

your guide to CIGNA

Self-Funding Solutions



826922c 08/10



CIGNA was voted
**2009 Best Employee
Assistance Program** —
Business Insurance magazine¹

the right benefits for your business

CIGNA understands that finding the right health care plan can be challenging. Your company, workforce and bottom line are different from the business down the block. Because your needs are unique, a one-size-fits-all approach to health care benefits isn't appropriate. We'll help you find the funding option and plan design that make the most sense for you.

As a leading health service company, we've been helping our clients maintain their employees' health, well-being and sense of security for years. If your company has 250 or fewer employees,² we invite you to learn more about CIGNA. Because we already provide health care benefits to thousands of businesses, we know we have what you're looking for.

You have unique needs.

CIGNA has a health plan that's the logical fit for your business.

Together we can help your covered employees achieve better health that comes with dependable coverage.

■ **CHOICE** in funding and plan design

■ **HEALTH and WELLNESS** solutions designed to help protect the health of your employees and your business

■ **ACCESS** to a broad network of health care professionals

■ **SERVICE** and support that exceed expectations

choice that sets CIGNA apart

Health care benefit needs vary, depending on budget, workforce size, whether employees are located in one or multiple states, how much time is available for plan management and more. The right health care plan for your company is one that gives you choices. It takes into account and accommodates your requirements for information, control and predictability of expenses. It provides the appropriate coverage for your particular group of employees.

How your plan is funded is a crucial part of the process. **CIGNA has a solution that's sure to meet your needs – self-funding.** Paired with an appropriate plan design, self-funding offers detailed reporting and insight into your company's health care expenses and the flexibility to adjust for utilization trends, human resource needs and health care inflation. Leveraging our history and expertise in self-funding, CIGNA has created two self-funding solutions: our **graded funding** and **level funding** options, each a variation of self-funding that's unique to the marketplace.

With self-funding, **if your claims turn out to be less than expected, your company keeps the savings.** Even if claims are higher, stop-loss insurance can limit your liability.

Graded funding – greater insight, control and flexibility

Consider your preferences and approach to health care benefits. Do you want greater control of your plan design or more insight into how your health care dollars are being spent? Would you like the flexibility to adjust your benefits as your company needs change? If so, a type of self-funding offered by CIGNA – graded funding – may be a good fit.

Features of graded funding include:

- **Pay only for claims incurred** – Costs are based on the actual (rather than anticipated) claims of your own employees, offering you full opportunity to benefit from a positive claims year.
- **Robust reporting** – You'll see exactly how your health care dollars are being spent, helping you determine if and where to make plan design changes that control costs now and in the future.
- **Full protection with stop-loss insurance** – If your claims exceed your plan's stop-loss limits, CIGNA funds your claims, providing immediate protection and preserving your cash flow.

Level funding – information + predictability

Another variation of self-funding – level funding – gives you a high level of information, plus the financial predictability of a fixed monthly payment. If you require a blend of foreseeable costs and greater control in managing your plan, the unique characteristics of level funding may be exactly what you're looking for.

With level funding you get:

- **Monthly payments that don't fluctuate** – Payments are preset, based on the number of plan participants and total costs (i.e., claims funding,³ premium and administrative fees), allowing you to better budget your resources.
- **Detailed reporting** – Monthly reports highlight trends, for example overuse of non-network health care professionals and emergency room use, so you can take an active role in educating employees and developing/administering your plan.
- **Prefunded terminals** – Fully funded terminal protection covers costs for claims incurred prior to termination and submitted afterward, so you know your costs up front and there are no surprises.
- **Full protection** – Your preset monthly payment represents the maximum you'll pay for the year, protecting you from high claim costs.

With level funding, when your claims are less than claims funding, resulting in a positive claims year, your company benefits from that favorable claims experience by receiving **year-end administrative fee credits** that put money back in your pocket.

