The power of Cigna’s consumer-driven health plans
GO YOU.

You’re one of a kind. And we want to keep it that way.

At Cigna, we’re committed to delivering tailored programs and services to meet the unique needs of the people and organizations we serve. Because we believe being true to yourself is the first step to being truly healthy.
Cigna Choice Fund

Better experience.
Better health.
Better bottom line.

For clients looking to reduce their benefit costs – now, and in the future – Cigna Choice Fund® can deliver both immediate and sustainable cost savings.

Cigna Choice Fund delivers the right mix of influencers and a financial experience that can change behaviors. So customers are more likely to think and act like health owners.

Shift behaviors, not costs, by employing strategies and tactics designed to create active, engaged customers who are encouraged and rewarded for choosing and using quality care.

Improves health and health spending behaviors to create empowered customers who view health care as a responsibility that they own and manage. When compared to customers in Traditional plan designs*, Cigna Choice Fund delivers improved, immediate and sustainable savings.

*Traditional plan design is defined as a medical plan without a fund.

The results of our 8th Annual Cigna Choice Fund Experience Study demonstrate it. learn more
savings are immediate
12% first year cost savings


Analysis assumes annual premium of $11k per employee per year, prior to enrolling in the CDHP option, 12% CDHP savings in year 1 and a 9% annual trend

CUSTOMER COST SHARE PERCENTAGE (2012)
- Cigna Choice Fund
- Traditional plans

savings are achieved without cost shifting

Chronic: 21% Cigna Choice Fund, 28% Traditional plans
Major acute: 21% Cigna Choice Fund, 23% Traditional plans
Minor acute: 25% Cigna Choice Fund, 24% Traditional plans
Maternity: 19% Cigna Choice Fund, 13% Traditional plans
Healthy: 19% Cigna Choice Fund, 21% Traditional plans
TOTAL: 24% Cigna Choice Fund, 24% Traditional plans

savings are sustainable
$7,900 cumulative savings per employee over five years
health ownership

Cigna Choice Fund delivers a true consumer-focused solution. We help individuals move from passive participants to empowered customers who think and act like true owners of their health and health spending.

**We do it by:**
- Opening their eyes to the true cost of health care.
- Connecting them to helpful support, programs and services.
- Motivating them to take action to change their behaviors.

**Passive participant**  
“It’s not my responsibility.”

**Active participant**  
“I want to manage it.”

**Empowered participant**  
“I own it.”

We’re shifting behaviors and attitudes — not costs.
To improve the way customers treat their health and health spending.

**Year over year growth.**
Based on our strong track record of success, many of those clients are turning to Cigna Choice Fund.

24% compound annual growth rate since 2008

more than 2.6M customers as of Dec. 2013
transformed

The result:
When compared to customers in Traditional plan designs, Cigna Choice Fund customers achieve better outcomes. The findings from our 8th Annual Cigna Choice Fund Experience Study demonstrate it.

**BETTER EXPERIENCE**
- 75% register to use our award-winning online tools
- Nearly 50% more complete a health assessment
- 33% more cost views per registered user

**BETTER HEALTH**
- Better health risk profile for full-replacement CDHP customers
- 96% had consistent or higher use of evidenced-based medical best practice measures in 1st year
- 41% higher engagement in disease management programs

**BETTER BOTTOM LINE**
- 12% first year cost savings
- Nearly 4% lower pharmacy costs
- 5% decrease in use of ER services

And that helps our clients achieve better results. These case studies are proof.

Financial Services client case study
Hospital client case study
it starts with a one

We’re there for customers – how and when they need us. Connecting in ways they want and expect.

24/7/365 live service
- We speak 150 languages/dialects
- Clear communication
  Learn more about Words We Use
- Health information line

Personal health advocate
Helps coach customers on health and spending decisions

myCigna.com
- Compare doctor, facility and prescription drugs costs – all in one place
- Get medical treatment and prescription drug cost quotes – specific to your plan

myCigna Mobile app
- Stay connected to myCigna. Anytime. Anywhere.
- Instantly access and view health fund balances.

