

Thomas S. Moffatt
Vice President, Asst. Secretary &
Asst. General Counsel

One CVS Drive
MC 1160
Woonsocket, RI 02895

p 401-770-5409
f 401-216-3758

thomas.moffatt@cvshealth.com

January 5, 2015

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, NE
Washington, DC 20549
(Via e-mail: shareholderproposals@sec.gov)

Dear Sir or Madam:

On behalf of CVS Health Corporation, a Delaware corporation (the “Company” or “CVS Health”), and in accordance with Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended, I am filing this letter with respect to the shareholder proposal and supporting statement submitted by The National Center for Public Policy Research (the “Proponent”) by letter dated November 26, 2014 (the “Proposal”) for inclusion in the proxy materials that CVS Health intends to distribute in connection with its 2015 Annual Meeting of Shareholders (the “2015 Proxy Materials”). A copy of the Proposal and all related correspondence with the Proponent are attached as Exhibit A. I hereby request confirmation that the staff of the Office of Chief Counsel (the “Staff”) will not recommend any enforcement action if, in reliance on Rule 14a-8, CVS Health omits the Proposal from its 2015 Proxy Materials.

Pursuant to Rule 14a-8(j), this letter is being filed with the Commission no later than 80 days before CVS Health files its definitive 2015 Proxy Materials. Pursuant to Staff Legal Bulletin No. 14D (CF), *Shareholder Proposals* (Nov. 7, 2008) question C, I have submitted this letter to the Commission via e-mail to shareholderproposals@sec.gov.

Rule 14a-8(k) and Section E of SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence the Proponent elects to submit to the Commission or the staff of the Division of Corporation Finance (the “Staff”). Accordingly, I am taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to this Proposal, a copy of that correspondence should be furnished concurrently to the Company.

Pursuant to Rule 14a-8(j), a copy of this submission is being sent simultaneously to the Proponent as notification of the Company’s intention to omit the Proposal from its 2015 Proxy Materials. This letter constitutes the Company’s statement of the reasons that it deems the omission of the Proposal to be proper.

The Proposal

The Proposal states:

“**Resolved**, the proponent requests that CVS Health amend its equal employment opportunity policy (or equivalent policy) to explicitly prohibit discrimination based on political ideology, affiliation or activity, and to substantially implement the policy.

Such principles, should the Board of Directors at its discretion choose to adopt them, may stand alone or explicitly be incorporated into other protections already granted under current Company policies, as the Board of Directors and Company management sees fit.”

Statement of Reasons to Exclude

The Company believes that the Proposal may be properly excluded from the 2015 Proxy Materials under both Rule 14a-8(i)(7) and Rule 14a-8(i)(10) because it implicates the Company’s ordinary business operations and because the Company has already substantially implemented the Proposal.

First, pursuant to Rule 14a-8(i)(7), the Proposal is excludable because it implicates the Company’s ordinary business operations by (1) affecting the day-to-day management of the Company’s workforce and (2) micro-managing the Company by interfering with employee policies and the extensive analysis of business and legal risks attendant to the adoption of those policies. Second, pursuant to Rule 14a-8(i)(10), the Proposal is excludable because the Company’s management has already enacted policies regarding employee’s non-work related political activities in its Code of Conduct and the Proposal is a superfluous addition to the existing policies.

I hereby respectfully request that the Staff concur in the Company’s view that the Proposal may be excluded from the 2015 Proxy Materials pursuant to Rule 14a-8(i)(7) and Rule 14a-8(i)(10).

The Proposal May be Excluded Pursuant to Rule 14a-8(i)(7) Because the Proposal Involves Matters that Relate to the Ordinary Business Operations of the Company.

Under Rule 14a-8(i)(7), a shareholder proposal may be excluded from a company’s proxy materials if the proposal “deals with matters relating to the company’s ordinary business operations.” Under the Exchange Act Release No. 40018 (May 21, 1998) (the “Release”), “ordinary business” refers to matters that are “rooted in the corporate law concept providing management with flexibility in directing certain core matters involving the company’s business and operations.” In the Release, the Commission articulated two main considerations that underlie the ordinary business exclusion. The first recognizes that there are certain tasks that are “so fundamental to management’s ability to run a company on a day to day basis” that they cannot be subject to direct shareholder oversight. The second consideration relates to the degree to which the proposal seeks to “micro-manage” the company by probing too deeply into matters

of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.

