



CIGNA Choice Fund[®] Two Year Experience Study *2005-2006*

December, 2007

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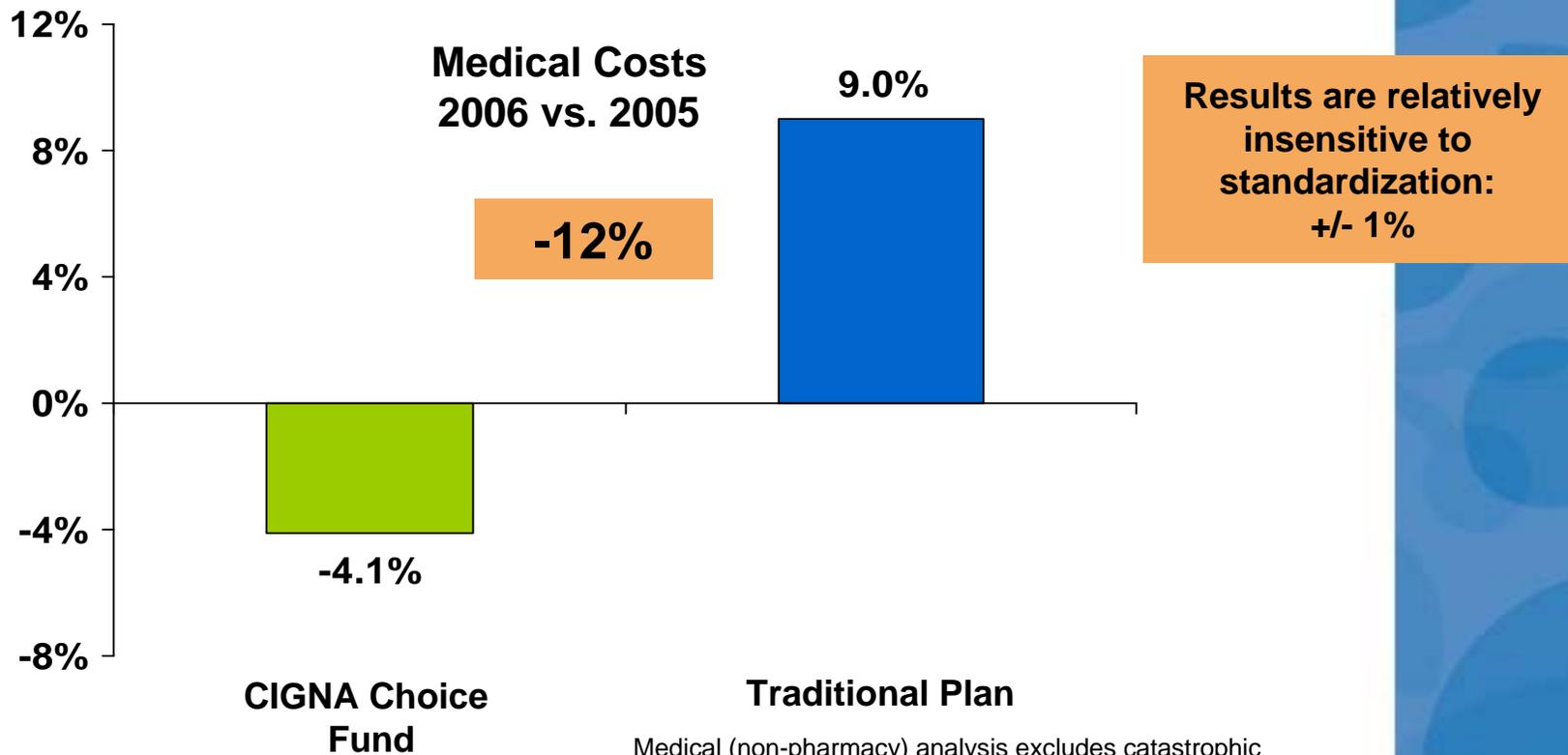
A Business of Caring.

