April 5, 2004

Dear Member:

In April 2003, Blue Cross Blue Shield of North Dakota (BCBSND) sent a letter indicating that BCBSND would no longer reimburse its members for prescription drugs and medications obtained from a foreign pharmacy and imported into the United States. The basis for this policy was determined, in part, on regulatory actions initiated by the Food and Drug Administration (FDA) related to stemming the importation of foreign prescription drugs and medications.

In a recent meeting between BCBSND and the FDA, the FDA clarified its position related to BCBSND's payment to members reimbursing them for foreign-bought prescriptions. As a result of this meeting, BCBSND will reimburse members for prescriptions obtained from foreign pharmacies, subject to the terms of your current benefit plan. This change is effective for prescriptions purchased on or after April 1, 2004.

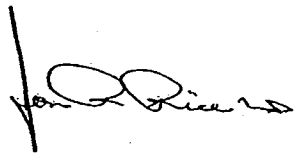
Thus, although BCBSND will reimburse members for prescriptions obtained outside of the United States, reimbursement in such cases may be limited by the place and manner in which the prescription drugs are obtained.

Also, please keep in mind that, even though BCBSND is reimbursing prescription drugs imported into the United States, BCBSND does not warrant or endorse the use, safety or effectiveness of such prescription drugs and medications. In fact, in most cases importing prescription drugs and medications into the United States from a foreign country violates federal and state law.

Similarly, foreign-source drugs purchased by or for individuals may be unapproved, labeled incorrectly and dispensed without a valid prescription. As a result, these prescription drugs may be counterfeit, contaminated, sub-potent or contain addictive or other dangerous substances. For more information, see "Imported Drugs" on the FDA's web site, www.fda.gov.

If you have questions, please call Member Services at the phone number on the back of your benefit plan identification card.

Sincerely,



Jon R. Rice, M.D.
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