Both self-funding options provide extra benefits

Consider the additional benefits your company can realize when you choose either graded funding or level funding:

- **No state mandates** – Plans are governed by the federal Employee Retirement Income and Security Act, not by individual states, so you can decide what benefits to include.
- **Plan uniformity** – Without state requirements, you're free to offer the same benefits to employees at every location.
- **Reduced premium taxes** – Only stop-loss premium is taxed.
- **Stop-loss coverage** – Limits your liability and protects your company when claims run higher than expected.



choice in plan design — health care that engages everyone

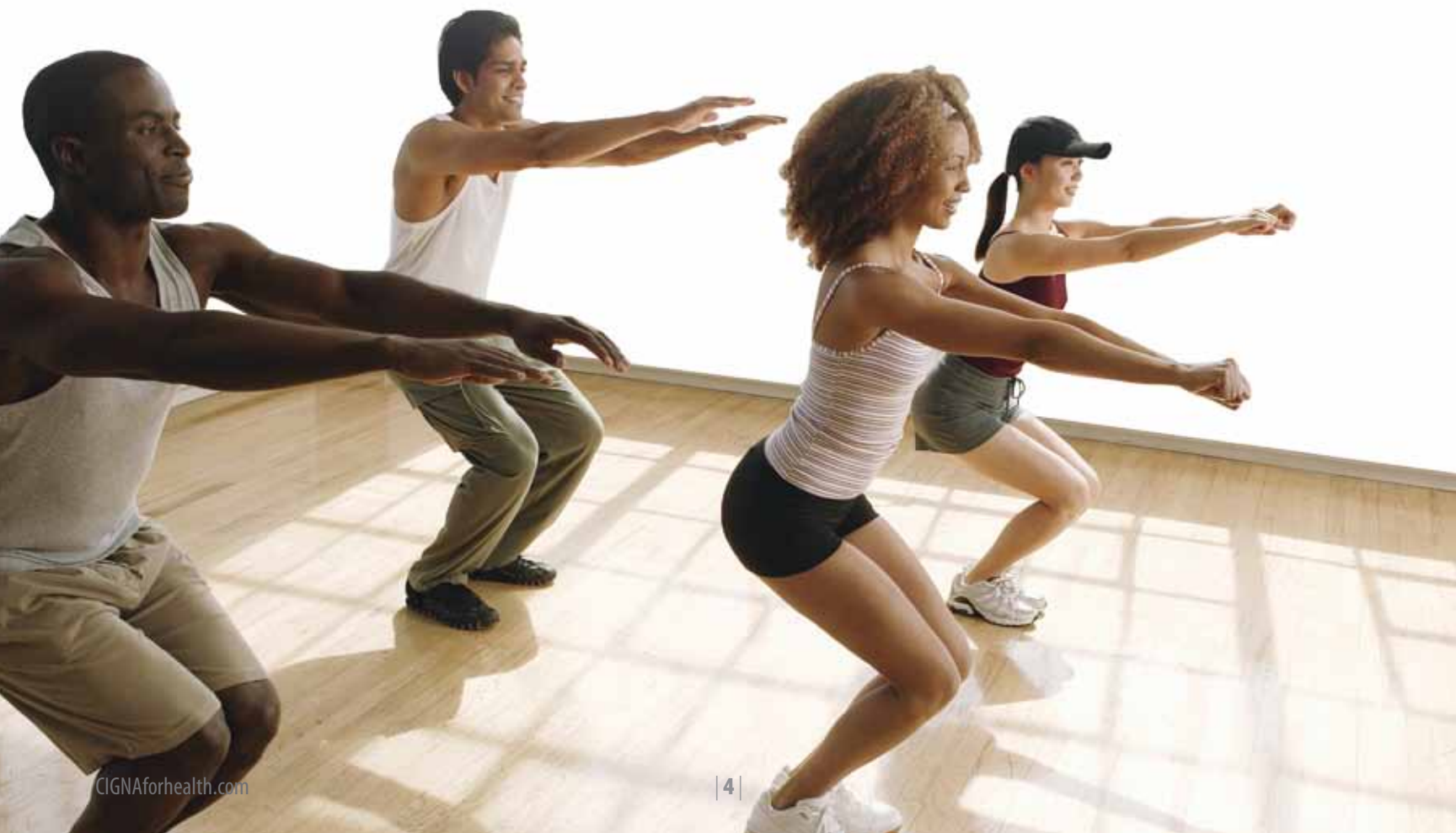
CIGNA offers a **broad portfolio of plan designs** that includes traditional plans and account-based alternatives.

