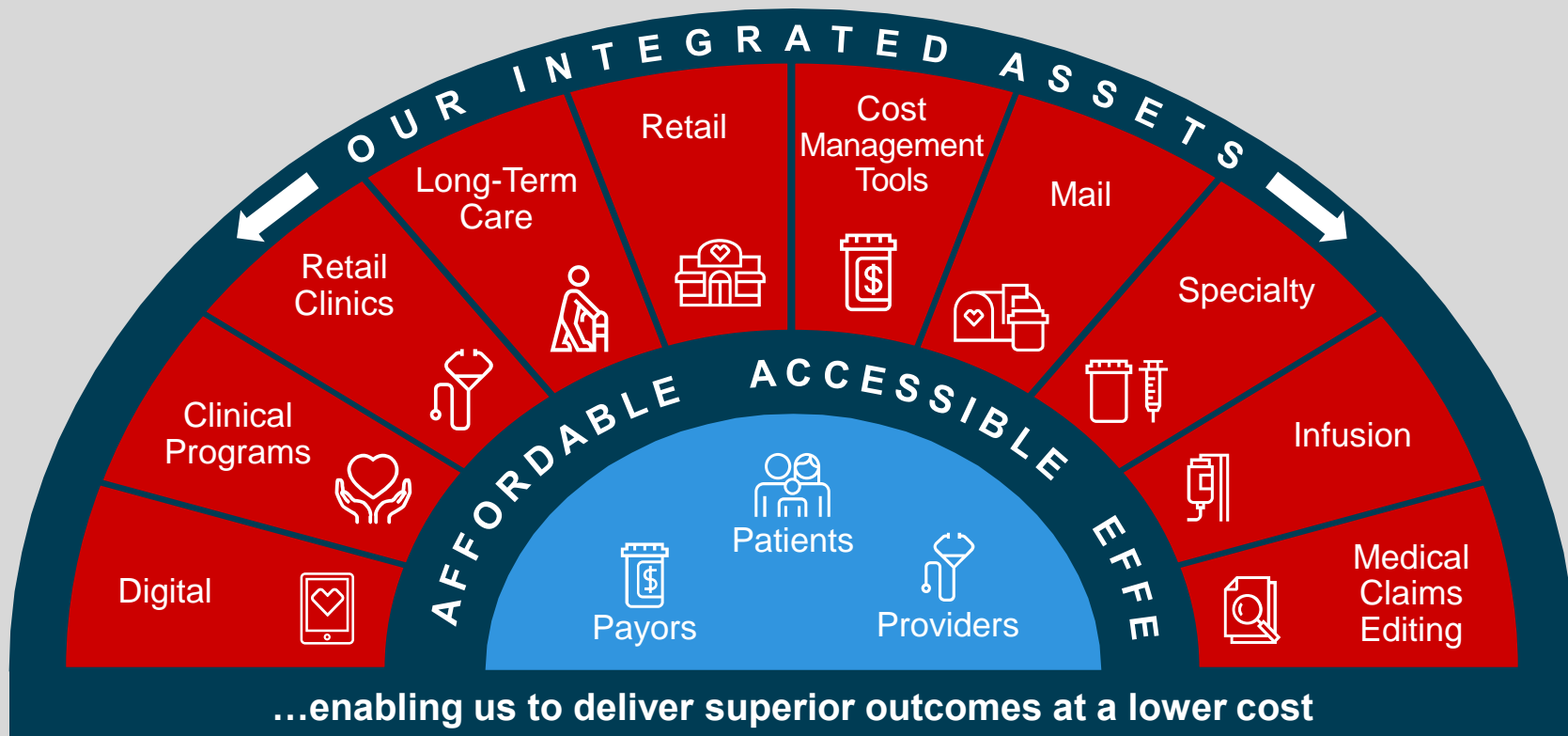
Forward-Looking Statements; Non-GAAP Measures

During today's presentation, we will make forward-looking statements within the meaning of the federal securities laws. By their nature, all forward-looking statements involve risks and uncertainties. Actual results may differ materially from those contemplated by the forward-looking statements for a number of reasons as described in our SEC filings, including the risk factors section and cautionary statement disclosure in those filings.

During this presentation, we will also use some non-GAAP financial measures when talking about our company's performance, including free cash flow, cash available to enhance shareholder value and Adjusted EPS. In accordance with SEC regulations, you can find the definitions of these non-GAAP items, as well as reconciliations to comparable GAAP measures, on the investor relations portion of our website.



The Most Extensive Suite of Integrated, Leading Assets...





