



It's time for the
Commonwealth
of Virginia
and CIGNA

[Redacted Copy]

CIGNA's proven value-driven benefit solution can bring real change for The Commonwealth of Virginia

A Different Approach

CIGNA is the nation's leading health services company and has been a pioneer in integrated health management for thousands of employers, delivering some of the most innovative and successful disease management and case management programs in the marketplace. Programs that consistently deliver industry-leading cost savings and superior health improvement for individuals in communities across this country.

We continue to lead the industry through our focus on Health Advocacy, an extensive, ever-expanding portfolio of health management programs and services – all designed with one goal in mind: Improving the health, well-being and security of the individuals we serve.

Most importantly, CIGNA goes beyond the competition in our understanding of medical cost drivers. Our unique program pinpoints the employees who are driving trend today as well as today's healthy employees who will drive trend in the next 14 to 18 months. In most organizations, five percent of claimants drive 50 percent of cost. We are able to identify the next five percent -- future claimants who will jump from "low-" to "high-risk" in one year and begin work to prevent or reverse their impending chronic disease.

Our foundation of strength is earlier detection of health risks by having the ability to reach out through behavioral coaching to make changes in a person's life. Our exclusive arrangement with Dee W. Eddington, Ph.D. and the University of Michigan Health Management Research Center provides us with a health risk assessment system unparalleled in the industry and health improvement capabilities unmatched in the marketplace.

"If we do nothing, if we just follow the same pattern and treat one disease after another, we'll continue to pay and pay and pay. So instead of focusing on pulling people out of the water, let's go up and see why they are falling in the water in the first place and see if we can fix those bridges across the stream, so they don't fall in."

*Dr. Dee W. Eddington, Director
Health Management Research Center, University of Michigan*

A reactive approach is not enough to be effective. We believe that our industry can no longer wait for disease to occur. While other carriers still function this way, we at CIGNA have proven that by adding a proactive approach, we're able to address the root cause of disease, illness and injury. We're able to deal with health risks and avert costly health events.

Engage as early as possible to minimize risk, mitigate costs

The most effective way to achieve improved health and lower costs is to address health problems from both sides of a health problem – responding and intervening when problems occur and anticipating and acting now to prevent future health problems. Health advocacy from CIGNA provides solutions that tackle the problem from both sides. We believe that a combined approach – proactive and reactive – is the key to achieving sustainable, long-term health improvement and cost savings.

Award-Winning Health Advocacy

Health support and coaching services that will drive engagement and healthy behavior change across the Commonwealth's employee population

CIGNA's health advocacy programs provide a unique "whole population" approach with offerings designed to address your employees' and their dependents' unique health needs. Our clinicians offer personalized, one-on-one support for all individuals, providing information and coaching for the young and healthy consumers while helping the chronically ill patients navigate the health care system.

Our belief that behavioral disorders can impact physical health, and that physical illness and injury have psychological consequences, is the basis for our "whole patient approach" in the delivery of our programs. The focus on the mind-body connection enables us to treat the individual holistically. *All of these interactions help prevent the migration of employees and their dependents to more costly health stages, therefore reducing future costs and medical trend.*

Our approach to health support is proactive, personalized and integrated. As it has for so many of our clients, it will drive engagement in healthy behavior change across your entire employee and dependent population in order to:

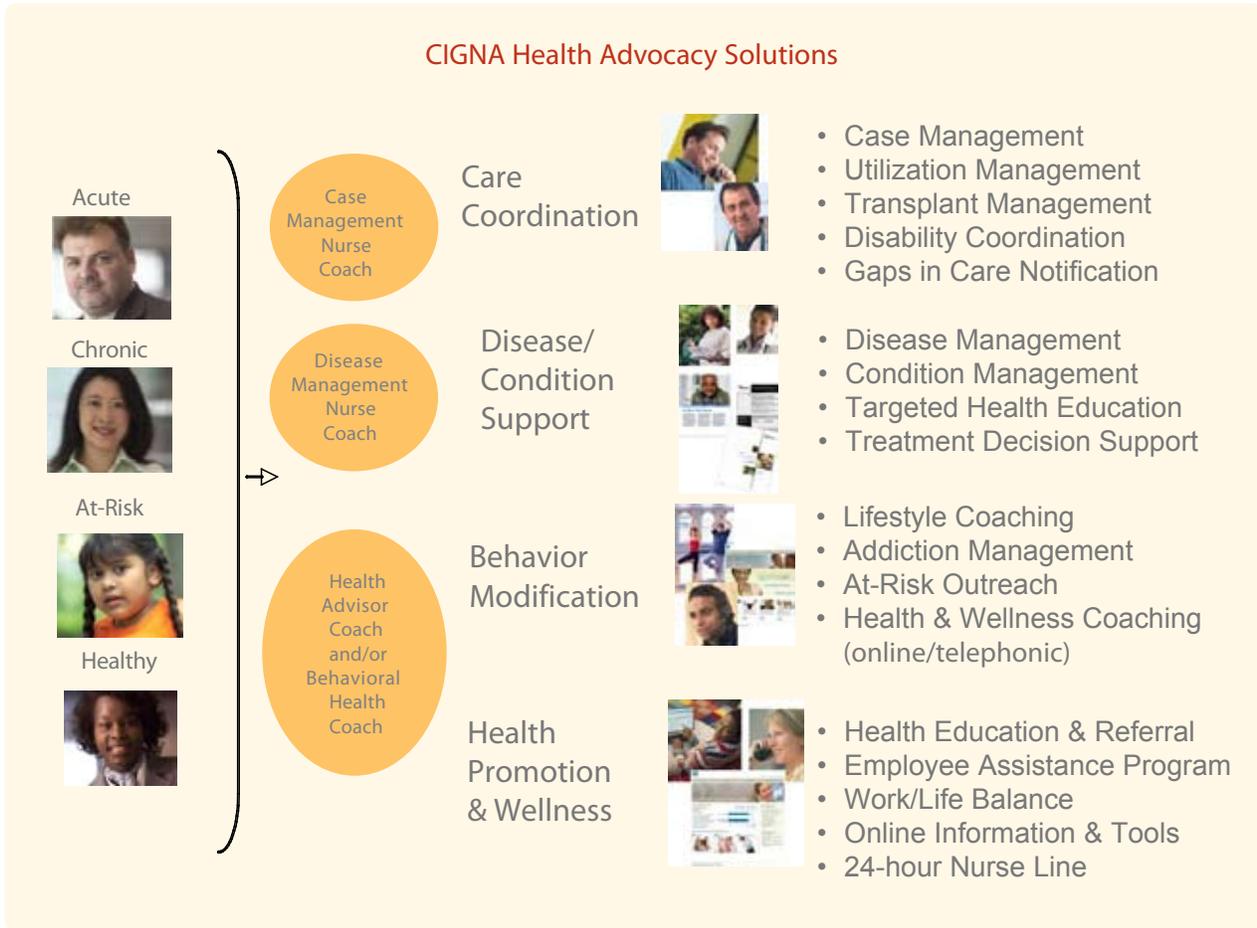
- ✓ Prevent new health risks among the healthy
- ✓ Reverse health risks among the at-risk
- ✓ Reduce health risks among the unhealthy

We know that engaging the consumer drives behavior change. Our goal is to move individuals from passive roles to informed and active participants in their health care. We encourage them to learn and to adopt healthy behavior changes and choices about their health care.

We utilize a variety of tactics and programs to drive this engagement – health coaching, lifestyle coaching, health screenings, online health risk assessments, incentives, rewards, and targeted communications. We believe in constant education and reinforcement so that our members learn about the value of preventive measures in their lives. Again, the goal is to encourage consumers to seek regular preventive care, improve their fitness and nutrition, quit smoking, decrease stress, and follow their medication and care plans.