Effective health care solutions require that employees, employers, health care professionals and insurers work together to manage rising costs. With CIGNA, your choice extends beyond funding options to the health care plan that's a good fit for your employees and company. We engage people by encouraging changes in beliefs and behaviors. Our programs and resources not only give customers information to help manage and maintain their health, but also help you in your efforts to encourage and support positive employee actions.

CIGNA offers a broad portfolio of plan designs that includes traditional and account-based plans.

Traditional products

- **PPO** – Offering choice, coverage and convenience, our Preferred Provider Organization plan boasts an ever-expanding proprietary network with a broad selection of health care professionals and facilities coast-to-coast. No referrals are necessary.
- **Open Access Plus** – A plan with cost-saving potential, OAP encourages individuals to seek a relationship with an in-network primary care physician while offering a large, national network without sacrificing benefits and access to top health care professionals and facilities.
- **CIGNA Consumer Advantage®** – This three-tier PPO provides comprehensive coverage at a lower cost by distinguishing between preventive, serious and routine or scheduled services. The innovative plan design offers potential savings of over 30 percent⁴, compared to a typical plan.



Account-based plans offer an alternative

Account-based health care plans have two components: a medical plan and an associated financial account. CIGNA offers two such plans. Increased visibility of actual health care costs, along with a vested interest in preserving personal account funds, can help motivate individuals to spend more wisely.

- **HSA** – The Health Savings Account is a high-deductible health plan that allows you and/or your employees to fund a savings account (with tax advantages and investment opportunities) for qualified health care services. The account is also portable, so employees can take it with them if they change jobs.
- **HRA** – The Health Reimbursement Account is an employer-funded account, connected to your health plan, which lets you reimburse employees for expenses not covered by their plan. Unused funds remain in the account year to year.
- **FSA** – Consider offering a Flexible Spending Account along with your HRA or traditional plan. A pretax employee-funded FSA lets participants cover eligible expenses outside the limits set for the HRA or other plan, adding another option for them to cover unexpected health care expenses.

Health Savings Account	
High-Deductible Health Plan	ACS/Mellon Savings Account
<ul style="list-style-type: none">■ Lower premium■ First-dollar coverage for preventive care■ PPO-type benefits	<ul style="list-style-type: none">■ Tax-deductible deposits and tax-free growth■ Investment options■ Use savings to pay for qualified medical expenses, tax-free, or simply allow funds to grow

Flexible, affordable pharmacy plans

CIGNA offers a choice of pharmacy plan designs that are both affordable and flexible, with up to four levels of prescription drug coverage, and varying copays and deductibles you determine. Each plan encourages employee cost-sharing and use of lower-cost generic drugs that considerably reduce your pharmacy costs.

CIGNA pharmacy plans:

- Promote generic use (60 percent generic dispensing rate, or higher, depending on plan design).
- Can help improve outcomes and reduce hospitalizations through proper use of medication.
- Show individuals the true cost of prescriptions.
- Offer additional cost-saving components: CIGNA Home Delivery PharmacySM and CIGNA Specialty Pharmacy ServicesSM.

Additional products

CIGNA’s many programs work together to help reduce your costs and positively impact the health of individuals.