Our Integrated Model Drives More Affordable, Accessible and Effective Care

Proprietary Programs

Maintenance Choice
Specialty Connect
Pharmacy Advisor

Appropriate Utilization, Better Outcomes

Higher penetration rates of programs, resulting in better outcomes



Health Engagement Engine

Clinical rules engine with powerful analytical capabilities, providing real-time, actionable information

Full View of Patient

Enabling single patient record and simplicity of single digital platform to manage all prescriptions

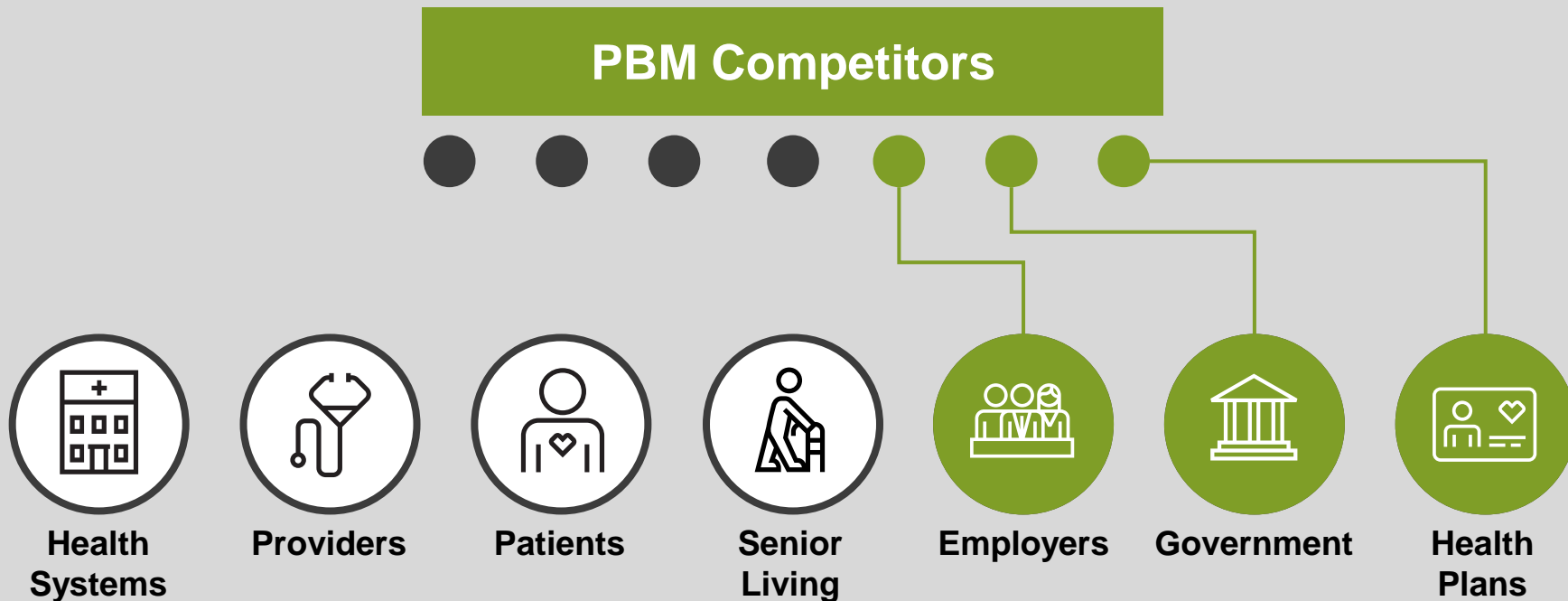


Traditional Competitor Touchpoints Are Limited

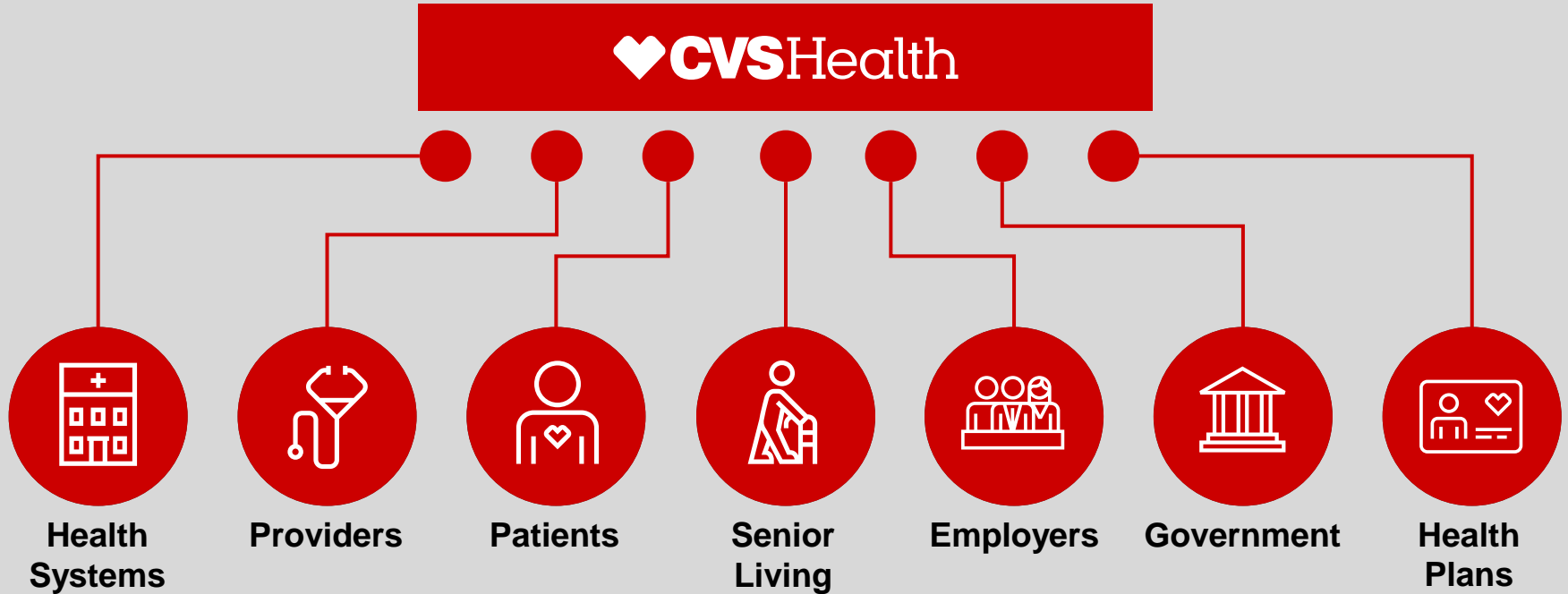




Traditional Competitor Touchpoints Are Limited



Our Suite of Assets Provides Touchpoints Across All Health Care Stakeholders