I. The Proposal May Be Excluded Under 14a-8(i)(7) as the Proposal Seeks to Affect the Day-to-Day Management of the Company.

Shareholder proposals that concern the relations between a company and its employees are excludable under Rule 14a-8(i)(7) because they affect the day-to-day management of a company's operations. *Bank of America* (Feb. 14, 2012). A company's relationship with its employees rests at the heart of conducting ordinary business operations. When a shareholder proposal seeks to infringe upon the relationship between a company's management and its employees, it is interfering with the management's right to conduct its routine business practices and, consequently, is excludable at the management's discretion. *See e.g., Bank of America* (Feb. 14, 2012) (concurring in the exclusion of a proposal seeking to protect employee expression outside of the workplace); *Donaldson Company, Inc.* (Sept. 13, 2006) (concurring in the exclusion of a proposal regarding the establishment of appropriate ethical standards related to employee relations); *American Brands, Inc.* (Feb. 3, 1993) (concurring in the exclusion of a proposal regarding the work environment, employees and smoking).

For example, in *The Walt Disney Corporation* (Oct. 21, 2014) ("*Disney*"), a recent no action letter, the Commission granted the exclusion of a shareholder proposal that sought to modify a company's antidiscrimination policies to protect employee participation in political processes and activities. The Commission found that policies regarding political participation form part of a company's relationship with its employees. *Id.* Hence, the Commission reasoned that the company had the requisite authority pursuant to Rule 14a-8(i)(7) to exclude the proposal because the company's relationship with its employees is a component of ordinary management of business operations. *Id.*

Here, analogous to the shareholder proposal in *Disney*, the Proposal seeks to modify the Company's antidiscrimination policies by prohibiting discrimination based on participation in political activities or political ideology. Moreover, like in *Disney*, the Proposal sets out to change the relationship between management and employees by requiring a change in how management interacts with employees. Accordingly, the Commission's reasoning in *Disney*, namely that a proposal seeking to protect against discrimination based on political participation affects a company's management of business operations by involving the relationship of employees and management, is applicable to the Proposal to CVS Health and, thus, pursuant to Rule 14a-8(i)(7), is excludable.

II. The Proposal May Be Excluded Under 14a-8(i)(7) as the Proposal Seeks to Micro-manage CVS Health's Business Operations.

Certain tasks are so essential to management's ability to run a business that they could not, as a practical matter, be subject to the direct oversight of shareholders. *Exchange Act Release No. 40018* (May 21, 1998). When proposals seek to probe too deeply into complex matters for which

shareholders, as a group, would not be in a position to make an informed judgment, the proposals are micro-managing the company and, therefore, are excludable pursuant to Rule 14a-8(i)(7). *Id.*

For example, in *Costco Wholesale Corporation* (September 26, 2014), the Commission found that a shareholder proposal was excludable when it requested that the board of directors adopt an antidiscrimination policy to protect the employee's rights to engage in political processes. The proposal sought to change the company's code of ethics and other policies. The Commission reasoned that the proposal related to the conduct of routine business operations under Rule 14a-8(i)(7) because it involved the relationship between employees and management, a matter beyond the purview of shareholders.

In the case of CVS Health, the Proposal is almost identical to the Proposal made in *Costco* because it seeks to amend the Company's antidiscrimination policy to protect employee engagement in political processes. CVS Health maintains an array of workplace policies and personnel procedures, covering a wide range of topics from vacation accrual and wages to discrimination and harassment. The fact that the Company's workplace policies seek to manage the workplace, employee relations, and the Company's political advocacy activities is indicative of the fundamental nature of those activities to management's ability to run the business. Thus, analogous to *Costco*, the Proposal seeks to probe excessively into the relationship between the Company's management and its employees, a matter too complex for shareholders to decide and which would inevitably result in the micro-management of the Company. Longstanding precedent has established that the relationship between employees and management is a matter beyond the purview of shareholders, which if directly subjected to shareholder proposals would result in the micro-management of a company.