Understanding that 70 percent of chronic diseases are preventable and reversible,¹ CIGNA will work with you to develop a program or series of events to address that statistic. We successfully introduced such a program in many organizations, including Loudoun County Public Schools in Ashburn, Virginia. The program and its results are detailed in Addendum A.

2004 data² concerning behavioral risk factors in the Commonwealth indicate that 36.1 percent of Virginians are overweight, only 26.2 percent of its adult population consumes an adequate amount of fruit and vegetables, and just under 50 percent of its adults do not exercise regularly.



For the Commonwealth, specific health behavior changes, which we can successfully drive, will lead to improved employee health, improved productivity and lower costs. We are very proud of the recognition that we have received for our industry-leading health advocacy programs. CIGNA has exceeded the Quality Compass[®] for seven straight years, and our top competitors for six straight years, on the majority of preventive and chronic care measures that HEDIS[®] utilizes in its Health Plan Accreditation program for evidence-based care.

We are excited about the opportunity to bring the value of these programs to the Commonwealth to improve the health of your employees and their family members, to reduce costs, and to save lives.

¹ New York Times, November 2007

² Behavioral Risk Factor Surveillance System, National Centers for Disease and Health Promotion, "SMART: Selected Metropolitan/Micropolitan Area Risk Trends," 2005.

CIGNA Care CoachingSM

If change were easy, then upon being told what to do, everyone would just do it.

There are many theories of how and why people change their behaviors. CIGNA ascribes to The Transtheoretical Model, the model developed by James Prochaska, Ph.D. in 1979 that has been refined over the past 28 years. Prochaska has studied why it is so difficult for people to make changes in their lives – even when they have plenty of “proof” that a change is not only needed, but may also be necessary to maintain their health.

Behavior change is rarely a single event. Prochaska’s Stages of Change model below shows that, for most people, a change in behavior occurs gradually. A person moves from being uninterested, unaware, or unwilling to make a change to considering a change, and then to deciding and preparing to make a change. The person is then ready to take real, determined action and, over time, attempt to continue the new behavior. Setbacks almost always happen at some point, but they’re an important part of both the learning process and the achievement of lifelong change.

Six Stages of Change

- 1. Pre-contemplation:** Has no intention to take action within the next 6 months.
- 2. Contemplation:** Intends to take action within the next 6 months.
- 3. Preparation:** Intends to take action within next 30 days and has taken some behavioral steps in this direction.
- 4. Action:** Has changed overt behavior for less than 6 months.
- 5. Maintenance:** Has changed overt behavior for more than 6 months.
- 6. Termination:** Overt behavior will never return, and there is complete confidence that you can cope without fear of relapse.

Many of our programs begin with tracking the stage of change that the member is in so that we can design the best program possible for that member. For example, the CIGNA Well Aware Depression Disease Management Program and the CIGNA Quit Today® Program track the members’ stage of change upon the first conversation/ assessment so that the Health Coach can determine the most appropriate course of action.

But understanding how people approach change is only the beginning. The next phase is to apply an approach that works. There are hundreds of different approaches and techniques, all based on what behavioral practitioners know as behavior change theory, similar to or based on the theories of Prochaska or other well-known psychologists.

The model that CIGNA uses is known as CIGNA Care Coaching, a practice (based on the scientific behavioral and psychological study) of increasing an individual’s capacity to think better about choices in the ways that increase optimal functioning. It has far-reaching applications beyond that of health coaching. Health professionals, managers and executives in hundreds of organizations currently use it – it’s for anyone wanting to accomplish important change and get things done in a healthier and more effective manner.

Too often, clinicians attempt to develop people with strategies informed by diagnostic thinking. This is how clinicians traditionally approached the patient. Historically, and currently in the industry, this translates into telling people what to do. This does not work well and the only alternative when it doesn’t work is to try harder.

CIGNA Care Coaching guides one’s thinking instead of dictating how the individual should feel, believe, or behave. It is based on the knowledge that there are three key sources of influence on individuals: System, External, and Internal.

