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September 5, 2008

Mr. Dan Hinderliter
Director of Contracts and Finance
Department of Human Resource Management
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Re: Response to PPEA project OHB08-2 Conceptual Proposal Phase Three (Financial/Clinical Analysis)

Dear Mr. Hinderliter:

CIGNA HealthCare is pleased to submit our response to the third phase of the PPEA project OHB08-2 regarding our financial and clinical analysis of the data provided by the Commonwealth of Virginia (COVA).

CIGNA's mission is to improve the health, well being, and security of the individuals we serve. In tandem, we aim to work with our clients to help them achieve not only beneficial wellness results for their employees and dependents, but also excellent and lasting financial results.

CIGNA is uniquely qualified to offer a comprehensive and integrated clinical and care management solution for the Commonwealth of Virginia. Plain and simple - we offer clinically superior solutions that deliver measurable results. Combining caring professionals with technology, we are committed to delivering a proactive flexible approach to align with COVA's objectives.

We recognize "Disease" as the real enemy in health care, with a direct impact to employee productivity and cost. Improving health is the only sustainable way to combat this enemy. To improve health, CIGNA seeks to measurably reduce the production of and destruction from disease.

We believe it is a requirement to focus on three areas:

- **Reduce the production of disease** - disease does not happen on a given day, but over time, influenced by many factors
- **Reduce the destruction from disease** - from chronic conditions (e.g., diabetes, cancer, obesity)
- **Preempt an "event"** - (e.g., stroke, heart attack, diabetes) from happening, through industry-leading risk identification and appropriate interventions designed for the individual- many who may never know they are at risk prior to an acute event occurring

Our objective is to provide the pathway to improved health across this entire spectrum with a heightened focus on identifying individuals at the greatest risk - even if they have no incurred claims - and supporting the healthy and at-risk to keep them well or improve their health.

CIGNA provides value through rigorous data-driven health risk identification. Our goal is to identify and engage at-risk employees and their family members as early as possible when our health advocacy services and wellness tools can have the greatest impact. We know that proactive immediate outreach drives engagement; integration of multiple data sources help us quickly connect people with programs and resources that can benefit them. Our focus is on you, the individual. Studies show that 5% of claimants drive 50% of cost. We need to identify future claimants, who have the potential to jump from "low" to "high risk" in one year. Every 14-18 months there is a new 5%.

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We provide value through our whole-population whole-patient approach that meets people wherever they are on the health continuum, from good health to chronic or acute illness. Our comprehensive care management model provides individuals the ease of a single point of access to an experienced and dedicated team. This structure will enhance COVA's ability to holistically assist individuals and their family members.

CIGNA provides value through our holistic approach that addresses the physical, emotional, social, and financial components of health. Through targeted interventions – based on understanding an individual's risks and motivations – the employee, the employer, physician/hospital, and CIGNA are able to drive and influence actions that improve health behaviors, health status, and cost savings. Moreover our data analytics and account management will drive value to COVA:

- Detailed data analysis and reporting capabilities. Through methodical data mining to support identification and stratification, we continually engage individuals so they receive the most appropriate interventions based on their health status. Results of these interactions are delivered in comprehensive, yet easy to understand strategic reports.
- Dedicated – and expert – account and implementation management. Our implementation team will work closely with COVA to devise the most effective rollout strategy and seamless transition from your current vendor, and then work with you every step of the way to assure a smooth implementation of the health management services. Once the program is up and running, we will continue to provide consultation and support through your core account management team to fine-tune the program and further boost its impact.

In closing, CIGNA's services provide an integrated, seamless approach across the entire continuum of health and wellness focused on improving the health, well being, and security of your members. COVA can be assured of a consistent - and consistently effective - clinical and care management program for the employees and dependents of the Commonwealth.

Kindest Regards,

A handwritten signature in black ink that reads "Mike Greer". The signature is written in a cursive style with a large, sweeping "M" and "G".

Michael A. Greer
Account Executive

Proud National Sponsor of the March of Dimes WalkAmerica®... the Walk that Saves Babies

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