

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION

In re ACCREDO HEALTH, INC.
SECURITIES LITIGATION

Case No. 03-CV-2216-BBD

CLASS ACTION

This Document Relates To:
ALL ACTIONS.

NOTICE OF PENDENCY OF CLASS ACTION

**TO: ALL PERSONS AND ENTITIES WHO ACQUIRED ACCREDO HEALTH, INC. SECURITIES ON THE OPEN MARKET BETWEEN JUNE 16, 2002 AND APRIL 7, 2003.
PLEASE READ THIS NOTICE CAREFULLY
YOUR RIGHTS MAY BE AFFECTED BY A CLASS ACTION LAWSUIT PENDING IN THIS COURT.**

THE PURPOSE OF THIS NOTICE IS TO INFORM YOU OF THIS LAWSUIT SO THAT YOU CAN DECIDE WHETHER YOU SHOULD CHOOSE TO PARTICIPATE IN THIS CLASS ACTION OR TO EXCLUDE YOURSELF FROM IT AT THIS TIME.

A Federal Court Authorized This Notice – This Is Not A Solicitation From A Lawyer

This notice is not an expression by the Court of any opinion as to the merits of any of the claims or defenses asserted by either side in this case. There is no assurance that a judgment in favor of the Class will be granted. This notice is intended merely to advise you of the pendency of the action and of your rights with respect to it, including the right to remain a member of the Class or to exclude yourself from the Class.

Additional copies of this notice may be found at the websites of Lead Counsel or the Class Administrator at:

www.blbgllaw.com or www.csgr.com or www.gilardi.com

1. Why Should I Read This Notice?

A plaintiff class (the "Class") has been certified by the Court in this case consisting of all persons and entities who acquired Accredo Health, Inc. ("Accredo" or the "Company") securities on the open market between June 16, 2002 and April 7, 2003 (the "Class Period"). Excluded from the Class are: the defendants named in the Consolidated Complaint For Violations Of The Federal Securities Laws ("Complaint"); members of the families of each of the Individual Defendants; any parent, subsidiary, affiliate, partner, officer, executive or director of any defendant; any entity in which any such excluded person has a controlling interest; and the legal representatives heirs, successors and assigns of any such excluded person or entity.

If you or someone acting on your behalf purchased Accredo securities during the Class Period, you are or may become a member of that Class. You may be entitled to participate in any benefits that may eventually be obtained for the Class as a result of this lawsuit.

This Notice provides a summary of the lawsuit, describes who is eligible to be included in the Class and the effect of participating in this class action, and explains how to request exclusion from the Class.

2. What Is This Lawsuit About?

This is a securities class action (the "Action") against Accredo, former CEO David D. Stevens, and former CFO Joel R. Kimbrough (collectively "Defendants") for alleged violations of the federal securities laws. During the Class Period, Accredo's common stock traded on the NASDAQ National Market under the symbol "ACDO."

During the Class Period, Accredo was a provider of specialized pharmacy, clinical, reimbursement and delivery services. On June 16, 2002, Accredo publicly announced that it had purchased the Specialty Pharmaceutical Services Division ("SPS") on June 13, 2002, an acquisition that would significantly increase its market share. Plaintiffs allege that Defendants failed to disclose that they knew, or recklessly disregarded, that the accounts receivable loss reserves relating to SPS were materially understated during the Class Period. On April 8, 2003, Accredo publicly announced that it was "examining the adequacy" of the SPS reserves and that it was revising its previously announced earnings estimates for the fiscal year ended June 30, 2003. Following the announcement, Accredo's stock price dropped 44%, from \$25.40 to \$11.11. On May 5, 2003, in conjunction with the filing of its Form 10-Q for the period ended March 31, 2003, Accredo

announced that it was recording a \$58.5 million bad debt charge to increase the reserves associated with the SPS accounts receivable reserves.

On June 30, 2004, the Court appointed the Louisiana School Employees' Retirement System ("LSERS") and Debra Swiman ("Swiman") as co-lead plaintiffs for the Class ("Lead Plaintiffs"). On April 11, 2005, the Court denied Defendants' motion to dismiss the Complaint and on April 19, 2006, the Court entered an order certifying the Class and appointing LSERS and Swiman as Class Representatives. Defendants have denied the allegations asserted against them and have asserted affirmative defenses. The Court has made no rulings on the merits of Lead Plaintiffs' allegations or on the denials and defenses made by Defendants. Litigation is ongoing, and trial is set for October 20, 2008.

