



WALMART, LOWE'S AND PACIFIC BUSINESS GROUP ON HEALTH ANNOUNCE A FIRST OF ITS KIND NATIONAL EMPLOYERS CENTERS OF EXCELLENCE NETWORK

Innovative program to provide quality care for hip and knee replacement surgeries at no cost to employees

SAN FRANCISCO, Calif., Oct. 8, 2013 – Focusing on improving the medical care their employees receive while reducing costs to employees, Walmart, Lowe's and other large employers joined the Pacific Business Group on Health Negotiating Alliance (PBGH-NA) to launch a national Employers Centers of Excellence Network (ECEN) that will offer no-cost knee and hip replacement surgeries for employees at four hospital systems in the United States.

"These companies are working to help make sure that their employees get higher quality care and incur lower costs," said David Lansky, president and chief executive officer of PBGH. "The Employers Centers of Excellence Network is designed to serve as a model for delivering high quality health care with transparent and predictable costs."

The four designated center of excellence health care organizations include Johns Hopkins Bayview Medical Center in Baltimore, Md.; Kaiser Permanente Orange County Irvine Medical Center in Irvine, Calif.; Mercy Hospital in Springfield, Mo.; and Virginia Mason Medical Center in Seattle, Wash.

PBGH, working with healthcare management company Health Design Plus, will oversee the new national Employers Centers of Excellence Network, which will include treatment for knee and hip replacement surgeries for the more than 1.5 million employees and their dependents enrolled in Walmart's, Lowe's and other large employer's medical plans. Employees will receive consultations and care covered at 100 percent without deductible or coinsurance, plus travel, lodging and living expenses for the patient and a caregiver. Patients must be healthy enough to travel for the surgeries. The program is voluntary and employees or their covered dependents can still choose to receive care from local providers and incur routine costs.

"This national program is about providing our associates with exceptional care and reducing their medical costs so that they pay nothing out of pocket when they use one of the designated facilities," said Sally Welborn, senior vice president of global benefits at Walmart. "Each of these providers has a proven record of practicing evidence-based medicine with above average positive patient outcomes in knee and hip replacement procedures."

"Under this program, employees and their dependents covered under Lowe's medical plan have access to medical care at renowned medical facilities at no cost," said Randy Moon, Lowe's vice president of international human resources, benefits and human resources information systems. "This is especially important for our employees who live in areas underserved by high quality health care providers. The four health care centers are located throughout the U.S., making it easier for employees who wish to use this benefit to travel."

The national Employers Centers of Excellence Network complements Centers of Excellence programs that Walmart and Lowe's have and will continue to offer separately from the alliance with PBGH-NA.

In 2013, Walmart expanded its long-standing program covering transplants at the Mayo Clinic to also include treatment for certain heart and spine surgeries at five leading hospital and health systems in the U.S., including ECEN providers Virginia Mason and Mercy Springfield, for associates and their covered dependents enrolled in medical plans.

In 2010, Lowe's began an alliance with Cleveland Clinic in Cleveland, Ohio, to provide its full-time employees and their covered dependents enrolled in the company's self-funded medical plans enhanced benefits coverage for qualifying heart surgery procedures.

Quotes from Employers Centers of Excellence Network Hospital and Health Systems:

Johns Hopkins Bayview Medical Center

"We are very pleased to work with PBGH to provide excellent, patient-centered care for employees covered under this agreement who are seeking hip and knee replacements," says Patricia M.C. Brown, president of Johns Hopkins HealthCare LLC, the managed care arm of Johns Hopkins Medicine. "The joint replacement team at Johns Hopkins Bayview Medical Center provides the highest quality of care for primary, complex and revision surgeries using the latest technology and best practices, which should enable employees to recover and return to work as soon as possible."

Mercy Hospital Springfield

"Mercy Hospital Springfield remains committed to delivering high quality of care and excellent patient experience at the lowest cost. We are pleased to be included as a PBGH Surgery Center of Excellence," said Robert Steele, M.D., President, Mercy Hospital Springfield Communities.

Virginia Mason Medical Center

"We are honored to serve employees of Walmart and Lowe's as a Center of Excellence for hip and knee replacement procedures," said Virginia Mason Chairman and CEO Gary S. Kaplan, MD. "At Virginia Mason, we focus on providing high value outcomes and the lowest possible cost. We provide all the appropriate care patients need, at the right time, in the right place, by the right people and in the right way."