Our Competitive Advantage:

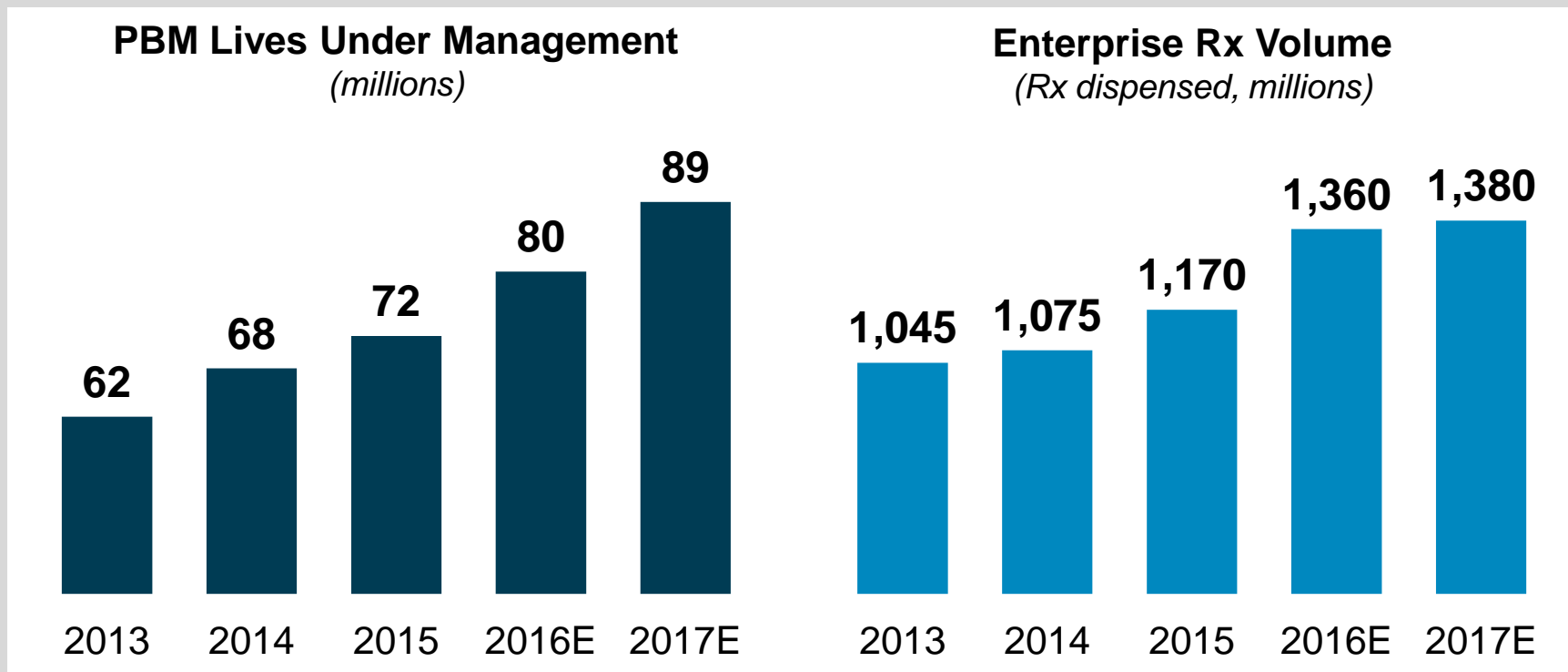
- ✓ **Premier company** with the ability to impact patients, payors and providers with innovative, channel-agnostic solutions
- ✓ **Deep clinical expertise and insights** enable us to help deliver superior outcomes at a lower cost
- ✓ **Unmatched CVS Pharmacy value proposition** for all payors
- ✓ **Broadest specialty capabilities** to holistically manage patients in growing market
- ✓ **Leading pharmacy provider in long-term care**, enabling broader patient reach across the care continuum
- ✓ **Site-of-care management capabilities** to move patients to more cost-effective sites
- ✓ **Largest retail clinic operator**, providing convenient, cost-effective care
- ✓ **Unparalleled scale** in the U.S. making us a low-cost provider