For these reasons, the Company respectfully submits that the Proposal may be excluded pursuant to Rule 14a-8(i)(7).

The Proposal May be Excluded Pursuant to Rule 14a-8(i)(10) Because the Proposal Has Already Been Substantially Implemented by the Company.

Under 14a-8(i)(10), a shareholder proposal may be excluded from a company's proxy materials when the company's management has already substantially implemented the proposal. The Staff has stated that "a determination that the company has substantially implemented the proposal depends upon whether [the company's] particular policies, practices and procedures compare favorably with the guidelines of the proposal." *Texaco, Inc.* (March 28, 1991). Substantial implementation requires satisfactory compliance with both the proposal's underlying concerns and its essential objective. *See Id.*

The CVS Code of Conduct (the "Code of Conduct"), the relevant portion of which is attached hereto as Exhibit B, "encourages colleagues to support political candidates or causes of their choice." Furthermore, the Code of Conduct explicitly forbids employees from pressuring each other into joining or supporting political groups or candidates. Additionally, the Company's

policy regarding Employees' Personal Political Activities and FAQ (the "Political Participation Policy"), the relevant portion of which is attached hereto as Exhibit C, states that "CVS [Health] Employees are free to engage in personal volunteer Political Activity in their individual capacities. No CVS [Health] Employee is required to engage in such activity, and no Employee will be advantaged or disadvantaged in their employment based on his or her decision to engage or not to engage in personal Political Activity."¹ Thus, the policy already explicitly protects the kind of conduct that the Proposal attempts to protect, rendering the implementation of the Proposal unnecessary.

Accordingly, the Company's current policies substantially conform to both the underlying concern and essential objective of the Proposal because they encourage political activism and participation in government while also discouraging political discrimination. Any modification to its policies would be superfluous because the Company's Code of Conduct and Political Participation Policy already adheres to the underlying goal of the Proposal by protecting political participation of employees, and the Proposal should be excluded pursuant to Rule 14a-8(i)(10).

The Company's policy in the Code of Conduct contains no provision that prohibits employees from participating in the government, directly or through freely chosen representatives. The company's policies are not only devoid of such prohibitions, they actively "encourage" employees to participate in government. CVS Health has already actively considered the underlying concerns addressed by the Proposal, and has enacted policies that it believes adequately protect political freedom of speech while promoting a stable and productive employee work culture.

For these reasons, the Company respectfully submits that the Proposal may be excluded pursuant to Rule 14a-8(i)(10).

* * *

¹ As defined in the Political Participation Policy, "**Political Activity** includes any activity undertaken in an effort to influence the outcome of a federal, state, or local election, including the following activities:

- soliciting or collecting contribution checks to a political candidate or political committee;
- conveying a contribution check to a political candidate or committee;
- planning or attending a fundraising event for a political candidate or committee;
- volunteering for, or providing paid services of any kind to a political candidate or political committee.

The Company respectfully requests the Staff's concurrence with its decision to omit the Proposal from the 2015 Proxy Materials and further requests the confirmation that the Staff will not recommend any enforcement action. Please call the undersigned at (401) 770-5409 if you should have any questions or need additional information or as soon as a Staff response is available.

Respectfully yours,



Tom Moffatt
Vice President, Assistant Secretary &
Asst. General Counsel – Corporate Services

Attachments

cc w/ att: Justin Danhof, Esq., National Center for Public Policy Research
Stephen Giove, Esq., Shearman & Sterling LLP

EXHIBIT A

THE NATIONAL CENTER



FOR PUBLIC POLICY RESEARCH

Amy M. Ridenour

Chairman

David A. Ridenour

President

Via FedEx

November 26, 2014

Colleen M. McIntosh
Corporate Secretary
CVS Health Corporation
One CVS Drive
Woonsocket, Rhode Island 02895

RECEIVED
DEC 01 2014
LEGAL DEPARTMENT

Dear Ms. McIntosh,

I hereby submit the enclosed shareholder proposal ("Proposal") for inclusion in the CVS Health Corporation (the "Company") proxy statement to be circulated to Company shareholders in conjunction with the next annual meeting of shareholders. The Proposal is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission's proxy regulations.