Kaiser Permanente Orange County Irvine Medical Center

"We are delighted that Kaiser Permanente has been selected by the Pacific Business Group on Health as one of four leading health care institutions in the United States chosen for providing excellence in quality, service and affordability in the performance of joint replacements," said Edward Ellison, MD, executive medical director, Southern California Permanente Medical Group. "We look forward to the opportunity of providing our expert medical care to even more people at some of the largest employers in America."

About Pacific Business Group Health

PBGH is a non-profit business coalition focused on improving the quality and affordability of health care. The group represents 60 large health care purchaser members with more than 3 million employees, retirees and dependents in California. The Pacific Business Group on Health Negotiating Alliance is a mutual benefit corporation created to promote value-based purchasing. The PBGH-NA Employers Centers of Excellence Network worked with this multi-employer collaborative committed to securing the best possible healthcare for their employees by partnering with high performing clinical providers to create the Employers Centers of Excellence Network.

About Walmart

Wal-Mart Stores, Inc. (NYSE: WMT) helps people around the world save money and live better – anytime and anywhere – in retail stores, online and through their mobile devices. Each week, more than 245 million customers and members visit our more than 10,955 stores under 69 banners in 27 countries and e-commerce websites in 10 countries. With fiscal year 2013 sales of approximately \$466 billion, Walmart employs more than 2.2 million associates worldwide. Walmart continues to be a leader in sustainability, corporate philanthropy and employment opportunity. Additional information about Walmart can be found by visiting www.corporate.walmart.com.

About Lowe's

With fiscal year 2012 sales of \$50.5 billion, Lowe's Companies, Inc. is a FORTUNE® 100 company that serves approximately 15 million customers a week at more than 1,825 home improvement and hardware stores in the United States, Canada and Mexico. Founded in 1946 and based in Mooresville, N.C., Lowe's is the second-largest home improvement retailer in the world. For more information, visit Lowe.com.

About Johns Hopkins Bayview Medical Center, Baltimore, MD

Johns Hopkins Bayview Medical Center specializes in a variety of joint replacement procedures, including the most complex surgeries. Its multidisciplinary team focuses on patient safety and provides the highest quality of care for primary, complex and revision surgeries using the latest technology and best practices.

Johns Hopkins Bayview is an integral part of Johns Hopkins Medicine, a \$6.5 billion integrated global health enterprise based in Baltimore, Md., that is one of the leading health care systems in the United States. The Johns Hopkins Hospital, ranked #1 in the nation by U.S. News & World Report in its 2013 Best Hospitals survey, is the only hospital in history to have been ranked #1 for 21 consecutive years.

About Mercy Hospital Springfield, Springfield, MO

Mercy Hospital Springfield is a 914-bed referral center, with more than 500,000 patient visits and 31,000 surgical procedures each year. Modern Healthcare magazine has awarded it the nation's top integrated health care system. Ranked by Consumer Reports as one of the safest hospitals in the country, Mercy recently opened a state-of-the-art 48-bed hospital that is dedicated to providing superior orthopedic care and service.

It is part of Mercy, which is the sixth largest Catholic health care system in the U.S. and serves more than 3 million people annually. Mercy includes 32 hospitals, nearly 300 outpatient facilities, 39,000 co-workers and 1,900 integrated physicians in Arkansas, Kansas, Missouri and Oklahoma. For more about Mercy, visit www.mercy.net.

About Virginia Mason Medical Center, Seattle, WA

Virginia Mason, founded in 1920, has been named one of the nation's Top Hospitals for seven consecutive years by the Leapfrog Group. In 2010, Virginia Mason was designated as a Top Hospital of the Decade by Leapfrog, and was one of only two hospitals in the nation to receive that honor. Also, Virginia Mason has received the Distinguished Hospital Award for Clinical Excellence™ from Healthgrades for three consecutive years, placing it among the top 5 percent of hospitals nationwide for clinical performance. Virginia Mason was the first in the U.S. to adapt the philosophy and lean principles of the Toyota Production System for eliminating waste in health care, improving quality of care and patient safety, and lowering cost.

About Kaiser Permanente Orange County Irvine Medical Center, Irvine, CA

Kaiser Permanente is recognized as one of America's leading health care providers and not-for-profit health plans. A part of the company's 37 hospitals, the Kaiser Permanente Orange County Irvine Medical Center has been featured in Harvard Business Review for innovative work in the area of total joint replacements. Kaiser Permanente's mission is to provide high-quality, affordable health care services and to improve the health of its members and communities. Kaiser Permanente experts and medical teams are empowered by industry-leading technology advances and tools for health promotion, disease prevention, state-of-the-art care delivery, and world-class chronic disease management. Kaiser Permanente is dedicated to care innovations, clinical research, health education and the support of community health. For more information, go to kp.org/share.

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