Award-winning tools and resources*
Help customers choose and use care wisely

*InformationWeek Top 10 Innovation of 2012. DALBAR top-ranking health plan award for clarity, content and design of the Explanation of Benefits.
of a kind experience

Integrated banking and benefits helps make it easy:
• One-stop service
• Combined financial statements
• One website – myCigna.com
• Choose your email and notification preferences
• Online claim submission and bill pay

learn more about the HRA
learn more about the HSA

HELPFUL AND EASY EVERY TIME.

Digital engagement platform Helps customers improve their health – in ways that are fun and engaging:
• Gamified health assessment
• Integrated incentive rewards
• Online health groups and challenges

learn more
program designs

Proven to drive participation, promote quality care and lower costs.

Consumer-driven health plans that meet your population's needs and goals:
- Health savings account
- Health reimbursement account
- Flexible spending account

Integrated coverage 100% health focus

learn more
that engage

Incentives
Rewards that are meaningful and motivating and designed to drive engagement

Ongoing education
Pre-enrollment and post-enrollment support to help drive high employee engagement in the program

GETS THEM ENGAGED.

learn more
the result

Choice Fund customers are more engaged in their health. More take advantage of available health improvement resources.

69% higher registration rate on myCigna.com

82% more log-ins per registered user

33% more cost views per registered user

26% accessed directory doctor or per regist
Choice Fund Customers are equally satisfied with their health plan service compared with Traditional plans.

- 8% more satisfaction for a service center user
- 47% higher health assessment completion rate
- 41% higher engagement rate in disease management programs
- 23% more likely to complete three coaching calls

8th Annual Cigna Choice Fund Experience Study

Read full report
Cigna Choice Fund provides customers with the information, resources and incentives they need to become true owners of health. Because we believe that’s the best way – the only way – to help customers and clients achieve their full potential. And drive lasting health improvement, sustainable savings and long-term satisfaction. Now, and in the future.

**open eyes**

You can’t fix what you can’t see. Which is why health assessments are such a critical component of a customer’s health journey.

Health assessments help us uncover a customer’s existing and potential health risks – so we create a fact-based roadmap of how best to help.

Cigna’s innovative online health assessment uses fun gaming strategies to drive high participation in this critical health improvement tool.

**connect**

Health care can be confusing. So we make it easy.

Our health advisors guide and connect customers to helpful programs and services.

Whether customers reach in to us, or we reach out to them, we use every opportunity to help them find affordable, quality care to help deliver the best outcomes and savings.

**motivate**

Change is hard, and sometimes we all need a little extra motivation. Cigna offers a broad range of incentive programs to encourage customers to take charge of their health.

MotivateMe®, our premier solution, features an online format that allows customers to see all their incentive opportunities, track their progress and rewards – and easily link to their fund accounts.
and take them where they need to be

YEAR 1

**Traditional** (not statistically different)

Scope and methodology
- 2 year longitudinal match case analysis
- Both groups in Traditional plan year 1

YEAR 2

**Traditional** (control group)

**Choice Fund** (study group)

6% reduced health risks
Choice Fund customers are healthier

- 28% fewer individuals at high-risk status
- 14% more individuals at low-risk status
- 5% fewer emergency room uses per 1,000 customers
and are more likely to receive recommended care as measured by compliance with evidence-based measures when compared with customers in Traditional plans (based on review of nearly 500 measures).

First year
- Higher statistical compliance: 85%
- No statistical difference: 4%
- Lower statistical compliance: 11%

Renewal year
- Higher statistical compliance: 73%
- No statistical difference: 3%
- Lower statistical compliance: 24%

95% confidence level
Choice Fund customers spend less savings are immediate and sustainable

Choice Fund -7%

Traditional +6%

12% lower medical costs in the first year

Full replacement Cigna Choice Fund vs. Traditional plans, 2011 vs. 2012
savings are sustainable

$7,900 cumulative savings per employee over five years

Analysis assumes annual premium of $11k per employee per year prior to enrolling in the CDHP option, 12% CDHP savings in year 1 and a 9% annual trend
Choice Fund customers are more likely to get the care they need and are spending less.