Please be aware that this Notice does not describe all of the claims and contentions of the parties. The pleadings and other records in the Action may be examined and copied at any time during the regular office hours at the Office of the Clerk, United States District Court, Western District of Tennessee, 167 N. Main Street, Memphis, TN 38103, Case No. 03-2216-BBD-tmp.

3. Who Is A Class Member?

A. The Certified Class.

On April 19, 2006, the Court certified the Class. The following are members of the Class:

All persons and entities who acquired Accredo securities on the open market between June 16, 2002 and April 7, 2003. Excluded from the Class are: the defendants named in the Complaint; members of the families of each of the Individual Defendants; any parent, subsidiary, affiliate, partner, officer, executive or director of any defendant; any entity in which any such excluded person has a controlling interest; and the legal representatives heirs, successors and assigns of any such excluded person or entity.

B. The Effect Of Membership In The Class.

Persons or entities who come within the definition of class membership and do not exclude themselves from the Class may be bound by the results of this litigation and may be eligible to participate in any benefit that may be obtained for Class members as a result of this litigation.

Lead Plaintiffs seek monetary damages on behalf of themselves and all other plaintiffs and members of the Class. The amount of monetary damages, if any, will be determined at trial. You may be required to submit a claim form at a later date along with proof of your membership in the Class (documents evidencing ownership of Accredo securities during the Class Period). There is no assurance that you will obtain any benefit from participation in the class action.

4. How Do I Contact The Class Administrator?

The Class Administrator is Gilardi & Co. LLC, and may be contacted at *In re Accredo Health, Inc. Sec. Litig., c/o Gilardi & Co. LLC*, P.O. Box 8040, San Rafael, CA 94912-8040 or at 1-877-458-3691.

5. Who Represents The Class?

The Court appointed the law firms of Bernstein Litowitz Berger & Grossmann LLP and Coughlin Stoia Geller Rudman & Robbins LLP as Lead Counsel for the Class. Information may be obtained from these attorneys concerning any matter contained in this Notice:

BERNSTEIN LITOWITZ BERGER
& GROSSMANN LLP
Timothy A. DeLange, Esq.
12481 High Bluff Drive, Suite 300
San Diego, California 92130
(858) 793-0070
www.blbglaw.com

COUGHLIN STOIA GELLER RUDMAN
& ROBBINS LLP
Tor Gronborg, Esq.
655 West Broadway, Suite 1900
San Diego, CA 92101
(619) 231-1058
www.csgr.com

6. What Are My Rights And Options?

You may choose to exclude yourself from the Action at this time. In order to be valid, your request for exclusion must (i) set forth the name and address of the person or entity requesting exclusion; (ii) state that such person or entity requests exclusion from the Class in the Action; (iii) identify all of your transactions in Accredo securities during the Class Period; (iv) be signed and dated by such person or entity; and (v) be postmarked on or before September 2, 2008.

Exclusion requests should be sent to:

In re Accredo Health Securities. Litigation
EXCLUSIONS
c/o Gilardi & Co. LLC
P.O. Box 5100
Larkspur, CA 94977-5100

Do not request exclusion if you wish to participate in this lawsuit as a member of the Class. If you exclude yourself, you will not be affected by any decisions in this action, and you will not be entitled to share in any potential recovery in this action. If you intend to bring your own lawsuit against the Defendants, you should exclude yourself from the Class.

If you do not request exclusion from the Class, you will be considered a member of the Class until there is further action of the Court. If you do not request exclusion, eventually you may be bound by the results of this litigation and you will not be able to pursue your own individual legal action against the Defendants based upon the claims asserted in the Action. As a Class member, you will be represented by Lead Plaintiffs' counsel and will not be charged a fee for these services. Rather, counsel will be paid some portion of whatever money might ultimately be recovered for you and other Class members, and as allowed by the Court. If you want to be represented by your own lawyer, you may hire one at your own expense.

Please do not contact the Court for information in regard to this lawsuit. If you want additional information about the lawsuit, you may contact the Class administrator or Class counsel or their agents at www.blbglaw.com, www.csgr.com, or www.gilardi.com.

DATED: July 18, 2008

BY ORDER OF THE COURT
HONORABLE BERNICE B. DONALD
UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TENNESSEE

In re Accredo Health, Inc. Securities Litigation
c/o Gilardi & Co. LLC
P.O. Box 8040
San Rafael, CA 94912-8040

Important Legal Document

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