System: This is a change that is created by the system in which the individual resides or works. For example, a company with a strong belief in health and wellness institutes a benefit differentiator for those who smoke and those who do not.

External: This is a change that is rewarded by the system in which the individual resides or works in. For example, an employer offers some financial reward for an employee or dependent who participates in the Health Risk Assessment or lifestyle management program.

Internal: This is a change that is identified and created by the individual himself or herself – something meaningful to the individual.

Regardless of the Commonwealth's System or External influences, CIGNA's approach to your employees and their dependents will be to help them identify their Internal motivator. Our goal is to meet all individuals where they are. We want to understand their whole person; their work life, their home life, their stressors, their motivators, their stage of change, and the barriers they perceive to be in the way of achieving that change.

CIGNA Care Coaching encourages the member to realize that there are choices of how to approach a problem. The emphasis is on what the member values, their lives, their work world, their way of thinking, what's important to them, and their experiences that add up to a learning process that ends in new thinking for new results.

CIGNA Care Coaching

Other Coaching Models

YOU (the member) are going accomplish something.

I (the coach) am going to accomplish something.

YOU (the member) are going to figure it out.

I (the coach) am going to figure it out.

YOU (the member) are going to figure yourself out, because only you can.

I (the coach) am going to figure you out.

The difference between models is dramatic. The other coaching models approach the individual as if they are broken and need to be told what to do. In the CIGNA Care Coaching model, the individual is not seen as their illness or as incapable of creating change, but instead is approached by the coach as if they have the skills to solve their problems. The coach helps the member to address any barriers to change and/or find the appropriate motivation to change. As a result, these practices begin to alter an individual's core beliefs about how to get better results for, with, and through people.

Please note that CIGNA is committed to safeguarding and protecting our members' personal information. We have stringent privacy practices in place to ensure that information is only used for clinical purposes.

Disease Management

CIGNA is a recognized leader in the management of populations with chronic health conditions. The foundation of the CIGNA Well Aware for Better Health® disease management program rests on evidence-based medicine and focuses on education, empowerment, and support. Well Aware seeks to help participants understand the health risks they have and build-up a sense of empowerment that their actions can make a significant impact on their health and lower their risks.

Well Aware serves as a complementary medical resource that supports the patient throughout the year and makes those precious few minutes with the doctor during visits much more productive. Well Aware is designed to assist not only the patient, but also other stakeholders such as the doctor, the patient's circle of support, and the plan sponsor. This is accomplished with a high-touch outbound and inbound model centered on goal achievement, clinical results, and preferred treatment options.

The statistically valid evidence shows that you, your employees, and their dependents can control costs by emphasizing prevention and early identification of medical problems. Our disease management programs will help you accomplish that.

Participants are identified through a variety of mechanisms as we believe that data from a variety of sources will yield the greatest opportunity to engage patients in need. The primary identification source is claim data, both medical and pharmacy which is regularly evaluated using proprietary algorithms to identify the most complete set of individuals with these diseases. In addition, Well Aware leverages health risk assessment results and can intake from other sources such as biometric screenings. Supplementing that, every touchpoint with CIGNA is an opportunity for referral into the program. If an individual wants to self-enroll, they can do so by calling a toll-free number noted in the marketing materials. Doctors can also refer their patients into the program via fax or phone call.

Once identified, participants are automatically enrolled and targeted for outreach. The proactive Well Aware communications campaign addresses the participant and his or her physician with educational mailings and then transitions to outbound calls from experienced registered nurses. During the initial conversation, the nurses conduct a detailed assessment that explores the participant's health history, co-morbidities, readiness to change, lifestyle, self sufficiency, preferences, and behavioral state. Based on this thorough assessment, a complete risk profile is developed and the participant is classified by need which drives the intensity of future outreach.

