

# Cigna for Government



Benefits are key to attracting and retaining a quality workforce, but rising costs are making it difficult to deliver an attractive, affordable health and wellness benefits package. Cigna understands the unique needs of government employers and can help, even in this rapidly changing environment.

Findings from a recent survey show that the cost of providing benefits is a significant concern for local government communities, regardless of the community's size or geographic location. Despite these cost pressures, the majority of local governments also understand the value of a healthy workforce, and say they have no plans to reduce, delay or cancel program design enhancements, including health promotion efforts.

Our innovative approach to improving health across your entire employee population can save your community money, not just immediately and in the short-term, but into the future as well. Here are some of the key ways this is accomplished:

- Rates of illness/disease are reduced
- Absenteeism and presenteeism decrease, resulting in employees who are healthier and more engaged
- Total benefit costs are lower – year after year
- Overall, per-employee costs are up to 25% lower
- Overall sick days are reduced up to 26%

Cigna delivers the meaningful results that most health plans can't. Through our dynamic, consultative approach, we go beyond basic claims and unit cost savings, and target the hidden factors that give us the insight we need to understand your unique cost drivers and challenges.

We've been providing benefit solutions to state and local governments for more than half a century. By incorporating our expertise, along with our highly innovative approach to meeting client needs, Cigna creates a culture of health through targeted programs proven to generate real results.

## Government employers face complex challenges

Your health care challenge is as complex and unique as your employee population. Balancing effective benefits that meet the many needs of your diverse and aging workforce against pressures to balance budgets and demonstrate good use of constituents' tax dollars is no small undertaking. We understand that factors driving your health care costs may be hidden or difficult to discern. That's why we provide consultative resources and information that look beyond basic claims and unit costs to gain insight into your unique cost drivers. For example:

- The obesity epidemic and the graying of the government workforce mean it's more important than ever to engage your employees in adopting healthy lifestyles.
- Trying to attract and retain the next generation of employees, who are more interested in wages, builds pressure for finding ways to redirect health care costs to wages.
- And, like most government entities, you face a special challenge due to large pre- and post-65 retiree populations, many of which are still receiving health care benefits. Additionally, you may also have an employee population that includes a large percentage of union employees which may limit your short-term options for health plan changes.

Getting serious about meeting the complex challenges of health care means having a partner who is focused on addressing the hidden factors that affect your results. **Cigna can help.**

**More than 1.2 million government employees and their families are enrolled in Cigna.**



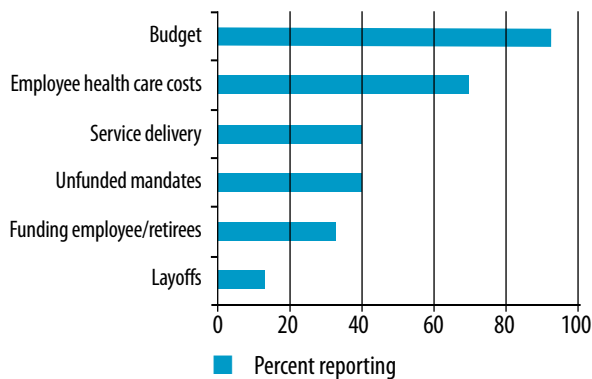
# Cigna survey reveals benefit costs as key concern

Cigna recently collaborated with the International City/County Management Association (ICMA) on its second nationwide survey to better understand one of the most significant challenges facing local governments – providing comprehensive, cost-effective health care benefits to employees.

## Top concerns

- Budget worries top the list of local government concerns, with the expense of employee and retiree health care benefits and unfunded mandates also weighing heavily on the minds of local government administrators.
- The survey also collected information to assess specific workforce health concerns. Overall, obesity/weight was, by far, the top concern, followed by stress management and and fitness.