I submit the Proposal as General Counsel of the National Center for Public Policy Research, which has continuously owned CVS stock with a value exceeding \$2,000 for a year prior to and including the date of this Proposal and which intends to hold these shares through the date of the Company's 2015 annual meeting of shareholders.

A Proof of Ownership letter is forthcoming and will be delivered to the Company.

Copies of correspondence or a request for a "no-action" letter should be forwarded to Justin Danhof, Esq. General Counsel, National Center For Public Policy Research, 501 Capitol Court NE, Suite 200, Washington, D.C. 20002.

Sincerely,



Justin Danhof, Esq.

Enclosure: Shareholder Proposal

Equal Employment Opportunity Principles

Resolved, the proponent requests that CVS Health amend its equal employment opportunity policy (or equivalent policy) to explicitly prohibit discrimination based on political ideology, affiliation or activity, and to substantially implement the policy.

Such principles, should the Board of Directors at its discretion choose to adopt them, may stand alone or explicitly be incorporated into other protections already granted under current Company policies, as the Board of Directors and Company management sees fit.

Supporting Statement

The United States of America was founded on the ideal of a representative government with the duty of protecting the rights of its citizens – to wit, the Declaration of Independence makes clear that “to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed.”

The Founding Fathers explicitly made clear that our system is designed to protect minority factions, as James Madison explained in Federalist Paper No. 10.

The United Nations’ “Universal Declaration of Human Rights,” endorsed and in part drafted by the United States, provides that “[e]veryone has the right to take part in the government of his country,” and that “[t]he will of the people shall be the basis of the authority of government; this will shall be expressed in periodic and genuine elections.”

In the 2012 election, more than 130 million Americans cast ballots.

Some of America’s most successful corporations explicitly protect these basic human rights. A Coca-Cola policy, for example, notes, “[y]our job will not be affected by your personal political views or your choice in political contributions.”

CVS Health has a superior reputation as a Company that protects and promotes human and civic rights. Given this excellent record, the absence of an explicit Company protection for the human right to engage in legal activities relating to the political process and civic activities without workplace retaliation may simply be an oversight. If the shareholders suggest to the Board of Directors that it consider voluntarily adopting such a protection, the Board may, at its discretion, choose to do so.

THE NATIONAL CENTER

FOR PUBLIC POLICY RESEARCH

Amy M. Ridenour
Chairman

David A. Ridenour
President

Via FedEx

December 10, 2014

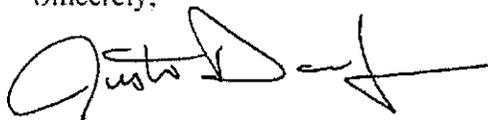
Colleen M. McIntosh
Corporate Secretary
CVS Health Corporation
One CVS Drive
Woonsocket, Rhode Island 02895

RECEIVED
DEC 11 2014
LEGAL DEPARTMENT

Dear Ms. McIntosh,

Enclosed please find a Proof of Ownership letter from UBS Financial Services Inc. in connection with the shareholder proposal submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission's proxy regulations by the National Center for Public Policy Research on December 5, 2014.

Sincerely,



Justin Danhof, Esq.

Enclosure: Proof of Ownership Letter



UBS Financial Services Inc.
1501 K St., NW, Suite 1100
Washington, DC 20005

ubs.com/fs

Confirmation

Colleen M. McIntosh
Corporate Secretary
CVS Health Corporation
One CVS Drive
Woonsocket, Rhode Island 02895

December 10, 2014

Confirmation: Information regarding the account of The National Center for Public Policy Research

Dear Ms. McIntosh,

The following client has requested UBS Financial Services Inc. to provide you with a letter of reference to confirm its banking relationship with our firm.

The National Center for Public Policy Research has been a valued client of ours since October 2002 and as of the close of business on November 26, 2014, the National Center for Public Policy Research held, and has held continuously for at least one year 65 shares of the CVS Caremark Corp. common stock. The National Center for Public Policy Research continues to hold the said stock.

Please be aware this account is a securities account not a "bank" account. Securities, mutual funds and other non-deposit investment products are not FDIC-insured or bank guaranteed and are subject to market fluctuation.

Questions

If you have any questions about this information, please contact Dianne Scott at (202) 585-5412.

