

FOR IMMEDIATE RELEASE
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**NEW PROSPECTIVE AUDITING SERVICE AVAILABLE FROM
MORGAN HEALTHCARE AUDITS, LLC**
New Service to Add 3% to 4% Quarterly Rx Spend Savings

HARRISBURG — Morgan Healthcare Audits announced today the rollout of a new service for Prospective Audits of Drug Claims. Unlike retrospective audits, money to be paid to the Pharmacy Benefit Manager (PBM) is withheld from payments for claims that are identified as having problems.

During testing, the prospective audit of drug claims resulted in a 3 to 5% savings (payments withheld) for each billing period of the 6-month trial period. At the end of each quarter, the data was reviewed for recoveries that can only be performed on a history database. These quarterly audits added an additional 3 to 4% of Rx Spend savings.

These percentages are based on pricing and other contract compliance audits. Business practice audits such as Invalid Prescriber on Controlled Drugs prescriptions, Zero Cost prescriptions, and Pharmacy Spreads increased the overall payment being withheld to about 10% of Rx Spend.

Morgan Healthcare Audits is preparing to team with companies that perform Prospective Healthcare Claim Audits. When drug and healthcare claims are combined for audit purposes additional savings will be realized in:

- Disease Management
 - Reduced Hospital Visits
 - Reduced Doctor Visits
 - Reduced payments for auxiliary illnesses due to improper drug utilization
- Eliminating payment for drugs with no corresponding diagnosis
- Fraud, Waste and Abuse savings
 - Eliminate payment for prescription from physicians never visited
 - Doctor Shopping
 - Duplicate Therapies (Multiple Physicians)
 - Payment for drugs while patient is in the hospital

To date we have already identified over 100 additional audits that can be performed when the data is combined. We expect that number grow as we move forward.