This assessment allows the specific components of the program to be tailored to each individual's needs in an efficient manner. Participants receive educational materials, self-care tools, and ongoing outbound telephone contact with a nurse and have unlimited access to the nurses on an inbound basis. Over time, the program will support the participant in gaining control over their chronic condition.

The full suite of Well Aware programs addresses more than 25 chronic conditions. Essentially all of the chronic conditions that can efficiently be impacted with a disease management construct are contemplated.

CIGNA Well Aware for Better Health®

Program	Conditions
Asthma	Asthma
Diabetes	Diabetes
Heart Disease	Congestive Heart Failure Coronary Artery Disease Angina
COPD	Emphysema Bronchitis
Low Back Pain	Low Back Pain
Weight Complications	Metabolic Syndrome Hypertension Dyslipidemia High-Risk Obesity
Depression	Depression Anxiety Bipolar Disorder
Targeted Conditions	Osteoporosis Osteoarthritis Hepatitis C Peptic Ulcer Acid Reflux Gastric Bleeding Atrial Fibrillation Arrhythmia Stroke Prevention Decubitus Ulcer Colitis Crohn's Disease Irritable Bowel Syndrome Urinary Incontinence Fibromyalgia

Real Results

Based on our actual client experience, the Commonwealth may expect a solid return on its investment from our disease management program. Following is the ROI on an aggregate, Well Aware book of business basis for our self-insured clients. The Commonwealth's specific ROI may differ from these aggregate assumptions.



Industry-Leading Analytics and Reporting

Critical to your success and complementing our coaching and health advocacy services is our Employer Informatics. At CIGNA, Informatics means more than employer reporting. We leverage information to facilitate strategic decision-making, improve employee engagement, and help our customers make better benefit decisions.

What makes CIGNA Informatics different from our competitors?

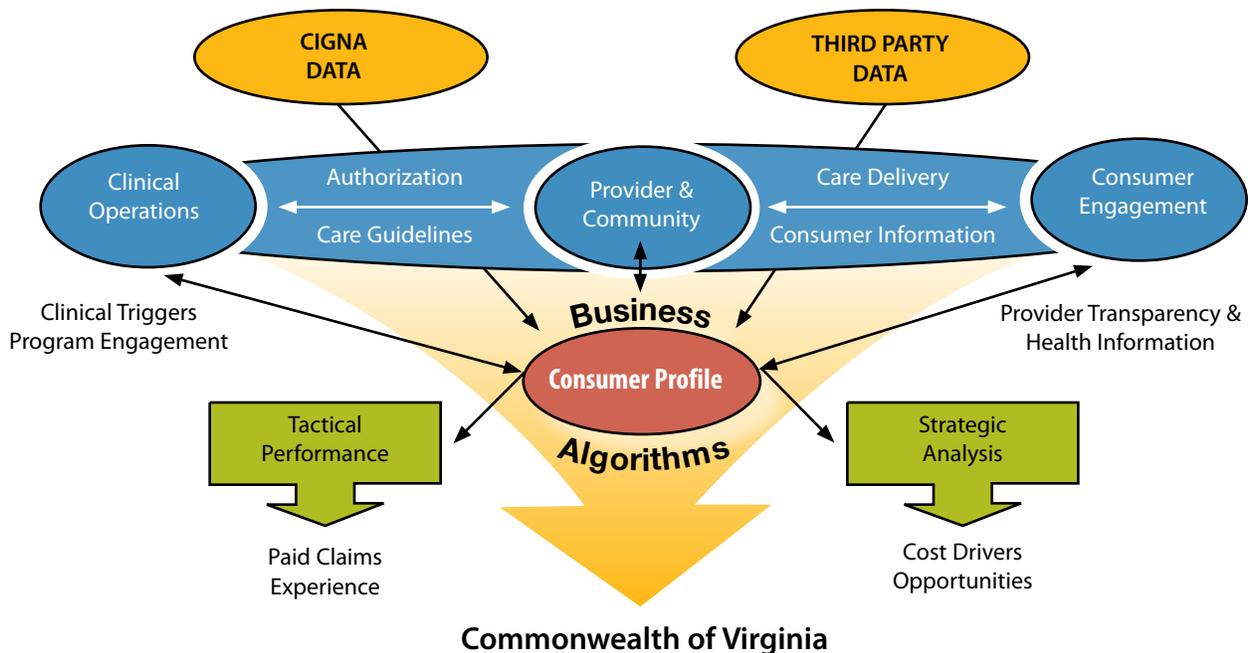
- **Integrated Data Warehouse:** integrated data across claims, eligibility, clinical interventions, and consumer actions are available to the analyst at the member level;
- **Comprehensive Analytical Framework:** we have the ability to break results into action-oriented cohorts based on a member-level data framework;
- **Analytical Tools:** tools that empower the analyst to perform robust analysis at the desk level; and
- **Expert Consultation:** a dedicated consultative team comprised of several key medical economics disciplines.