UBS Financial Services is a member firm of the Securities Investor Protection Corporation (SIPC).

Sincerely,

Dianne Scott
UBS Financial Services Inc.

cc: Justin Danhof, Esq., National Center for Public Policy Research

THE NATIONAL CENTER



FOR PUBLIC POLICY RESEARCH

Amy M. Ridenour

Chairman

David A. Ridenour

President

Via FedEx

December 10, 2014

Colleen M. McIntosh
Corporate Secretary
CVS Health Corporation
One CVS Drive
Woonsocket, Rhode Island 02895

RECEIVED

DEC 12 2014

LEGAL DEPARTMENT

Dear Ms. McIntosh.

Earlier today, a FedEx package was sent to you with an incorrect date. Please disregard the FedEx package with the tracking number ~~171115181~~ & OMB Memorandum M-07-16 ***

Enclosed please find a Proof of Ownership letter from UBS Financial Services Inc. in connection with the shareholder proposal submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission's proxy regulations by the National Center for Public Policy Research on November 26, 2014.

Sincerely,



Justin Danhof, Esq.

Enclosure: Proof of Ownership Letter

501 Capitol Court, N.E., Suite 200
Washington, D.C. 20002

(202) 543-4110 ★ Fax (202) 543-5975

info@nationalcenter.org ★ www.nationalcenter.org



UBS Financial Services Inc.
1501 K St., NW, Suite 1100
Washington, DC 20005

ubs.com/fs

Confirmation

Colleen M. McIntosh
Corporate Secretary
CVS Health Corporation
One CVS Drive
Woonsocket, Rhode Island 02895

December 10, 2014

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UBS Financial Services is a member firm of the Securities Investor Protection Corporation (SIPC).