Continued Selling Season Success ...

More than **\$40 billion** in gross wins over past five years, with client retention of **96% to 97%**



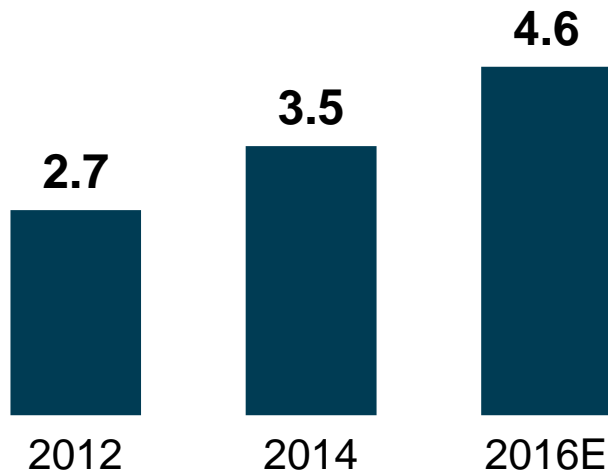
...Fueling Growth in PBM Lives and Enterprise Volume





Industry-Leading Pharmacy Benefit Manager

Pharmacy Services Operating Profit (\$, billions)



- CVS Caremark is the largest PBM in the U.S.
 - Nearly 1.4 billion managed claims
 - Nearly 30% share of PBM market
- Largest specialty pharmacy with more than \$50B in revenue
- Leadership position in Medicare Part D
 - SilverScript is the largest PDP with 5.6 million members
 - Also support Med D / MAPD offerings of more than 40 health plans