1. Our **Integrated Data Warehouse** builds a consumer-centric profile by leveraging data from traditional data sources (eligibility and claims, including third-party medical or pharmacy claims) as well as clinical interventions, member events such as use of myCIGNA.com, and the health risk assessment. The graphic below provides a depiction of the integrated data architecture used to power our business and provide information in the form of strategic analysis.

The **orange layer** represents claims that feed into our consumer profile, then business algorithms are applied to that profile to power clinical operations, provider interactions and consumer engagement.

The **blue layer** represents information that is fed to the business layer based on business algorithms to power CIGNA's business. Information such as clinical interventions, clinical outcomes and consumer activities, is then fed back from the business layer to the consumer profile to further update and refine our understanding of that member.

Finally, in the lower level, information is then presented to you, the employer, in the form of tactical performance (paid claims, etc.) and strategic analysis (cost drivers and opportunities).



2. Our **Comprehensive Analytical Framework** is based on a member-level data set that enables us to break an employee/dependent population into action-oriented cohorts to define potential strategies. For example, our analysts will examine the Commonwealth's trend by health status to identify what is driving that trend. It might be a cohort of employees who are managing a chronic cardiac condition. The analyst then would examine tenure to ascertain if the trend is driven by a high-turnover cohort or continuously-enrolled employees. The trend would then be reviewed by "eligibility group" and customized actions would be designed to meet the needs/benefit strategies for each cohort.

3. CIGNA's robust **Analytical Tools** lead the industry. Our consultative analytics are based on member-level data sets that allow for the examination of trend by cohort to drive action. We leverage COGNOS 8 technology to deliver access to all information to the analysts' desktop. This gives the analyst the ability to rapidly drill down into problem areas. And our employer self-service tool, CIGNA Access.com, provides summary information in a flexible cube-based construct to give you the ability to answer "quick hit" questions in a self-service environment.

4. Expert Consultation Not all issues can be fully evaluated through standard reporting. Our consultative services provide additional value through the interpretation of results by subject matter experts. Included on your account team will be an informatics consultant, the Customer Value Analyst (CVA), and a Medical Director, a licensed physician. The CVA is responsible for all financial, clinical, and account engagement analysis and is trained in medical economics and financial analysis. The Medical Director is responsible for clinical interpretation of all account issues and can help assess clinical management options for key population conditions. Coupled with the full account team, these experts provide consultative service that goes above and beyond standard reporting with the goal of ensuring that the information provided to you will deliver the highest possible value in improving employee and their dependents' health and reducing overall plan cost.

In short, our Employer Informatics offers you targeted, timely, accurate, useful, and detailed information that allows you to make better decisions, improve the quality of life for your employees and their dependents, and control costs.