- Nearly 50% higher health assessment completion rate
- 41% higher engagement in disease management programs
- 23% more likely to complete 3 coaching calls

MEDICAL COSTS BY SERVICE TYPE (2012)

- Inpatient: -2.6%
- Outpatient: -2.7%
- Professional: -4.5%

across all health services
across all health risk levels

MEDICAL COST TREND BY HEALTH STATUS GROUP (2012)

-8%  -14%
$1,763  $3,236  $5,877
Low risk  Medium risk  High risk

Overall Choice Fund  Joint disease  Diabetes  Hypertension
-12%  -14%  -19%  -22%

MEDICAL COST TREND REDUCTION (2012)
even among those with chronic health issues
Choice Fund customers pay the same out-of-pocket as Traditional plan customers [often even less]

CUSTOMER COST SHARE PERCENTAGE (2012)

- Cigna Choice Fund
- Traditional plans

Customer medical cost share is lower
Clients are adopting our strategy, and not shifting cost over to their employees.

new customer, first-year cost share - no cost-shifting regardless of gender

Cigna Choice Fund HRA (including fund payments) vs. Traditional plans, 2012

CHOICE FUND HSA BALANCES CONTINUE TO GROW MONTHLY IN 2013¹

<table>
<thead>
<tr>
<th>Duration</th>
<th>Average Deductible²</th>
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<tbody>
<tr>
<td>0–12 months</td>
<td>$1,071</td>
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<tr>
<td>13–24 months</td>
<td>$1,750</td>
</tr>
<tr>
<td>25–36 months</td>
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<tr>
<td>37–48 months</td>
<td>$2,798</td>
</tr>
<tr>
<td>&gt; 48 months</td>
<td>$6,789</td>
</tr>
</tbody>
</table>

75% of HSA customers contribute more than they spend

1. Cigna Choice Fund HSA balances include cash accounts and investment dollars.
2. $3,000 is the average deductible for Cigna Choice Fund HSA book of business, weighted for family and individual levels.
Choice Fund customers have lower overall pharmacy costs when integrated with Cigna Pharmacy Management®.

5% higher rate of prescriptions filled with generic medications
78% Choice Fund
74% Traditional plan

Every 1% increase in generic drug usage leads to a 2% reduction in pharmacy costs.
First-year Choice Fund pharmacy cost trends were lower than Traditional plan cost trends\(^2\).

- 1% lower average unit cost
- 2.5% lower usage of prescription drugs
- 3.5% lower eligible prescription drug charges

Customers spend less on maintenance medications

2. Savings are driven by higher generic utilization
drive. shift.

must haves
to ensure your consumer-driven health plan is getting you maximum savings power
Make health care spending transparent through real-time access to account and balance information – so customers can see how their dollars are being spent.

Offer easy access to shop-and-compare tools – like online treatment cost estimates and calculators – to help customers make informed decisions about their health spending.

Encourage customers to think about – and plan for – their long-term health needs and spending through education and access to personalized health and wellness support.
Cigna’s suite of consumer-driven health plan solutions

Cigna Choice Fund is an innovative solution leveraging the power of consumerism in health care. When a health reimbursement account (HRA), a health savings account (HSA), or a flexible spending account (FSA) is combined with a Cigna medical plan, you can help your employees become more empowered to choose quality and cost-efficient care to promote lower overall costs.
HRA

health reimbursement account

What is it?

A tax-advantaged, client/employer-funded health account that reimburses customers for eligible out-of-pocket medical expenses.

Client contributes funds to the account. There are no annual contribution limits.

Unused funds at year-end can roll over to following year's account.

Funds are owned by the client/employer.

Click here to see a full list of eligible expenses.

learn more
Why Cigna?

Our integrated Medical/HRA solution offers clients one-stop shopping for billing, enrollment and implementation, and enables customers to be more engaged in their health and health spending. Customers can manage the account on the phone, online or from any web-enabled mobile device. Cigna Choice Fund HRA customers are more satisfied with their HRA plan, and are more likely to recommend Cigna than customers in Traditional plans. We offer four plan options.

Choice Fund medical HRA

Three general medical HRA options give clients the flexibility to choose the right design for their population:
- HRA with AutoPay
- HRA with debit card
- HRA with AutoPay and Pharmacy debit card

Healthy Future Account® HRA

The retiree HRA provides an alternative way to offer a retiree benefit plan. Allows customers to receive funding to help pay for future medical costs. Can be offered alongside a Medical HRA, or as a stand-alone.