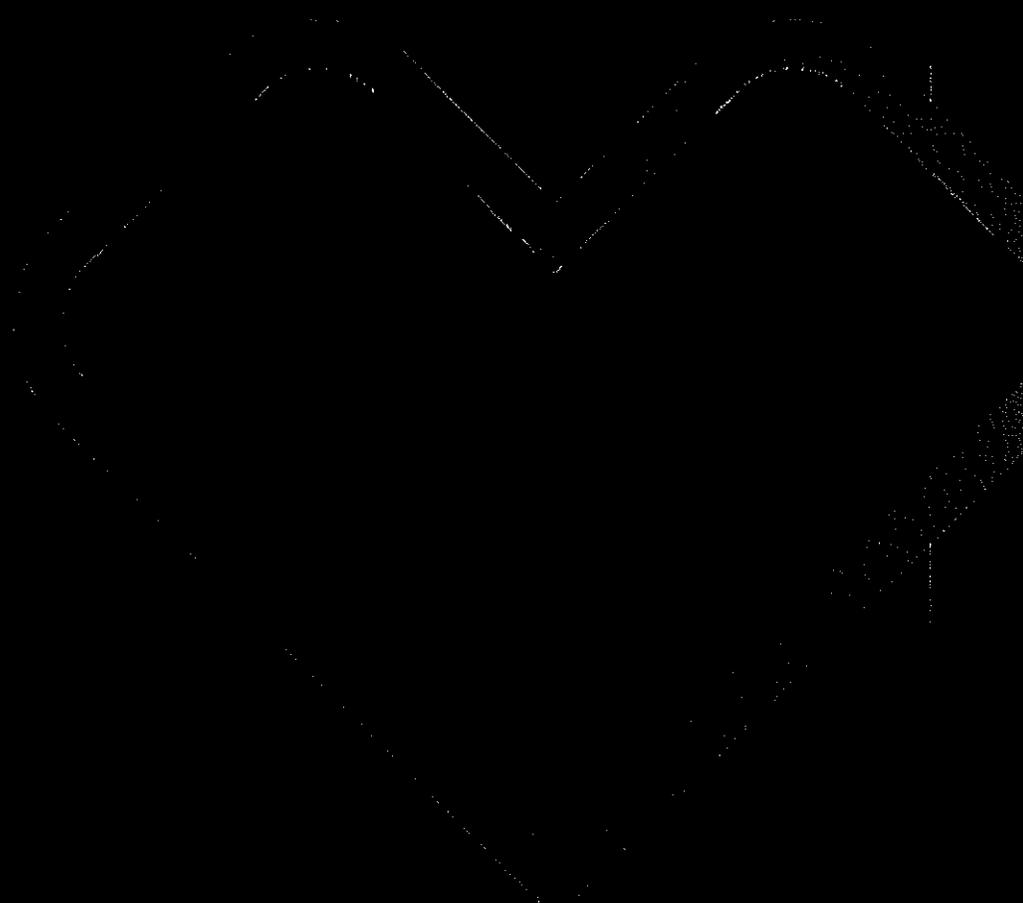
Sincerely,

Dianne Scott
UBS Financial Services Inc.

cc: Justin Danhof, Esq., National Center for Public Policy Research

EXHIBIT B

CVS Health Code of Conduct





Our Relationship with U.S. and non-U.S. Governments

Conduct with Public Officials

We are committed to dealing with public officials according to the highest ethical standards. Our conduct with public officials, including any political contributions or business transactions, must comply with applicable laws and regulations and Company policy, including disclosure requirements.

CVS Health policy prohibits giving or offering anything of value, directly or indirectly, to a public official, including any colleague or agent of a government-owned business, in order to influence official action or obtain an improper advantage. "Anything of value" means not only cash, but also gifts, meals, entertainment, political contributions, offers of employment or other benefits.

Corporate Political Contributions

Only corporate officers (Vice Presidents and above) are authorized to make corporate contributions to a political candidate, and such contributions must be made consistent with Company policy. "Contributions" means not only funds, but also loans, donations of products or supplies, use of facilities, Company personnel or anything else of value.

All corporate political contributions by the Company require prior written approval, utilizing specific processes and forms, from the General Counsel or Chief Compliance Officer or his/her designee.

CVS Health's policy on [Government Officials and Candidates Appearances at CVS Health Facilities and Events](#) has more information on interacting with public officials, including strict limits on business transactions with public officials and guidance on gifts and entertainment.

Individual Political Activities

CVS Health encourages colleagues to support political candidates or causes of their choice; as long as it is clear they are not speaking or acting on the Company's behalf. Individuals must not use Company time or resources when acting as a volunteer for a political candidate or cause.

Our colleagues have a Political Action Committee (PAC). The PAC works to support, protect and favorably position the Company in the legislative arena by being active in the political process. The PAC's objective is to provide financial support for candidates for political office who hold similar positions or beliefs on issues or who meet other criteria. Participation in the PAC by eligible colleagues is entirely a personal choice, and pressuring any colleague to contribute is strictly prohibited.

EXHIBIT C

Exhibit C

Excerpts from “Employees’ Personal Political Activities and FAQ” Document No. CGRL-0019 CVS Health Policy and Procedure Portal

POLICY

4. Individual Volunteer Activities. CVS Caremark Employees are free to engage in personal volunteer Political Activity in their individual capacities. No CVS Caremark Employee is required to engage in such activity, and no Employee will be advantaged or disadvantaged in their employment based on his or her decision to engage or not to engage in personal Political Activity. Because of the potential risk to CVS Caremark’s reputation that such activity could create, it is CVS Caremark’s policy that Employees engaged in personal Political Activity must comply with all applicable laws and regulations. Employees should contact the SVP Government Affairs or the Chief Compliance Officer if they have any questions about what activity is or is not permitted following a review of this policy.

DEFINITIONS (All defined words in this document should be displayed with initial capitals, except for acronyms.)

1. **CVS Caremark:** CVS Caremark Corporation, and each of its subsidiaries and affiliates....
3. **Employee:** Any full-time, part-time, temporary, or casual employee of CVS Caremark, including officers, as well as interns and externs employed by CVS Caremark.
4. **Political Activity** includes any activity undertaken in an effort to influence the outcome of a federal, state, or local election, including the following activities:
 - soliciting or collecting contribution checks to a political candidate or political committee;
 - conveying a contribution check to a political candidate or committee;
 - planning or attending a fundraising event for a political candidate or committee;
 - volunteering for, or providing paid services of any kind to a political candidate or political committee....
6. **SVP, Government Affairs, Chief Compliance Officer and the Chief Legal Officer** includes the individuals holding those offices and their designees.