Key Findings

- ✓ Total medical cost **trends were lower for both first year and second year CDHP** members
- ✓ Member **out-of-pocket costs were similar**
 - First year members similar out-of-pocket costs
 - Second year CDHP out-of-pocket costs reduced for both HRA and HSA members
- ✓ Use of **preventive care increased**
 - First year visits increased
 - Second year visits remained higher than traditional
- ✓ Use of **Evidence Based Medicine was similar** to traditional plans
- ✓ **Increase in use of maintenance medications** that support chronic conditions

First Year Medical Trend Impact

CIGNA Choice Fund first year medical cost trend significantly lower than traditional plans



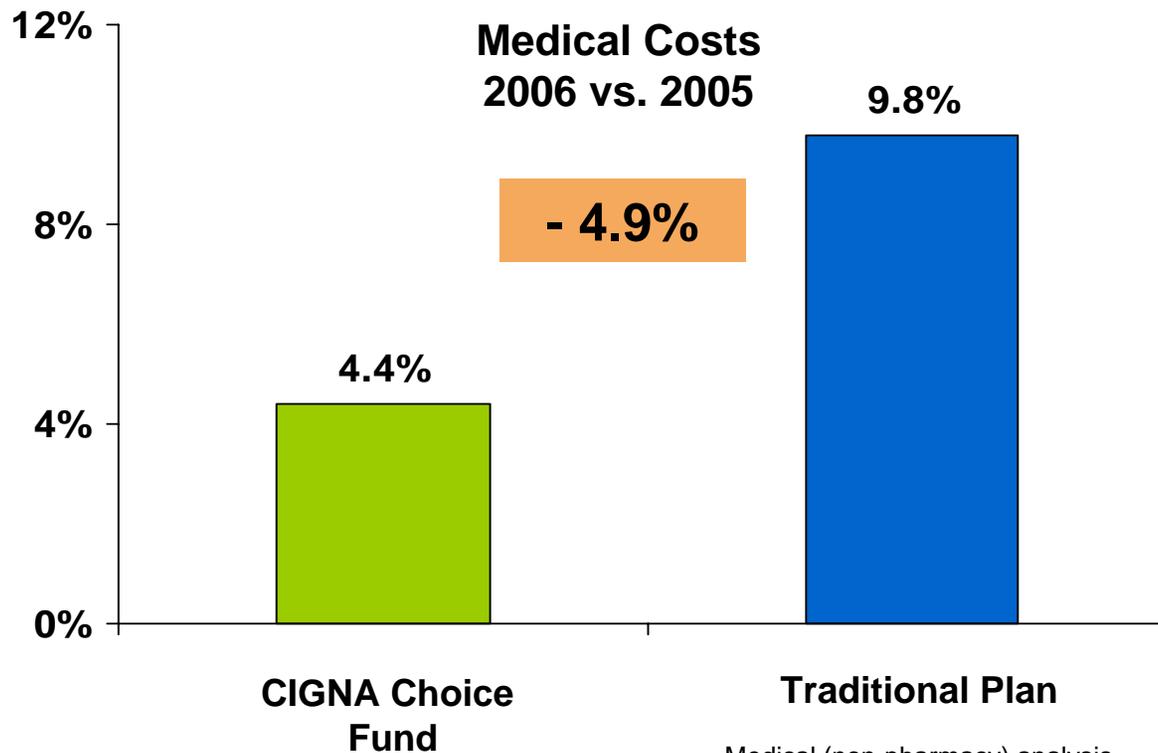
Medical (non-pharmacy) analysis excludes catastrophic claims > \$50,000 and capitated services.

Data is standardized for both populations. Values are adjusted to reflect the overall health status mix of the entire study group.

Excludes 2 cases with non-standard benefits.

Second Year - Medical Trend Impact

CIGNA Choice Fund medical cost trend is lower in the second year than traditional plans