Suite of Capabilities Improving Health Care Affordability

Cost Management Solutions

Utilization Management



Site-Of-Care Management



Formulary Management



Medical Claims Editing



Network Strategies



Real-Time Surveillance



Generic Programs



Clinical Programs

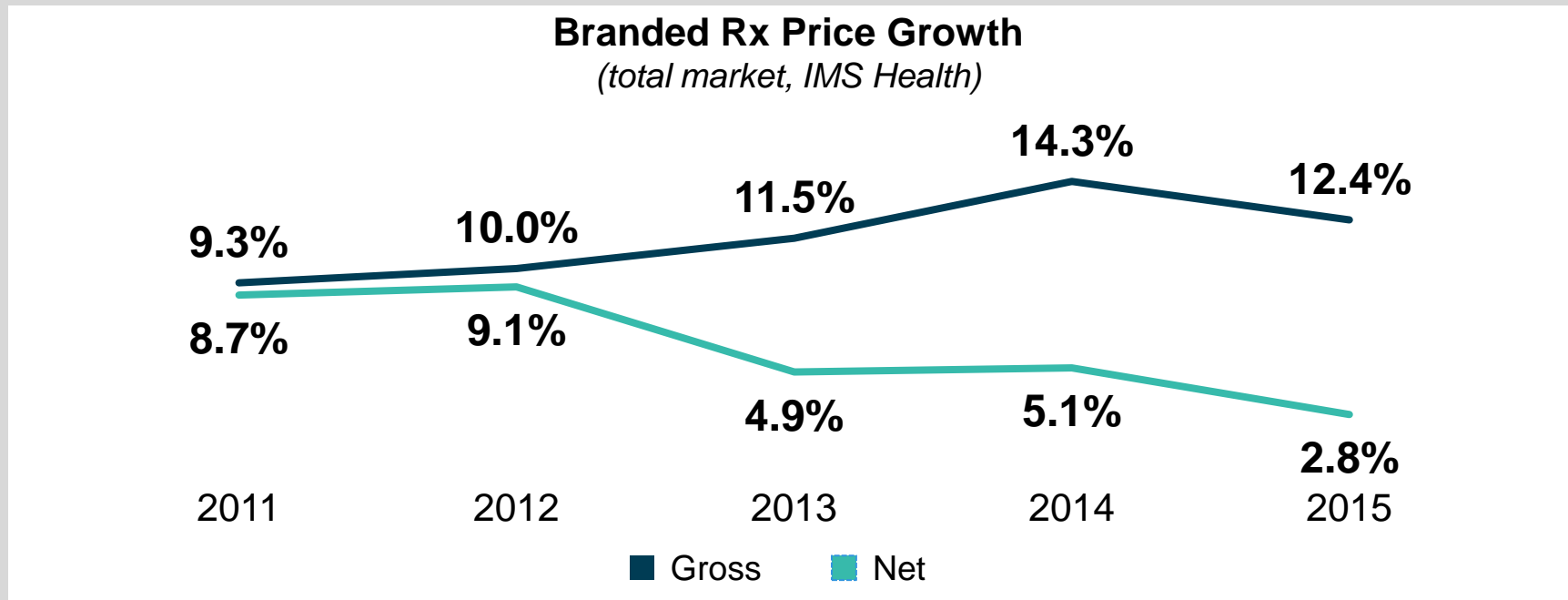


Cost management solutions have lowered client trend to

3.3%



Mitigated Branded Price Increases With Cost Management Solutions





Our Integrated Model Enables Us to Meet the Needs of the Increasingly Complex Specialty Market

	Patient			Payor		
	Adherence to All Drugs	Full Patient Management	Easy, Local Access	Price and Utilization Management	Medical Benefit Management	Site of Care Management
CVS Health						
"Pure Play" Specialty Pharmacy						
Retail Pharmacy						
PBM + Specialty						
Health Plan + PBM + Specialty						



Our Integrated Model Enables Us to Meet the Needs of the Increasingly Complex Specialty Market

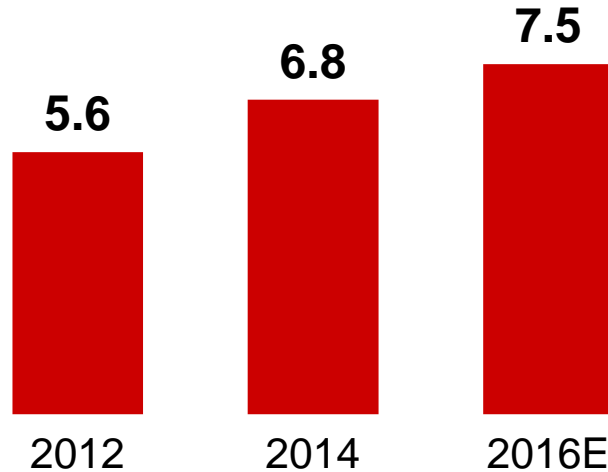
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CVSHealth						
"Pure Play" Specialty Pharmacy						
Retail Pharmacy						
PBM + Specialty						
Health Plan + PBM + Specialty						

We've captured ~40% of market growth since 2013

Industry-Leading Retail Pharmacy / Long-Term Care Business

Retail/LTC Operating Profit
(*\$, billions*)



- CVS Pharmacy is a leading retail pharmacy in the U.S.
 - 9,600 retail pharmacies across 49 states, Washington D.C., Puerto Rico and Brazil
 - 24% share of U.S. prescription market
- MinuteClinic is the largest walk-in medical clinic
- Omnicare is a leading pharmacy provider in the long-term care market

Continuing to Innovate in Our Patient Communications and Adherence Programs

Pharmacy Innovation Team Focuses on ...

