Summary of Key Findings: February 2013

CIGNA CHOICE FUND® EXPERIENCE STUDY

Cigna recently completed the seventh in a series of multiyear studies to track the experience of customers in its Choice Fund consumer-driven health plans (CDHPs). Using actual claim data from real customers and clients, we compared the behaviors and costs of Cigna Choice Fund customers with those of individuals in traditional HMO and PPO plans.

The seventh annual Cigna Choice Fund Experience Study once again confirms that Choice Fund consumer-driven health plans save money without compromising care and customers are increasingly engaged and smarter about their health and health spending.

When compared to customers in traditional plans, Cigna Choice Fund customers:

Choice Fund customers reduced their annual medical costs an average of 13% while improving their health profile

Spend less on overall medical services

Receive equal or better quality care

Are more engaged in their health and health spending

Are more satisfied with their health care experience

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Offered by: Connecticut General Life Insurance Company or Cigna Health and Life Insurance Company.

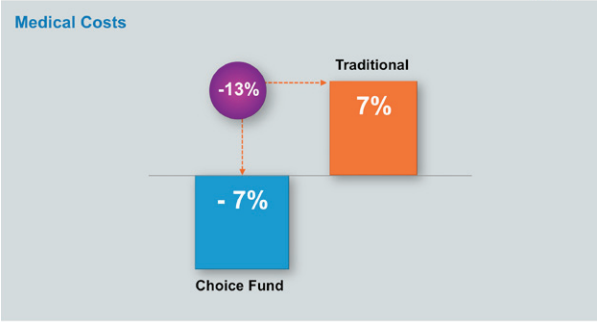
KEY FINDINGS

Sustainable cost savings – without cost shifting

When compared to customers in traditional plans, overall medical cost trend for customers in Cigna Choice Fund plans was significantly lower in the first year – and is sustained over time:

13% lower medical trend in first year

There were significant cost savings in all health status categories, across all types of service, and for both Health Reimbursement Account (HRA) and Health Savings Account (HSA) plans.

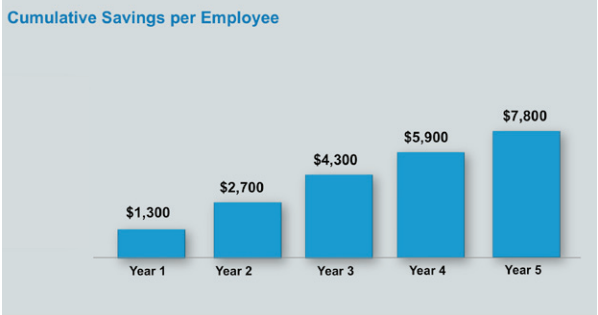


Sustainable savings year over year

Lower medical cost for Cigna Choice Fund continues in subsequent years.

Savings achieved without cost shifting to customers

Analysis of customers' out-of-pocket health expenses showed that those in Cigna Choice Fund HRA paid nearly the same percentage as customers in traditional plans – regardless of their health status.



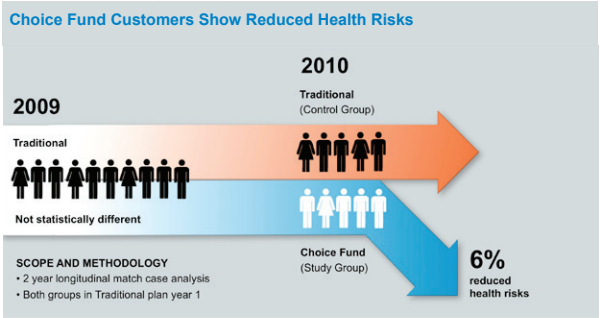
Substantially lower pharmacy trend in first year

When compared to customers in traditional plans, Cigna Choice Fund customers with Cigna Pharmacy Management® substantially reduced their pharmacy costs:

- **8%** lower overall pharmacy cost trend in the first year
- **77%** of Cigna Choice Fund customers used generic equivalents over brand-name medications

Better health risk profiles on full-replacement cases

Customers enrolled in full-replacement Cigna Choice Fund plans improved their health risk profile by **6%** in the first year compared to those who remained in traditional plans.

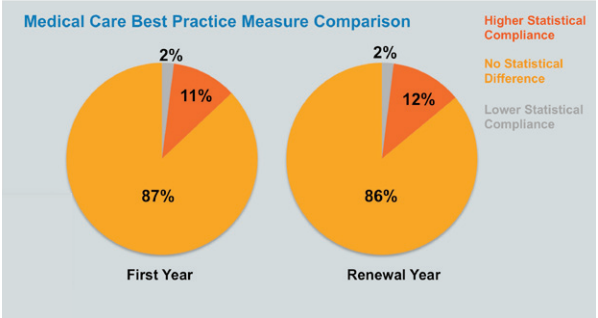


Customers who moved to a Cigna Choice Fund plan significantly reduced their health risk as compared to those who remained in a traditional plan.