Other Things We'd Like You to Know

- 91 percent of the Fortune 100 companies choose CIGNA;
- Industry-leading 7 percent medical membership growth in 2007;
- National networks of 600,000 physicians and ancillary providers; 5,250 hospitals; 72,000 dentists; 57,000 retail pharmacies; and 59,000 behavioral health providers;
- Integrated health businesses: Medical, Pharmacy, Behavioral, Disability, Dental, Vision, Seniors, and International;
- Industry-leading clinical expertise and consultation on staff: 250 doctors; 2,900 nurses; 130 pharmacists; 25 dentists; and 2,000 allied health professionals;
- Seven-year industry leader in majority of HEDIS measures;
- NCQA and URAC accredited;
- For over a year, our Consumer Innovation Lab has been focused on perfecting the end-to-end consumer experience, providing a live test ground for understanding and improving the service experience. These learnings benefit all of our customers;
- CIGNA's member call centers have been certified by J.D. Power and Associates* for "Providing an Outstanding Customer Experience." CIGNA is one of a select few companies in the nation to receive this certification and the only national carrier;
- CIGNA is recognized externally as a Six Sigma/Quality leader. Our CEO, Ed Hanway, received the 2007 CEO Lean Six Sigma of the Year award from the World Convention and Business Forums. Six Sigma is our primary method of building new programs and services and improving the performance of our operations; and
- Top national ranking in overall provider service – 2007 PayerView Rankings of Athenahealth, Inc.

* For J.D Power and Associates Certified Call Center Program,SM information, visit www.jdpower.com.

Addenda

- A. "Healthy Employees, Healthy Bottom Line:" a case study of the Loudoun County Public Schools in Ashburn, Virginia.



"CIGNA," "CIGNA HealthCare" and the "Tree of Life" logo are registered 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 and not by CIGNA Corporation. Such operating subsidiaries include Connecticut General Life Insurance Company, Tel-Drug, Inc. and its affiliates, CIGNA Behavioral Health, Inc., Intracorp, and HMO or service company subsidiaries of CIGNA Health Corporation and CIGNA Dental Health, Inc. In Arizona, HMO plans are offered by CIGNA HealthCare of Arizona, Inc. In California, HMO plans are offered by CIGNA HealthCare of California, Inc. and Great-West Healthcare of California, Inc. In Connecticut, HMO plans are offered by CIGNA HealthCare of Connecticut, Inc. In Virginia, HMO plans are offered by CIGNA HealthCare Mid-Atlantic, Inc. In North Carolina, HMO plans are offered by CIGNA HealthCare of North Carolina, Inc. All other medical plans in these states are insured or administered by Connecticut General Life Insurance Company.



Excerpted from...

Healthy Employees, Healthy Bottom Line

By C. Sue Hurd and Thomas Martel
School of Business Affairs, www.asbointl.org

Many school districts are seeking to relieve the increasing burden of health-care costs by encouraging healthy lifestyles among employees. Loudoun County (Virginia) Public Schools and CIGNA HealthCare together developed a series of programs that has prompted employees to increase exercise levels, lower stress, and take greater control of their health. The anticipated outcome is healthy behaviors that improve employees' well-being. We believe our success is a result of best practices—far beyond the “wellness” brochure that may get shoved in a drawer.

Collecting Data

Our approach begins with in-depth research that assesses Loudoun County Public Schools' medical claims history, health risk factors, and employees' ability to participate in wellness programs. The administration of health benefits can be compared with our experience in the field of education: timely, targeted research can bring a deeper understanding of the nature of the problems that a group faces and insight into how to best meet those challenges. To create the school board's health program, Loudoun County Public Schools (LCPS) worked with a CIGNA health education coordinator with a master's degree in health and behavior studies and extensive experience in managing community health programs. Instead of launching into a “one size fits all” wellness program, the health education coordinator began working with the LCPS employee benefits staff in fall 2005 to collect pertinent data to identify the enrollees' most critical needs. That process included analyzing the lifestyle group's issues, administering employee surveys, reviewing the claims history, analyzing environmental factors, and reviewing local demographic data. In addition, the health education coordinator conducted on-site visits to learn about the physical conditions of different school buildings, the kinds of food available to employees, and the opportunities they had for exercise. The analysis showed that employees were at risk for diabetes, heart disease, high cholesterol, and stress, and that interventions were needed that would motivate people to exercise more, manage their stress, and get more preventive screenings.