Right Outreach



Right Patient



Right Medium



Right Time



... and Has Developed Dozens of Programs, Including:

ScriptSync

Mobile Rx Pickup

Insurance Card Texts

Rx Expiration Texts

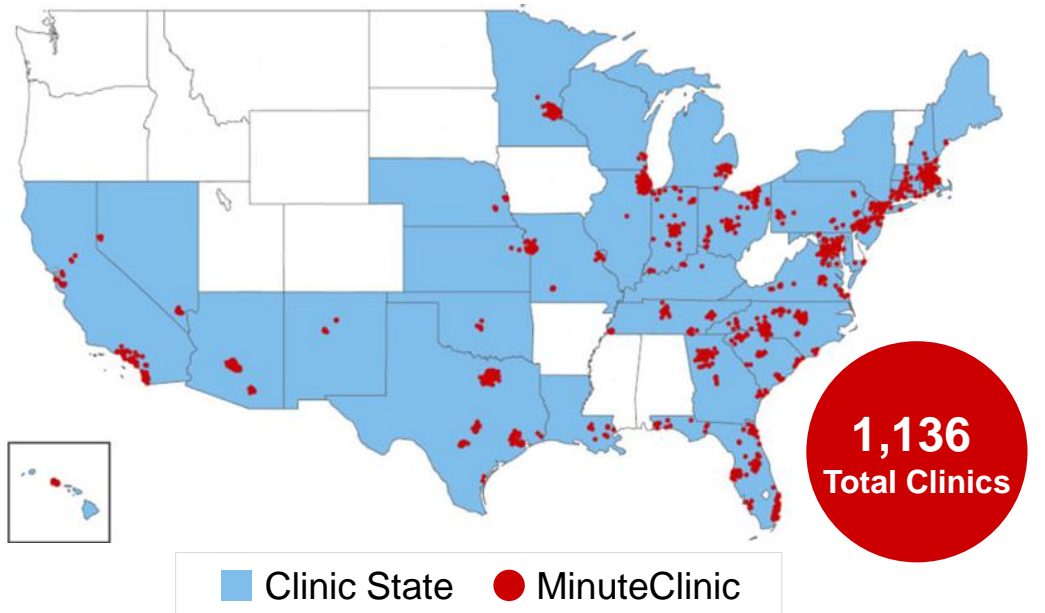
Mobile In-store Beacons

30- to 90-Day Switch Texts

We have a suite of personalized adherence tools to better deliver clinical programs

MinuteClinic Footprint Covers Most Populous U.S. Areas

- Fully integrated 79 Target clinic locations
- > 50% retail clinic market share
- Approximately three times larger footprint than closest competitor



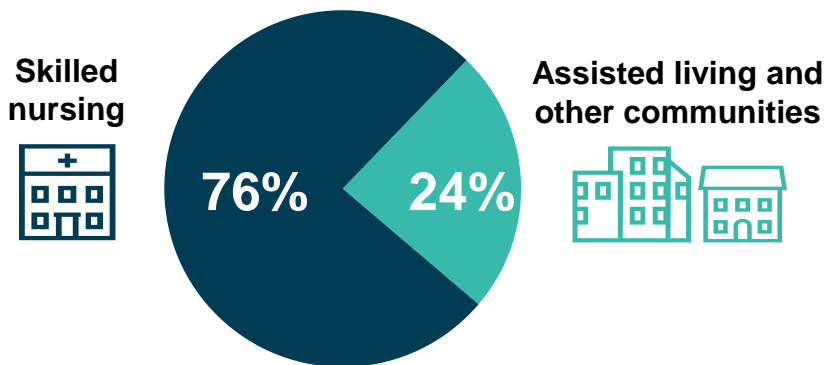
More than 50% of the U.S. population is within 10 miles of a MinuteClinic