- **Dental:** Plans include CIGNA Dental Care® HMO, CIGNA Dental PPO and traditional CIGNA Dental Indemnity. CIGNA plans emphasize routine and preventive dental care to promote good oral health.
- **Vision:** Routine vision coverage to complement your client’s medical benefits, as well as a standalone CIGNA VisionSM PPO. Includes a comprehensive eye exam and an allowance for lenses, contacts and frames.
- **Group Life/Accidental Death and Dismemberment:** Group Life and Accidental Death and Dismemberment insurance with benefit options including fixed dollar amounts or a multiple of salary.
- **CIGNA DisabilitySM:** Group short-term and long-term disability solutions integrated with other CIGNA products that help people get better sooner and return to work faster.

health and wellness solutions designed to improve the health of your business

Knowing how to direct your employees to the right health and wellness programs can mean the difference between a healthy, vibrant workforce, or an unhealthy, unproductive workforce. Helping people stay healthy makes good business sense because less disease means lower total costs: Medical. Pharmacy. Behavioral. Dental. Vision. Disability.

The fact is, healthy people cost less – nearly \$4,000 less per year⁵ – are more productive and contribute more to the performance of your organization. CIGNA's health and wellness programs are designed to help your employees improve their health – and protect your company's financial health with:

- Fewer sick days
- Reduced hospitalization costs
- Improved employee productivity

Helping people stay
healthy **makes good
business sense.**

Does your workforce know if they are at risk for chronic disease?

- Of the one in every four adults with high blood pressure, **31.6 percent** are not aware they have it.⁶
- On average, **every 40 seconds** someone in the United States has a stroke.⁷
- An estimated **23.6 million Americans** have diabetes – **5.3 million are undiagnosed.**⁸
- An estimated **86 percent** of Americans will be obese by 2030.⁹

CIGNA can help you **identify risks** and **provide solutions** to improve the health of your employees.

Providing the tools for change

People are often genuinely unaware of their health status and related health risks, but early identification and prevention are key to controlling health care costs and keeping people healthy. **That's why CIGNA focuses on improving health.** We encourage customers to identify the behaviors they need to change, and then give them what they need to work toward achieving their health-related goals. All of our programs include easy-to-understand tools that are tailored to adults and make learning fun. A variety of activities are included to help individuals start to practice, and ultimately adopt, healthy behaviors. You can even offer opportunities for employees to earn points toward incentives when they participate.

Early identification

The value of CIGNA health and wellness programs begins with early identification. **Health assessments** help employees identify the health issues they need to improve. Our online health assessments are more effective because we integrate what we learn into our industry-leading **Trend Management SystemSM**, the earliest, most precise risk identification system available. We can analyze your employees' health status and related costs and identify high-cost risks **up to three years in advance with up to 83 percent accuracy.**¹⁰

Pharmacy programs, biometric screenings and maternity programs also identify employees who could use additional help with their immediate and long-term health needs. Once we learn what your employees need to improve their health and well-being, we can then direct them to a wide variety of wellness and care management programs.

CIGNA also has the capability to deliver **onsite health and wellness screening** services and consultative reporting that will give your employees an opportunity to understand their health status and the tools they need to make behavioral and lifestyle changes. For more details about onsite wellness opportunities for your employees, contact your CIGNA account manager.

Wellness programs

Health coaches, online self-improvement programs and 24/7 assistance help employees with the behaviors they want to change by giving them the tools they need to achieve their health-related goals – from losing weight, exercising more and quitting tobacco to reducing stress and getting a better night's sleep. Employers will benefit from healthier employees and reduced health care costs.

Care management programs

Case, disease and utilization management programs help individuals with chronic or acute health conditions improve their health and lower their related health costs. CIGNA ensures individuals receive the care they need from the appropriate health care professionals in the right setting. The savings we provide can be considerable.¹²

- **4.47 percent savings** for case management of specialized conditions, such as cancer, premature births and chronic pain.
- **5.33 percent savings** for care of chronic conditions like asthma, diabetes and heart disease.
- **2.5 to 5.5 percent savings** for utilization management services.