Healthy Awards Account® HRA

The incentive-only HRA enables clients to reward customers for healthy activities and can be paired with any Cigna health plan.

Limited purpose HRA

Gives customers the freedom to enroll in a health savings account (HSA) without losing any unused dollars they have left in their HRA. Funds can be used for dental and vision care expenses, and for medical expenses once they’ve reached their HSA deductible.

Cigna’s HRA delivers the right mix of influencers and a financial experience that can change behaviors. Learn more about this integrated experience.
A savings account used in conjunction with a high-deductible health plan that allows customers to use pre-tax dollars for eligible health care expenses now or in the future.

Customer and client may contribute to the account. Contributions are not subject to federal taxes and also not subject to state income tax (in most states). IRS sets annual contribution limits.

Tax-free withdrawals for qualified health care expenses.

Unused funds roll over to following year’s account.

Funds are owned by the customer.

HSA bank account earns interest and customers can choose to invest their HSA dollars for the future.

Click here to see a full list of eligible expenses.
Why Cigna?

Whether a customer’s goal is to stay healthy, plan for the future or retire with ease, the Cigna Choice Fund HSA can help them take charge of their health and health spending. No matter what their stage in life, customers have the freedom, the options and the helpful support they need to get the most out of life – and the most value from their plan.

Helpful support
• Before they enroll.
  See a sample.
  learn more
• After they enroll.
  See a sample.
  learn more

Integrated solution
Our integrated medical/HSA solution offers one-stop shopping for billing, enrollment and implementation. Customers can manage the account on the phone, online or from any web-enabled mobile device. See how our integration delivers an optimal customer experience.
  learn more

Flexible options
Flexible withdrawal options let customers choose how they want to access funds in the account. Options like using their debit/ATM card, Online Bill Pay or a checkbook. And, no matter how customers access their HSA dollars, all transactions can be viewed at myCigna.com.
  learn more

Take a look
See how easy it is for customers to get quick answers to their top HSA questions.
  learn more
See our online videos that make managing HSAs easier and more personalized for customers.
  learn more

Our HSA calculators will help you find your contribution level, tax savings and future value.
  learn more
A financial account that allows customers to set aside a portion of earnings to pay for qualified health and/or dependent care expenses.

Contributions are not subject to payroll taxes.

Customers contribute to the account through payroll deductions and withdraw funds to reimburse themselves for eligible expenses.

Clients choose to allow up to $500 per individual customer to be carried over OR offer a grace period of 2 ½ months into next year to use last year’s dollars for next year’s eligible expenses.
Cigna’s FSA offers employees a convenient way to manage everyday expenses and save tax dollars. Customers can manage the account on the phone, online or from any web-enabled mobile device.

We offer three plans options.

**Health care FSA**
Customers use funds to pay for medical and dental plan deductibles and copays and other qualified expenses. Three FSA options give clients the flexibility to choose the right design for their population.

- FSA with AutoPay  
  learn more
- FSA with debit card  
  learn more
- FSA with AutoPay and pharmacy debit card  
  learn more

**Limited purpose FSA**
Customers use funds to pay for dental and vision care, as well as medical and pharmacy expenses, after the health savings account (HSA) plan deductible is met.

learn more

**Dependent care FSA**
Customers use funds to get reimbursed for dependent care services after they are paid.

learn more

Our online calculator lets customers see what they can save – up to 7% per dollar contributed* – even before they enroll.

learn more

*Estimated tax savings are provided for illustrative purposes only. Actual amount depends on your tax bracket.
Choosing the right consumer-driven health plan can help clients and customers achieve all their goals – without cost shifting.

And Cigna Choice Fund is a smart option.

We help individuals – and the companies they work for – achieve what matters most:


Our approach makes it possible to move individuals from health customers to true health owners – which is critical to driving immediate and sustainable results.

Learn what Cigna Choice Fund can do for you.
about our study

Results standardized to compare “apples to apples”

- Adjusted to reflect health status mix of entire study population.
- Excludes catastrophic claims (over $50k) and capitated services.
- Excludes savings from cost-sharing.
- Uses Episode Risk Group (ERG) data to measure relative health status and group customers into like populations.

Results of our 8th Annual Cigna Choice Fund Experience Study demonstrate how our strategy and approach are working.