No sacrifice in quality of care

When compared to customers in traditional plans, Cigna Choice Fund customers continued to receive recommended care at the same or higher levels as those enrolled in traditional plans:

- Equal or higher use of over 300 evidence-based measures
- Higher use of preventive care services

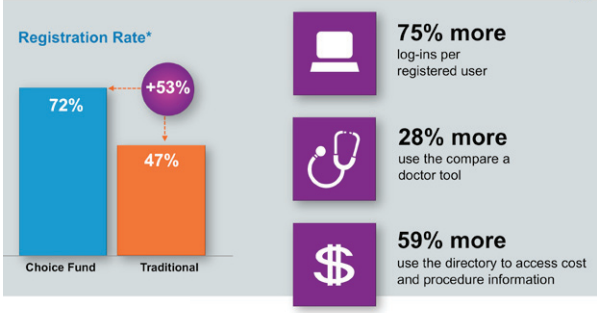


More take action to improve health, lower cost

When compared to customers in a traditional plan, Cigna Choice Fund customers were more engaged in programs and services to improve their health and their health care spending habits:

More register and use online health information

- **72%** registered to use our award-winning online information and tools to make health care decisions compared to just **47%** in a traditional plan
- **More** likely to use online cost and quality information/tools when making health care decisions

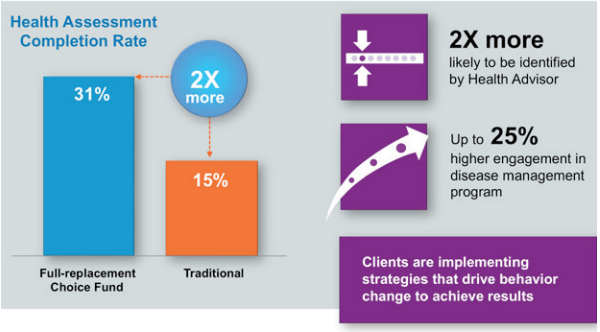


More actively engaged in health improvement programs

- **2X** more likely to complete a health assessment
- Up to **25%** more likely to work with a health coach to improve their health and wellness

More chose lower-cost care options

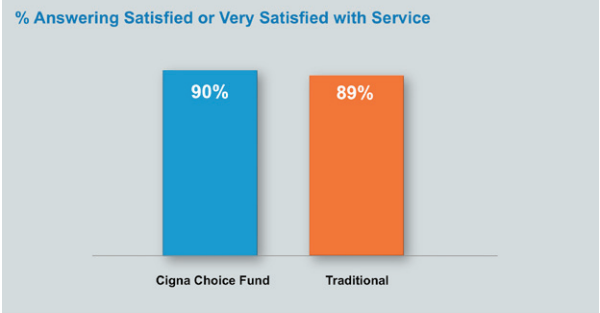
- **6%** decrease in use of Emergency Room services resulting from Cigna Choice Fund customers choosing more appropriate options



And just as satisfied

Study results dispelled the myth that customers in CDHPs are less satisfied with service than those in traditional plans.

- Customers in Cigna Choice Fund were **equally or more satisfied** than customers in traditional plans



By employing strategies and tactics designed to create active participants who are encouraged and rewarded for choosing and using quality care, Cigna Choice Fund customers are healthier, happier and more engaged in their health care decisions – reducing costs and improving productivity year after year.

The Cigna Choice Fund Experience Study is a multiyear comparative analysis of utilization, claim and cost trend data for two groups of customers: those in traditional PPO/HMO plans (the control group) and those in Cigna Choice Fund CDHPs.

A total of 2,525,000 individual customers from 1900 client groups were tracked.

- **407,000** customers were continuously enrolled in a Cigna Choice Fund plan in 2009 and 2010.
  - **97,000** customers were in their first year with a Cigna Choice Fund medical plan.
  - **310,000** customers were in a renewal year with Cigna Choice Fund.
- **2,021,000** traditional HMO and PPO customers from the same employer groups served as the control group.
- The study examined the total cost of claims for both employers and individuals to isolate behavior changes associated with enrollment in CDHPs. Observed differences were not the result of changes in coverage or increases in consumer cost-sharing.
- Results were standardized. This process adjusts for differences in health status mix (the number of low-, moderate- and high-risk individuals) between Cigna Choice Fund and traditional plan groups. Values are adjusted to reflect the overall health status mix of the entire study group. This allows for valid, consistent comparisons between groups.
  - The study excluded catastrophic claims in excess of $50,000 from all populations to reduce random variations within smaller sets of data.
- Health Advisor and Health Assessment results were from an internal Cigna reporting database, where Cigna Choice Fund was the only plan offering versus clients offering only traditional plans.
- **myCigna.com** results were from internal portal reporting.
- Customer satisfaction survey results represent full year 2011 call survey results of total book of business versus Cigna Choice Fund-only calls.
- To understand the impact of Cigna Choice Fund enrollment to an individual's Health Risk Profile, a longitudinal match-case control study was conducted, which created two matched groups of individuals based on demographic and health risk variables.

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