McKesson, Magellan Health Launch Integrated Medical/Behavioral Health Care Management Program

AVON, Conn. & BROOMFIELD, Colo.--(BUSINESS WIRE)--Sept. 8, 2008--McKesson Health Solutions, a business unit of McKesson Corporation, and Magellan Health Services, Inc., a leading specialty health care management company, today announced that the companies have agreed to collaborate to offer a care management program that holistically manages both behavioral and medical conditions. The comprehensive solution targets health care payor organizations - health plans, employers and government agencies - serving the nation's most vulnerable populations, such as Medicaid beneficiaries and others served through public programs.

Under the program, McKesson and Magellan will jointly identify and pursue specific opportunities to market an integrated offering to their customers and to leverage their combined capabilities for the benefit of payors and consumers. For those customers who adopt this integrated approach, McKesson will provide medical care management services and Magellan will provide behavioral care management services on an integrated basis.

"It's common for 30 percent of total costs for individuals served in Medicaid programs to be driven by behavioral health issues," said Emad Rizk, M.D., president, McKesson Health Solutions. "By teaming with Magellan we can offer a combined care management program that will help to more effectively improve outcomes of participants."

The goal of the integrated offering is to help patients realize better clinical outcomes as a pathway to living healthier, happier and more productive lives. To achieve true integration, the program: (1) applies data analytics and clinical expertise for a better overall understanding of the medical and behavioral issues of the insured population; (2) rebuilds processes and supports providers by coordinating across multiple medical and behavioral health care touch points; and (3) provides a highly skilled multidisciplinary team to support the individual patient in achieving the best possible health care outcome.

"Magellan and McKesson each bring recognized expertise to the complex interplay of the mind and the body," said Russell C. Petrella, Ph.D., president of behavioral health for Magellan. "Together we bring a powerful medical and behavioral knowledge base, decision-making tools, and networks of qualified providers to help patients in need while addressing the demand for well-coordinated care across the mind/body health care spectrum."

By managing both behavioral and medical conditions, McKesson and Magellan can help payors:

- Improve clinical outcomes of chronic and other conditions through effective management of co-occurring medical and behavioral health issues;
- Improve quality of life for participants through resolution of behavioral issues that impede optimal health management;
- Reduce care costs through fully integrated care management services that address underlying cost drivers;
- Improve care coordination and continuity across behavioral and medical care management strategies; and
- Offer better services while achieving a significant return for their investment.

About McKesson Corporation: McKesson Corporation, currently ranked 18th on the FORTUNE 500, is a health care services and information technology company dedicated to helping its customers deliver high-quality health care by reducing costs, streamlining processes, and improving the quality and safety of patient care. McKesson is the longest operating company in health care today, and marks 175 years of continuous operations in 2008. Over the course of its history, McKesson has grown by providing pharmaceutical and medical-surgical supply management across the spectrum of care; health care information technology for hospitals, physicians, homecare and payors; hospital and retail pharmacy automation; and services for manufacturers and payors designed to improve outcomes for patients. For more information, visit www.mckesson.com.

About Magellan Health Services: Headquartered in Avon, Conn., Magellan Health Services, Inc. (Nasdaq:MGLN) is a leading specialty health care management organization operating in three primary lines of business - behavioral health care, diagnostic imaging and specialty pharmaceuticals. Its customers include health plans, corporations and government payors. For more
information, visit MagellanHealth.com.

CONTACT: Magellan
Erin Somers, 410-953-2405
or
McKesson
Jordan Gruener, 303-664-6410

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