Top operating concerns



## Current benefit approaches

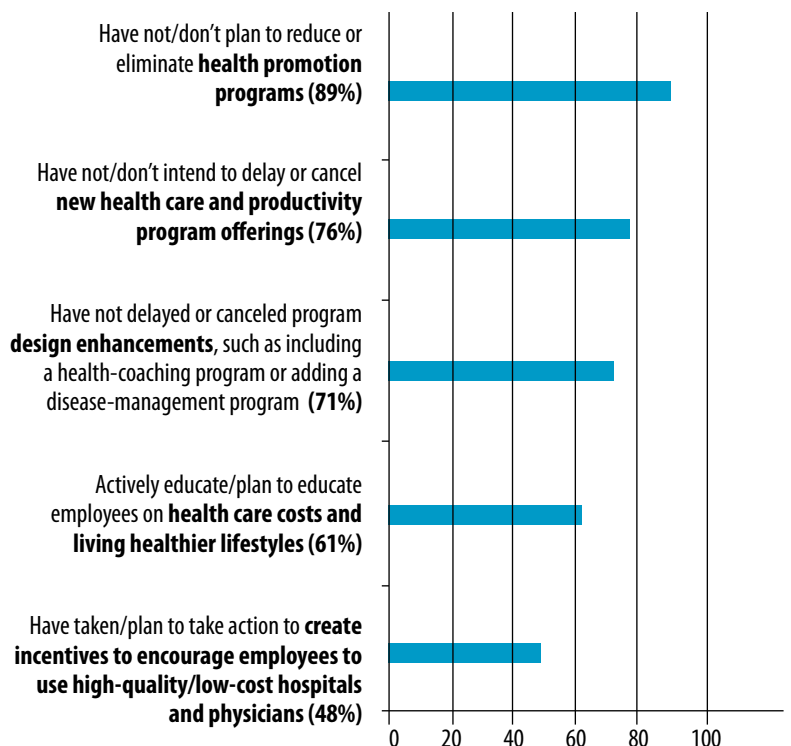
- Overwhelmingly, local governments report having plans in place for medical, pharmacy and dental coverage for active employees, with the majority also offering an Employee Assistance Plan (EAP) and disability insurance.
- Overall, about a quarter of local governments (26%) are currently offering account-based high-deductible health plans, either health savings accounts (HSAs) or health reimbursement accounts (HRAs). Larger local governments have been faster to adopt these plans.
- Most local governments (75%) continue to offer medical coverage for early retirees – those under age 65. Far fewer offer pharmacy and dental coverage. Only a very small percentage (4%) offer a stand-alone high-deductible health reimbursement account (HRA).

## Cost-saving strategies

Local governments see the value in health and wellness programs. They realize that the path to long-term cost savings is not in reducing wellness programs; but instead, focusing on the programs that do the most good for their workforce.



In all but a few categories, the majority of local governments report that no action has been taken to reduce health care expenses/claims costs.



# Listening and connecting with our customers

Your employees work hard. So Cigna is revolutionizing health plan customer service – making it easier for people to get the help they need so they can get more from their benefit plan.

- Cigna is the only national health carrier with live 24/7 customer service – every day of the year.
- Through Cigna’s Collaborative Accountable Care pilot initiatives, we are collaborating and sharing information with doctors and hospitals to coordinate outreach to our customers. The goal is to more effectively connect customers with Cigna programs and services so we can help them achieve their health and health spending goals.
- Customers can choose to speak with us in one of more than 150 languages and dialects. We also help ensure that customer communications are culturally appropriate with the help of trained Hispanic, African American and Chinese employee resource groups. And we’re providing cultural competency training and resources for our staff.
- Cigna Mobile allows customers to access our directory of doctors, health care professionals and facilities. They also can connect to cost and quality tools via any web-enabled smartphone. When customers access Cigna.com or myCigna.com from their phone browser, we can immediately recognize the mobile device they are using and deliver a simple navigation to log in, and begin using either of these websites.
- We offer customers worksite-based health services, doctor consultations via the web and convenient GPS find-care services. We also cover visits to care clinics located in neighborhood pharmacies and retail stores closer to where customers live and work.

## Better experience. Better results.

Our work to simplify and improve the customer experience – and earn the privilege to help – is paying off in ways that are meaningful and important. Today, from choosing their health plan design to choosing their care, more Cigna customers are working with us to maximize the value of their health plan and improve their health and health spending.

Results of Forrester’s 2011 Health Insurance Customer Experience Index show that Cigna’s overall scores improved four points over the last three years. Cigna gained significant ground in the “easy” category, and had the greatest positive change among all health plans in the “enjoyability” category.