Omnicare Has Significant Growth Opportunities

Omnicare

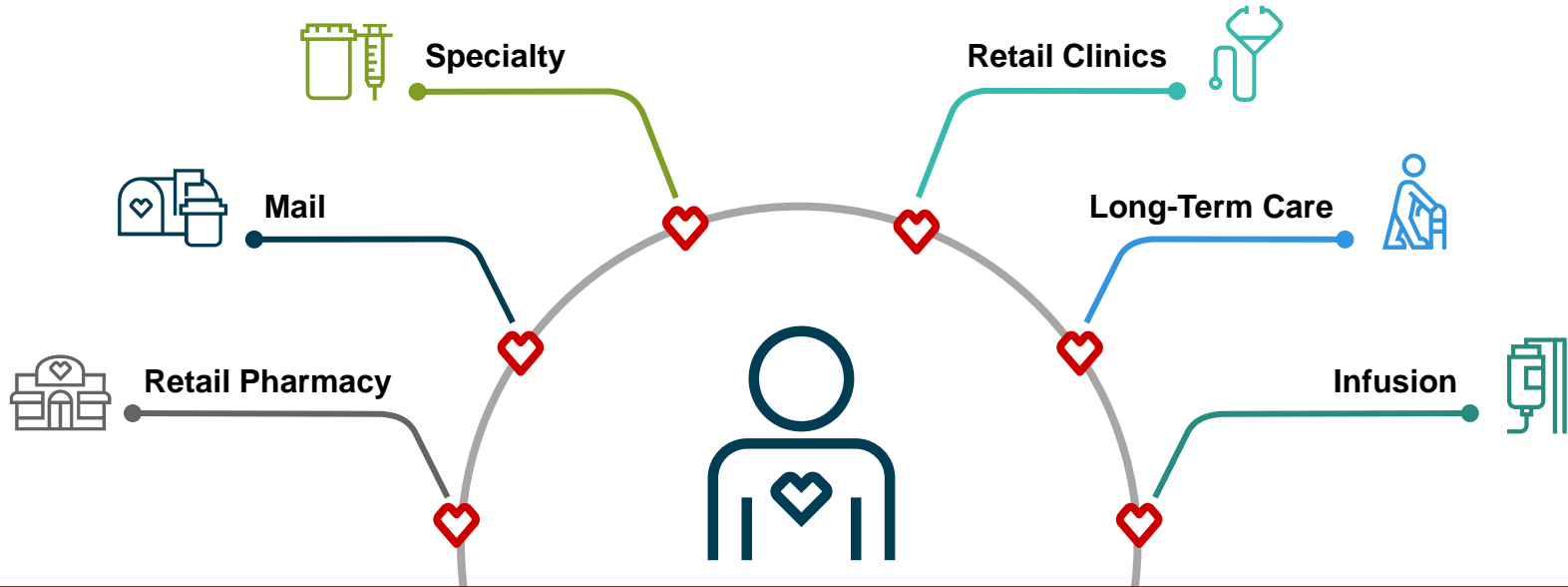
Share of Prescriptions (Oct 2016 YTD)



Opportunities

- Achieving operational excellence across Omnicare footprint
- Rolling out industry-leading transitions experiences
- Serving assisted living and independent living communities with new integrated capabilities