Organizations that invest in health and wellness programs **save \$6 in avoided expenses for every \$1 they spend.**¹¹





access to a broad proprietary network

At CIGNA, we're interested in forming lasting relationships. We're continually establishing and developing important connections with doctors, hospitals, and other services and facilities across the country, building a stronger network every day. We ensure that the health care professionals in our network meet CIGNA's credentialing standards. And the competitive discounts we're able to arrange directly impact your company's costs.

Regardless of the plan you choose, your covered employees will be able to find a quality health care professional or facility in our coast-to-coast network that meets their unique needs.

As part of the CIGNA family of companies we offer:

- Health care benefit solutions for more than 11 million customers nationwide.
- A broad proprietary network, including 650,000 health care professionals and 5,600 facilities nationwide.
- Access to CIGNA *LifeSOURCE* Transplant Network® and some of the top transplant centers across the country.
- 24/7 online access to **myCIGNAforhealth.com** for a comprehensive directory of health care professionals that can be searched by name, specialty, gender and location.

Staying in-network saves dollars

It's important for you and your employees to know that your company's plan is paired with the GWH-CIGNA network. Your employees' ID cards will include the GWH-CIGNA network reference to ensure claims are handled correctly. Before making an appointment, employees should confirm that the doctor or health care facility is in the GWH-CIGNA network. Costs are higher for services received outside the GWH-CIGNA network because they won't include the discounts network doctors have agreed to offer.

service and support that exceed your expectations

Behind every CIGNA plan is a system of service and support that's ready to fulfill our commitment to treat your company as if you're our only client. That means you and your employees will receive the service, attention, plans and programs other health insurance companies typically reserve for their largest clients.

A variety of resources help you stay informed and keep your health care plan running smoothly:

- **Detailed reporting**, available only to our self-funded clients (both graded funding and level funding), that enables you to track exactly how and where your health care dollars are being spent. Our Health Plan Performance reports include:
 - Executive at-a-glance summary
 - Medical and Pharmacy performance reports
 - Dental and Vision performance reports
 - Medical Outreach activity report
 - Disease Management outcomes report
 - Total savings summary
- **Online tools and resources at CIGNAforhealth.com** let you manage eligibility, request ID cards, generate reports and more.
- Make a toll-free call to our **dedicated client services** team to receive personal service, a prompt response and resolution of your administrative issue, claim payment status or other concern.
- Receive ready-to-use **communication support materials**, including enrollment materials and **VitaMinSM**, an employee education campaign, including newsletters, email, posters, flyers and payroll stuffers that help individuals understand how their choices affect health care costs and how they can take action to reduce those costs.



At-a-Glance Reporting

At-a-glance reports allow you to troubleshoot, clarify objectives, educate employees and maximize health care dollars.

	Current Period Mar 08 - Feb 09	Prior Period Mar 07 - Feb 08	Percent Change	Normative Current Year
Average Membership				
Average # of Medical Employees	137	146	-6.2%	N/A
Average # of Medical Members	214	228	-6.1%	N/A
Average Age - Membership	42.0	41.2	1.9%	33.5
Member/Employee Ratio - Membership	1.6:1	1.6:1		1.3:1
Medical Plan Cost Sharing				
Percent Paid by Plan	78.2%	83.5%	-6.3%	85.0%
Percent Paid by Member	21.8%	16.5%	32.1%	15.0%
Medical Paid Claims				
<\$10K	\$205,938	\$122,411	68.2%	34.1%
\$10K - \$50K	\$124,708	\$145,599	-14.3%	31.5%
\$50K - \$100K	\$66,806	\$52,855	26.4%	12.2%
>\$100K	50	50	0.0%	22.2%
Total Medical Paid Claims	\$397,452	\$320,865	23.9%	
Number of Medical Claimants by Dollars Paid				
<\$10K	154	117	31.6%	94.0%
\$10K - \$50K	5	7	-28.6%	5.0%
\$50K - \$100K	1	1	0.0%	0.6%
>\$100K	0	0	0.0%	0.4%
Total Number of Medical Claimants	160	125	28.0%	

service and support for real-world needs

'Round-the-clock resources for your employees

The CIGNA service and support system extends to your covered employees, as well. We offer a variety of online tools and resources that support the needs of individuals and can assist them in making wise health care choices. Our secure self-service website, **myCIGNAforhealth.com**, provides 24/7 access to a wealth of information, including:

- Find a doctor, dentist, pharmacy or hospital in the **GWH-CIGNA network**.
- Order an ID card.
- Update information, including dependents.
- Check the status of claims.
- Print Explanation of Benefits (EOB) forms.
- Compare prescription drug costs and determine savings.
- Evaluate hospital quality by outcomes.
- Get information about procedures and conditions.

Find a Great-West Healthcare, now part of CIGNA, Provider

Search by specialty:

Search Results

More than 200 providers meet the preferences you selected. The closest 200 have been returned.

- Network: PPO
- Provider Type: Primary Care Providers
- Specialty: All specialties
- Address: 1070 south sherman st
- City: denver
- State: CO
- ZIP Code: 80210
- Distance: Within 45 miles

Data Updated: 07/23/2009

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PROVIDER	SPECIALTY	DISTANCE	OPTIONS
Sullivan, Mark B, MD 895 S Logan St Denver, CO 80209 (303) 733-3264	FAMILY PRACTICE	1.2 miles Map & Directions	<input type="checkbox"/> Add to Compare List <input type="checkbox"/> Add to Contacts
Lidstone, Alan T, DO 811 S Pearl St Denver, CO 80209 (303) 744-9120	FAMILY PRACTICE	1.4 miles Map & Directions	<input type="checkbox"/> Add to Compare List <input type="checkbox"/> Add to Contacts
Coudreau, Lawrence T, MD 830 E Harvard Ave Ste 405 Denver, CO 80210 (303) 733-3734	INTERNAL MEDICINE	1.4 miles Map & Directions	<input type="checkbox"/> Add to Compare List <input type="checkbox"/> Add to Contacts
Evans, Terry S, MD 830 E Harvard Ave Ste 475 Denver, CO 80210 (303) 292-8866	OBSTETRICS AND GYNECOLOGY	1.4 miles Map & Directions	<input type="checkbox"/> Add to Compare List <input type="checkbox"/> Add to Contacts

WELCOME TO
COMPARE HOSPITAL QUALITY

CHOOSE REPORT CHOOSE HOSPITALS RANK CRITERIA VIEW REPORT

Find a hospital for a procedure or condition...

Or find a hospital by name...

Hospital Name (at least 3 characters)

Location (city, state or zip)

Explanation

On select a Category and a Procedure/Diagnosis from the menu below.

Category:

Procedure/Diagnosis:

Location (city, state or zip)

Within:
 miles

WELCOME, JOE SAMPLE.
Today is June 17, 2009

Sign Out | Inbox 2 New Messages

Benefits | Claims | Find a Provider | Tools | Wellness | My Profile

Home / Claims / Search Claims

Search Claims

Member

☒ All family members

☐ Joe Sample (Subscriber)

☐ Daughter Sample (Dependent)

Claim Details

Claim Type:

Claim Status:

Doctor/Provider Last Name (at least the first letter)

Claim Date Range

May 17 2009 through June 17 2009

My CIGNA ConnectionsSM deliver customized experience

My CIGNA Connections is based on the premise that people have different service needs, seek solutions in a number of ways and require varying degrees of support. It can help reduce administrative costs by assisting individuals who have benefit and claim questions – freeing up plan administrators to focus on other tasks.

Available 24/7 to all covered individuals, our toll-free automated telephone system, VoiceExpressSM, allows callers to:

- **Check** claim status and hear claim details.
- **Hear** detailed benefit information and verify eligibility.
- **Access** prescription drug information.
- **Enter** another menu for services such as precertification, maternity or disease management.
- **Receive** a fax of benefit or claim information.