Taking Charge of Health

The readiness among the LCPS employees to make changes to improve their health was remarkable. Armed with its findings, the district began the following programs.

- **Your Best Life Challenge:** The employee needs-based education program identifies the appropriate lifestyle management options available to employees under their health plans, including stress management, weight management, and smoking cessation.
- **Wellness Wednesday Workshops:** Registration is normally limited only by room size, often we have 40 participants attend for the workshop and biometric screenings which follow. These events are routinely moved to different worksites in the county to accommodate employee needs and equipment needs of speakers (kitchens, weight rooms, etc), as well as to “share” travel more equally among employees.





- **Work-Site Wellness Challenge:** At this time there are 85 Wellness Ambassadors, and 3 currently serve as members of the Wellness Committee. Wellness Ambassadors act as worksite liaisons to employees and help administer system wide programs (e.g. in the fall they will help administer the 10K Steps Program), as well as overseeing worksite wellness activities being conducted at individual worksites.
- **Wellness Corner:** A tool on the LCPS Web site allows employees to view upcoming activities and local exercise class information.
- **Personal Wellness Challenges:** Incentives for Preventative Screening: Missed health screenings were a major problem for employees. To address that issue, the district created an incentive program that offered \$120 in credit to employee health plans' flexible spending accounts for completing five key screenings, including cholesterol and glucose testing, mammograms, and colon cancer screenings. More than 500 employees earned the credit by getting screened the first year.
- **On-site Early Detection:** Health and wellness screenings are offered at each Wellness Wednesday event. These include, but are not limited to: cholesterol, blood pressure, and glucose screenings, vision and hearing mobile exams, and flu shots.
- **Club Mom:** This ran for the first time in March 2007, it is a 4 week pre-natal education series. Each week a different topic is addressed by SMEs from the local community. Participants (average of 15 moms, with 4 dads) were encouraged to register for Healthy Pregnancies to receive customized pre-natal education and coaching. This program will run twice yearly as a specialty education series.
- **Upcoming Wellness Programs:** For the next school year (2007-08) we are planning to run 10K Steps (October 1 launch); Club Mom (October and March); Men's Health Forum (3 sessions, October); Mature Health Series (4 sessions, February 2008), and increasing the size of the Wellness Committee to include 7 Wellness Ambassadors.



In the first year of these new wellness programs, more than 1,500 employees participated, and we hope to expand our wellness offering next year. We accomplished a great deal this past year, and we received wonderful feedback on the effect of our activities. We are eager to continue this successful partnership of employer and health-care provider to offer employee-focused wellness solutions to the employees of Loudoun County Public Schools.

C. Sue Hurd is assistant superintendent for business and financial services for the Loudoun County Public Schools in Ashburn, Virginia. Thomas Martel is the president and general manager of CIGNA HealthCare's Mid-Atlantic division.

"CIGNA," "CIGNA HealthCare" and the "Tree of Life" logo are registered 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 and not by CIGNA Corporation. Such operating subsidiaries include Connecticut General Life Insurance Company, Tel-Drug, Inc. and its affiliates, CIGNA Behavioral Health, Inc., Intracorp, and HMO or service company subsidiaries of CIGNA Health Corporation and CIGNA Dental Health, Inc. In Arizona, HMO plans are offered by CIGNA HealthCare of Arizona, Inc. In California, HMO plans are offered by CIGNA HealthCare of California, Inc. and Great-West Healthcare of California, Inc. In Connecticut, HMO plans are offered by CIGNA HealthCare of Connecticut, Inc. In Virginia, HMO plans are offered by CIGNA HealthCare Mid-Atlantic, Inc. In North Carolina, HMO plans are offered by CIGNA HealthCare of North Carolina, Inc. All other medical plans in these states are insured or administered by Connecticut General Life Insurance Company.