Results are relatively sensitive to standardization: +/- 2-3%

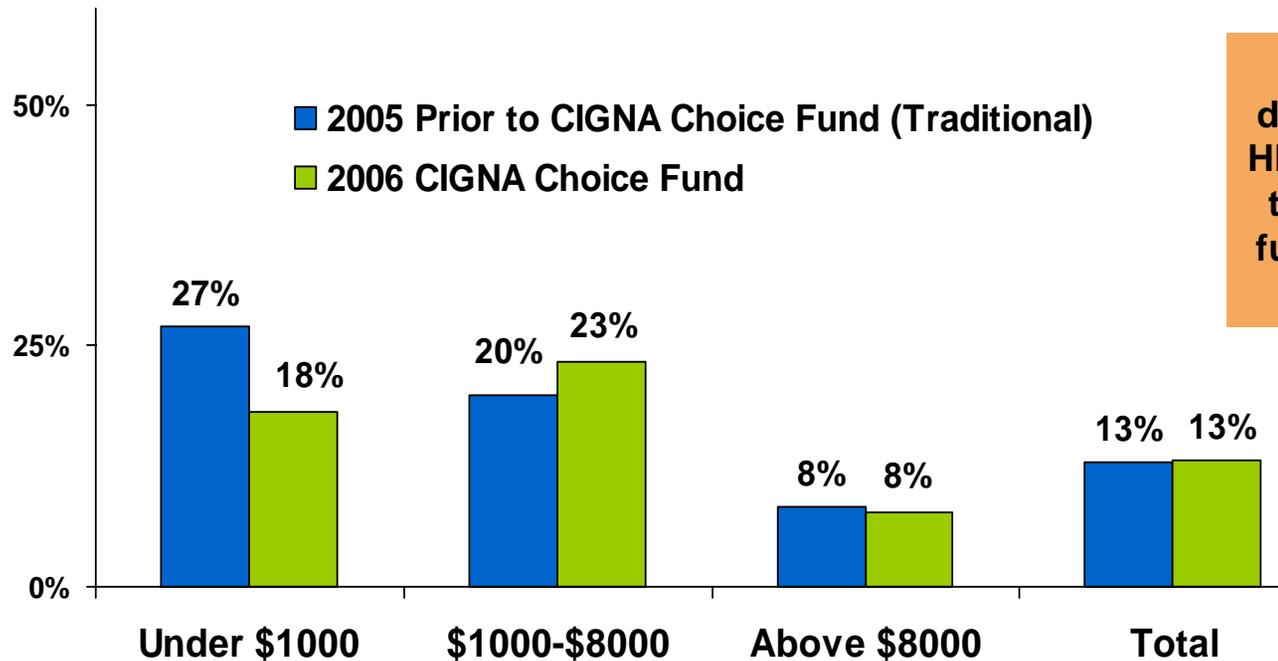
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Member Medical Cost Share – New CIGNA Choice Fund First Year HRA Members

Cost-shifting did not occur. The overall percentage share of total costs paid by CIGNA Choice Fund members remained approximately the same

Member Cost Share Percentage by Claim Categories CIGNA Choice Fund HRA



Total cost share declined from 22% for HDHP only to 13% with the inclusion of HRA funding (HRA is 9% of total cost)

- Excludes premiums
- Medical only
- Unadjusted cost data – includes all costs



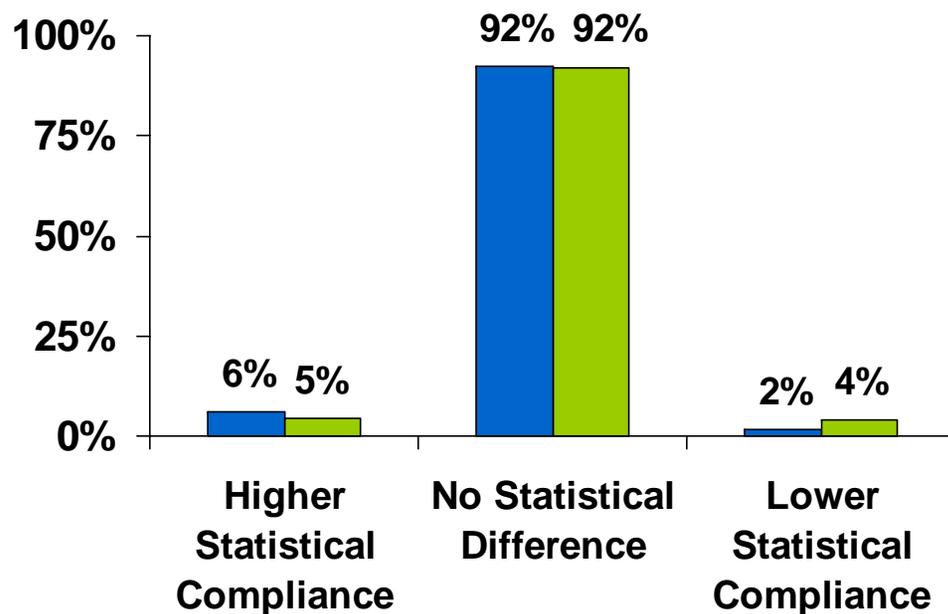
Medical Care Best Practice Measures

New CIGNA Choice Fund members continued to receive recommended care at similar rates as when in the traditional plan population