We Own the Last Mile of Care Through Our Unmatched Patient Touchpoints

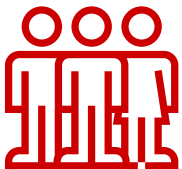


No matter the road, we can shape behavior and drive outcomes



Our Strategic Business Imperatives

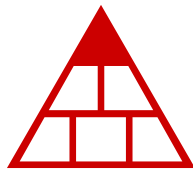
**Aggregate
Lives**



**Grow
Share**



**Execute
With
Excellence**



**Drive
Innovation**



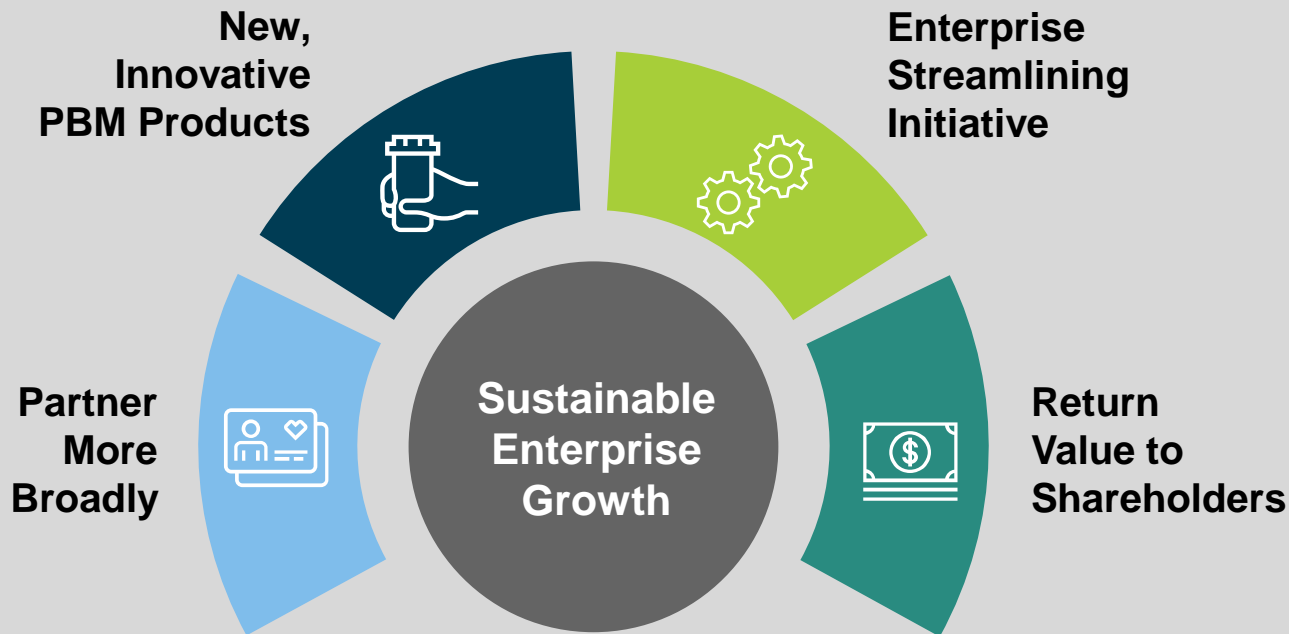
**Enterprise
Focus**



Actions to achieve growth may change, strategic imperatives remain



Actions to Capitalize on Market Dynamics



Actions to Capitalize on Market Dynamics Partner More Broadly



Key Actions

- Utilize full suite of enterprise capabilities to enhance CVS Pharmacy value proposition
 - Bundled service offerings
 - Will make us partner of choice
- Clinical capabilities a competitive edge in value-based care
- New strategic relationship with Optum





Actions to Capitalize on Market Dynamics

New, Innovative PBM Products



Key Actions

- Clinical solutions to support all stages of care
- Value-based contracting approaches
- New retail network strategies, including performance-based networks
- Maintenance Choice 3.0
- Ongoing innovations





Actions to Capitalize on Market Dynamics

Enterprise Streamlining Initiative



Key Actions

- Further improve productivity to solidify low cost provider status
- Three broad areas of focus:
 - Store rationalization
 - Enhance efficiency of corporate shared services
 - Optimize pharmacy delivery platform
- Expect to generate nearly \$3 billion in cumulative savings by 2021





Actions to Capitalize on Market Dynamics

Return Value to Shareholders



Key Actions

- Optimize use of capital to drive shareholder returns
- Continue to evaluate strategic opportunities to drive long-term growth
- Annual dividend increases
- Share repurchases





Steady State Enterprise Targets

	Long-Term Growth Targets
Net Revenue Growth	~11%
Operating Profit Growth	~6%
Preliminary Adjusted EPS Growth	~5%
Average Annual Cash Available for Enhancing Shareholder Value	~\$7 to \$8 billion
Share Repurchase Contribution	~5%
Final Adjusted EPS Growth	~10%





Today's Key Takeaways

Driving More Affordable, Accessible and Effective Care

Driving Outcomes and Savings

In an era of rising costs, we are the optimal partner to deliver savings and help improve outcomes for health care stakeholders

Providing the Front Door and the Last Mile

Pharmacy has the highest frequency of interaction and our unmatched patient touch points across the enterprise help shape behavior

Best Partner for PBMs and Health Plans

We can partner with all PBMs and health plans, leveraging our enterprise assets and capabilities to meet their individual needs

Integrated Pharmacy Care

Our exclusive programs are seamlessly integrated through our Health Engagement Engine, providing better member experience and results

Positioned for L-T Enterprise Growth

Maximize shareholder value with an enterprise mindset; generate strong cash flow and employ a disciplined approach to capital allocation



Endnotes

Slide 9

1. As of December 2, 2016.
2. Gross new business revenues exclude Medicare Part D SilverScript individual products.
3. Client retention rate is defined as: 1 less (estimated lost revenues from any known terminations in that selling season year plus annualization of any mid-year terminations, divided by estimated PBM revenues for that selling season year) expressed as a percentage. Both terminations and PBM revenues exclude Medicare Part D SilverScript individual products.

Slide 10

1. Enterprise dispensed Rx include prescriptions filled at CVS Pharmacy, mail order and specialty prescriptions filled at CVS Caremark, and prescriptions filled by our long-term care pharmacies.
2. All dispensed CVS retail and mail prescriptions include the adjustment to convert 90-day prescriptions to the equivalent of three 30-day prescriptions. This adjustment reflects the fact that these prescriptions include approximately three times the amount of product days supplied compared to a normal 30-day prescription.
3. Source: CVS Health internal analysis.

Slide 11

1. 2016E operating profit represents midpoint of guidance range.

Slide 12

1. Source: CVS Health internal data analysis.
2. Utilization trend based on internal commercial cohort (Health Plans and Employers).
3. Trend is reported net of rebates.



Endnotes

Slide 13

1. Source: IMS Institute for Healthcare Informatics, Medicines Use and Spending in the U.S., Chart 3.

Slide 15

1. Source for percent of market: CVS Health internal data analysis using data from National Health Expenditure, Drug Channels, and internal data.

Slide 16

1. 2016E operating profit represents midpoint of guidance range.

Slide 18

1. MinuteClinic count as of December 8, 2016.

Slide 19

1. Omnicare prescriptions year-to-date October, 2016. Source: CVS Health internal data analysis.

Slide 27

1. The Company has not provided a reconciliation of the long-term targets announced today to comparable GAAP measures, as the Company is unable to reasonably estimate the GAAP items excluded from the multi-year, long-term targets.