*Source: Forrester Research, Three-Year Trends in Health Insurance Plan CxPi Score, 2011*

According to our own Cigna Customer Report Card, we’ve seen significant positive improvements over the past three years, rising to “best in class” by the end of 2010 in these categories:

- Clarity of information provided by customer service staff
- Ability of customer service staff to help customers understand their health plans
- Usefulness of print materials received in the mail
- Promptness when speaking to a person using the Interactive Voice Response (IVR) system

Overall Cigna Customer Loyalty measures are on the rise, as well:

- 80% increase: “Cigna values me as a customer”
- 50% increase: “Cigna has my best interests at heart”
- 33% increase: “Cigna guides me to the decisions that are right for me”
- 33% increase: “Would recommend health insurance from Cigna”

*Source: Cigna Customer Loyalty Study Wave 2, Spring 2009; 2008-2009 Percentage and point improvements.*



## Wellness case study

A large Southwest county government with a mature workforce was facing long-term medical costs and wanted to ensure a healthy workforce going forward. To tip the scales from unhealthy to healthy lifestyles, Cigna provided innovative and successful disease management programs that better coordinated the health and financial outcomes of the employees.

Incentives encouraged employees to become more informed about their health and increase their participation in wellness programs. The incentives proved to be key to changing – and improving – employee behavior.

## Results

- 65% registration on myCigna.com, using Cigna’s customers benefit and health advocacy tool.
- The enhanced medical management program resulted in the active participation of 12.4% of the employee population, providing savings of more than \$2.69 million.
- Medical costs for the county’s employees decreased by 9.2%, due to the enhanced disease management program. The resulting savings totaled more than \$2.4 million, for a medical savings of 2.3 times the investment made.
- Compliance with prescribed treatment plans increased. For example, appropriate use of asthma medications increased from 64% to 70%.

## Accountability

### Our Approach at Work in Communities

#### Social Responsibility

As a company and as individuals, we are dedicated to four core areas:

Improving the quality  
of health care

Meeting the needs of infants,  
children and families

Promoting health literacy

Eliminating gender and  
racial health care disparities

#### Responsibility as a Partner with Government



International City/County  
Management Association:  
Cigna is the exclusive health  
care sponsor of the ICMA  
annual conference.



National Forum for Black  
Public Administrators:  
Cigna is the key sponsor for the  
NFBPA annual conference and also  
supports their scholarship program.



National League of Cities:  
Cigna is a Corporate Partner  
and works closely with the NLC  
in its efforts to help strengthen  
cities as centers of opportunity.



## In action

When it comes to serving our customers and communities in need, Cigna donates the time, the talent and the resources to help others.

**Martin Luther King, Jr.:** Cigna has a long history of support for Martin Luther King, Jr.'s legacy. For 18 years, we have sponsored the Philadelphia Orchestra's annual tribute concert to Dr. King, making it possible for the public to attend at no charge. We were the first health service company – and one of the first major corporations of any type – to pledge \$1 million to help ensure that the Martin Luther King, Jr., National Memorial project in Washington, D.C., would be completed. The memorial opened to the public on Monday, August 22, 2011.

**Healthy Kids Challenge:** Cigna is a national sponsor of the Healthy Kids Challenge. We joined forces to develop and co-brand programs that drive behavioral change among elementary-age kids and their families in an effort to increase healthy eating choices and physical activity.

**Giving Back:** In 2010, Cigna employees volunteered more than 23,066 hours and donated more than \$2 million to various charitable organizations and programs.

### Breaking Down Barriers

#### Health Care Disparity

According to the American Medical Association, 90 million people have trouble understanding health information because most medical information is written above a high school reading level and only in English. Cigna is committed to reducing and eventually eliminating disparities in care. Our important literature is available in Spanish and Chinese, and we're focused on making health care simple for those who need to understand it –

our customers. This means easy-to-read statements, proactive solutions, courteous and responsive service, and reminders and tips to help individuals make the most of their benefits.

In addition, Cigna recently formed the Health Disparities Advisory Council, a pilot initiative designed to open direct channels of communication between clients and Cigna. The Council is designed to help clients better understand the issues related to health disparities; identify potential disparities based on the clients' data specific analysis; and implement collaborative solutions to close these gaps.

#### Supplier Diversity

Cigna is committed to being a partner of choice for small, women- and minority-owned businesses. Our overall sourcing strategy includes nationally recognized benchmarks and customer-driven target percentages for annual dollars spent on purchases from women- and minority-owned businesses that share our values of integrity, quality and efficiency. Cigna is a corporate member of the National Minority Supplier Development Council and Women's Business Enterprise National Council.

For more information contact  
your broker or Sheila McGinley  
at 860.226.5848.

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