Medical Best Practice Measure Comparison

CIGNA Choice Fund vs. Traditional Plans

■ 2005 Traditional ■ 2006 CIGNA Choice Fund



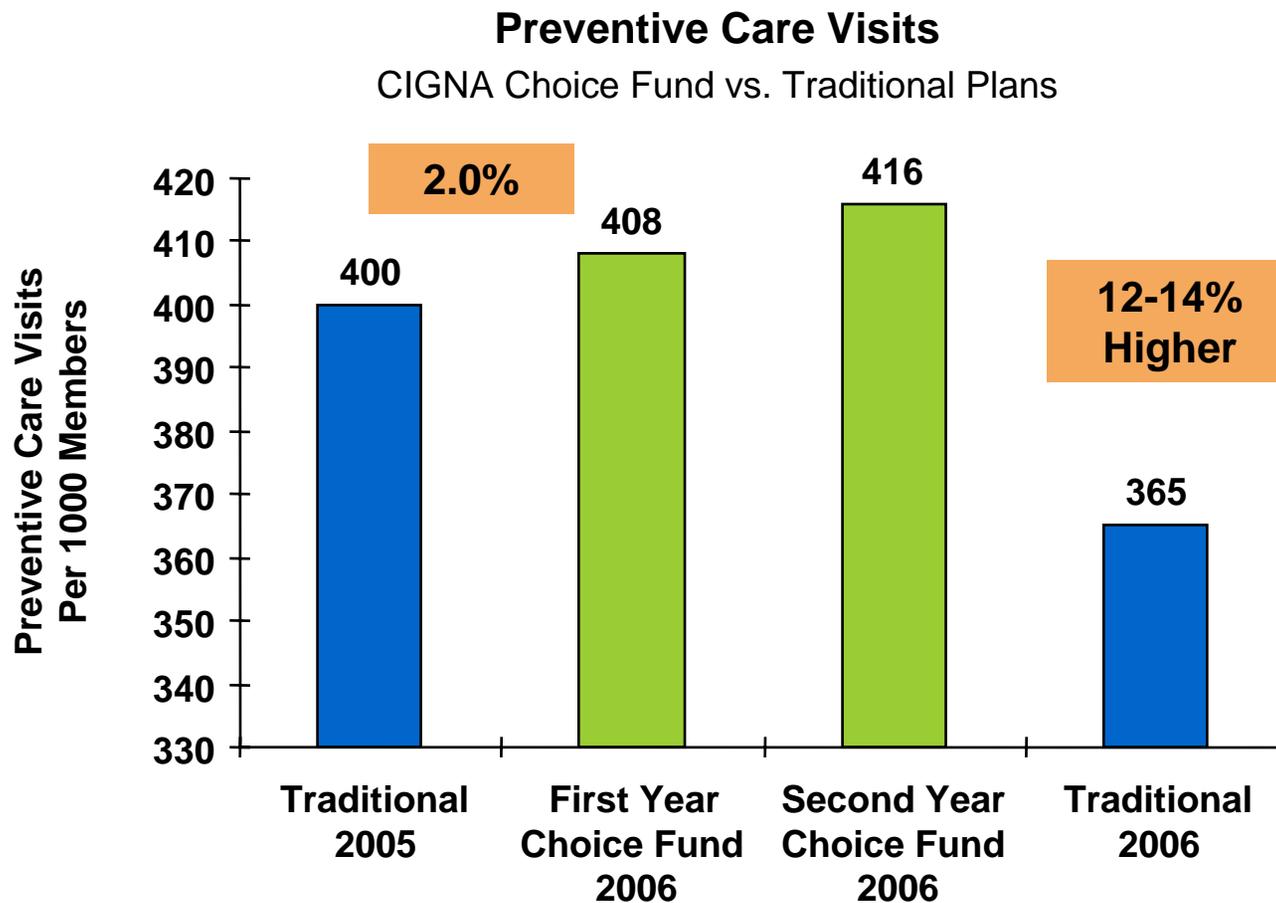
More than 300 measures were assessed in each year