For complex questions, or if additional assistance is required, customers may connect to a customer service representative during regular business hours.

For those customers with more difficult or complex situations, the **My CIGNA ChampionSM** program is available. Through this program, a single point-of-contact is assigned who works with a behind-the-scenes team of internal and external experts to provide dedicated administrative and clinical support through a particularly difficult time of need.

My CIGNA Champions
reach out to customers in need, often before they ask for help.



As the single point-of-contact for an individual, My CIGNA Champion enlists help from a behind-the-scenes team of experts to more quickly and effectively respond to the person’s unique situation.

references

- 1 *Best Employee Assistance Program, 2009 Reader's Choice Awards, Business Insurance Magazine's November 16, 2009 edition.*
- 2 *CIGNA health care plans are available in some markets to employers with as few as 25 employees. By state law, clients in New York, North Carolina, Oregon, Tennessee and Vermont must have 51 employees to participate in self-funding. Please contact your CIGNA account manager for details.*
- 3 *Claims funding is the maximum claim liability (as determined pursuant to the stop-loss policy).*
- 4 *Based on CIGNA plan rates.*
- 5 *University of Michigan Health Management Research Center, Cost Benefit Analysis Report, 2006.*
- 6 *Source: National Stroke Association, Controllable Risk Factors, High Blood Pressure, stroke.org, 2009.*
- 7 *Source: American Heart Association, Heart Disease and Stroke Statistics, 2010 Update At-A-Glance, p. 14.*
- 8 *U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Diabetes Fact Sheet: United States 2007.*
- 9 *Wang Y., Beydoun MA, Liang L. et. al. Will all Americans become overweight or obese? Estimating the progression and costs of the U.S. obesity epidemic. Obesity 2008 Oct; 16(10):2323-30.*
- 10 *Trend Management Systems is available for an additional cost or as part of the Healthy Frontiers program.*
- 11 *Mills PR, Kessler RC, Cooper J., Sullivan S. AmJHealthPromot, 2007:22:45-53.*
- 12 *CIGNA Select cases, tabulated by Alere.*

Certain plans are not available in all states. Rates, including but not limited to the amount of plan deductibles, coinsurance, and out-of-pocket and lifetime maximums, will vary by plan design, age, gender, geographic factors and the results of the medical underwriting risk assessment process. Rates are subject to change upon prior notice. Certain medical conditions may not be covered for a specified length of time if those conditions are related to a medical condition that existed prior to the date of coverage.

All policies and general service agreements have restrictions, exclusions, limitations, reductions of benefits and terms under which the policies or agreements may be continued in force or discontinued.

In Texas, Open Access Plus Plans are considered preferred provider plans with certain managed care features.



Contact Us

To find the right solutions for your business,
go to CIGNAforhealth.com or contact your
CIGNA account manager today.



"CIGNA," the "Tree of Life" logo, "CIGNA Consumer Advantage," "CIGNA Dental Care," and "CIGNA LifeSource Transplant Network" are registered service marks and "VitaMin," "My CIGNA Connections," "VoiceExpress," "My CIGNA Champion," "CIGNA Home Delivery Pharmacy" and "CIGNA Specialty Pharmacy Services" are service marks of CIGNA Intellectual Property, Inc., licensed for use by CIGNA Corporation and its operating subsidiaries. All products and services are provided exclusively by such operating subsidiaries, including Connecticut General Life Insurance Company, CIGNA Health and Life Insurance Company, Tel-Drug, Inc. and Tel-Drug of Pennsylvania, L.L.C., and not by CIGNA Corporation. "CIGNA Home Delivery Pharmacy" and "CIGNA Specialty Pharmacy Services" refer to Tel-Drug, Inc. and Tel-Drug of Pennsylvania, L.L.C. All models are used for illustrative purposes only. 826922c 08/10 © 2010 CIGNA. Some content provided under license.