95% confidence level

Total is greater than 100% due to rounding

Preventive Care

Preventive care visits for New CIGNA Choice Fund members increased over the prior period while both first and second year CIGNA Choice Fund members accessed preventive care at a much higher rate than traditional plans in the current period

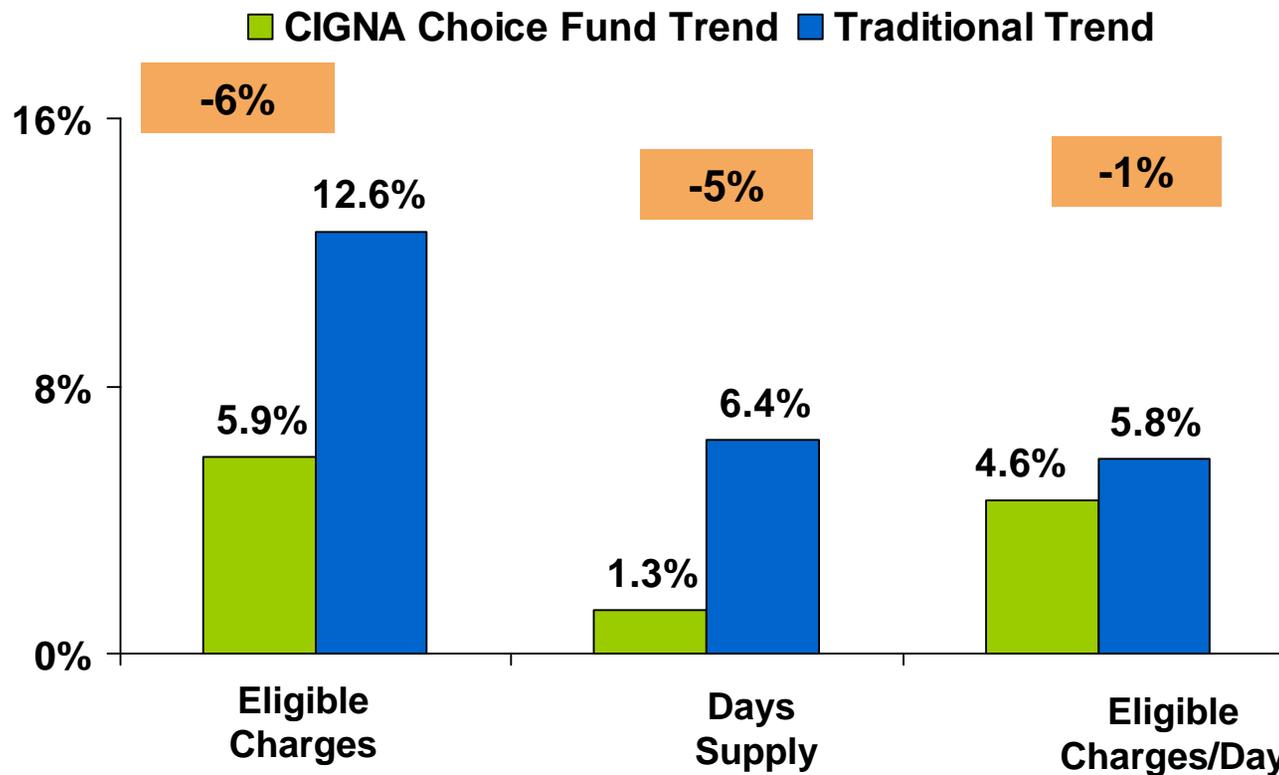


Total Pharmacy Utilization

Total Pharmacy costs were lower than traditional plan costs, while days supply increased

Pharmacy Utilization

CIGNA Choice Fund vs. Traditional Plans





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