

CIGNA CARE MANAGEMENT SAVINGS

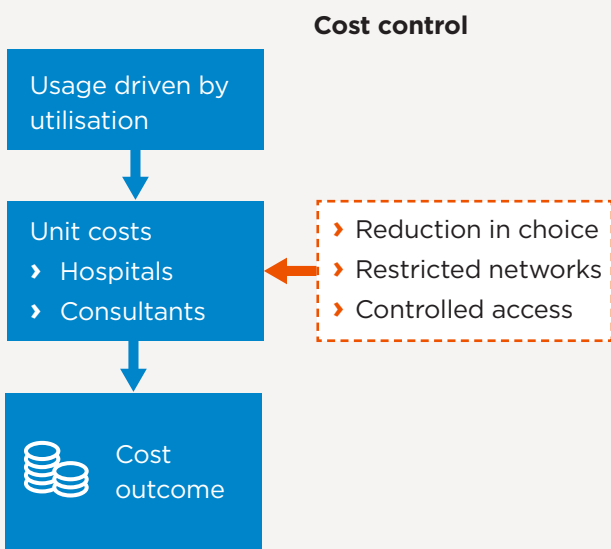
Cigna’s approach to controlling medical plan costs differs significantly from the market. We focus on managing claims costs at a micro level – ensuring that each and every member receives the most appropriate care, in the most appropriate setting, at a time that’s right for them. Traditional approaches to managing costs often focus on a macro approach which restricts choice and does nothing to address costs over the long term.

For Cigna, managing healthcare costs is a combination of:

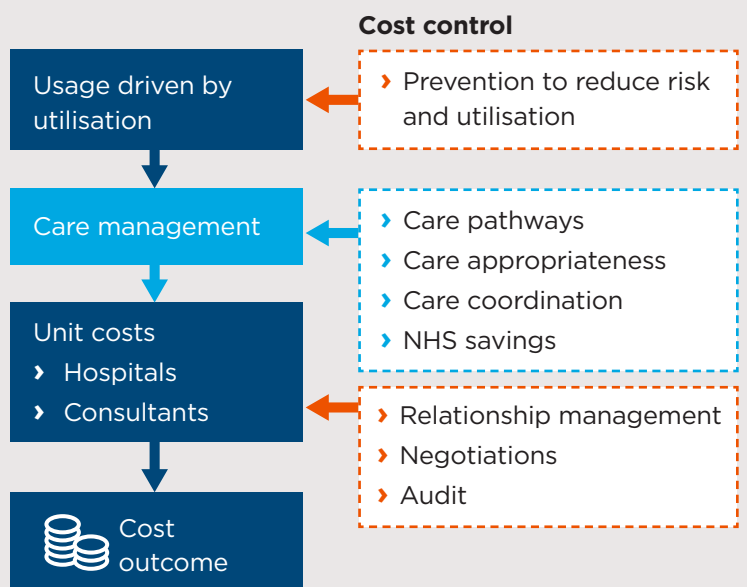
- › Reducing utilisation by preventing health risks from developing
- › Ensuring appropriateness of care, including treatment setting and length of stay
- › Managing consultant and hospital unit costs

Our approach to building sustainable and lasting relationships with providers ensures we are able to secure market competitive rates that far outperform expectations given our relative market size. Combined with our approach to micro managing claims costs, we have ensured that we consistently deliver significant savings both at a portfolio and an individual client level.

Traditional path



Cigna path



Prevention

- › Cigna Corporation has a long established history in the US market of linking positive behaviour change to improved health outcomes. UK employers have not yet taken the step to link positive behaviour change to rewards linked to health plan benefits. Evidence from the US has consistently demonstrated that rewarding employees for positive behaviour change leads to reduced health plan trend through a reduction in plan utilisation across all aspects of the plan benefits.
- › We are able to support employers to deliver health improvement behaviour that will drive down utilisation and plan costs over the long term.

DIAGNOSIS AND TREATMENT



Care appropriateness

Through a combination of nurse led micro management techniques, Cigna has delivered savings of £19,619,695 across our portfolio over the past 12 months (Oct 14 – Sept 15).

Right treatment

Right treatment is about more than just great plan benefits. Our highly trained nurse and customer service teams provide dedicated support throughout the member health journey. They're available at any stage to offer confidential advice on treatment and setting options. And, working in the background, our experienced teams analyse all the latest developments in medicine and technology to identify more ways to help our members.

Right setting

Our members get access to all private hospitals and a full choice of consultants in the UK. However, sometimes the NHS is the right place to be, and sometimes it's even at home. No matter what stage of treatment, our nurses will support the smooth transfer between care settings. When a member has treatment in the NHS, our care coordination programme helps meet costs for associated services.

Care pathways

Right time

Early intervention and direct access to treatment promote cost savings, and provide a faster route to recovery. Self-referral to our preferred providers allows members to access treatment quickly. This option also reduces the amount of time they need to take off work and help prevents their condition from worsening. In many cases cost of treatment is also reduced.

We also consistently deliver first to market innovations, and our latest care pathway, OneStop breast cancer diagnostics, will significantly improve the journey for members who are faced with the worry of a change in their breast. More than 90% of patients will receive an all clear diagnosis in one clinic visit, compared to the norm of repeat visits for multiple tests.

Provider relationship management, negotiations and audit

Early intervention and direct access to treatment are just one way we help promote cost savings. At the same time we [work closely with hospital providers](#), negotiating and challenging costs. There's more to hospital negotiations than the insurer's relative size in the market. We work with providers to understand their needs and ensure quality service is sustainable for our customers.

Best outcome

Our individual, intelligent and innovative approach to care management helps us to deliver improved patient outcomes. [Working in partnership with you](#) we really get to know what's important to your business and deliver exactly what you need to improve employee health and drive down health plan costs over the long term.

Utilisation savings - £1,461,790

- achieved through concurrent stay reviews, monitoring length of stay against Cigna's Optimal Recovery Guidelines. A figure of **£685** has been used for each night saved.

Care coordination large case savings - £6,134,224

- by micro-managing claims, our nurses can use our Care Coordination Programme to offer alternative benefits to having private treatment, such as home help or child care during post-operative recovery.

NHS cash benefit savings -

£12,023,681 - achieved where members have been managed into the NHS care setting where it is appropriate for them.

Physiotherapy care pathway savings - £713,250

- based on 20% utilisation of our self-referral pathway. We have recently implemented changes to increase utilisation. We expect this to reach 40% so will potentially deliver savings of over £1.4m in 2016.

CASE STUDY

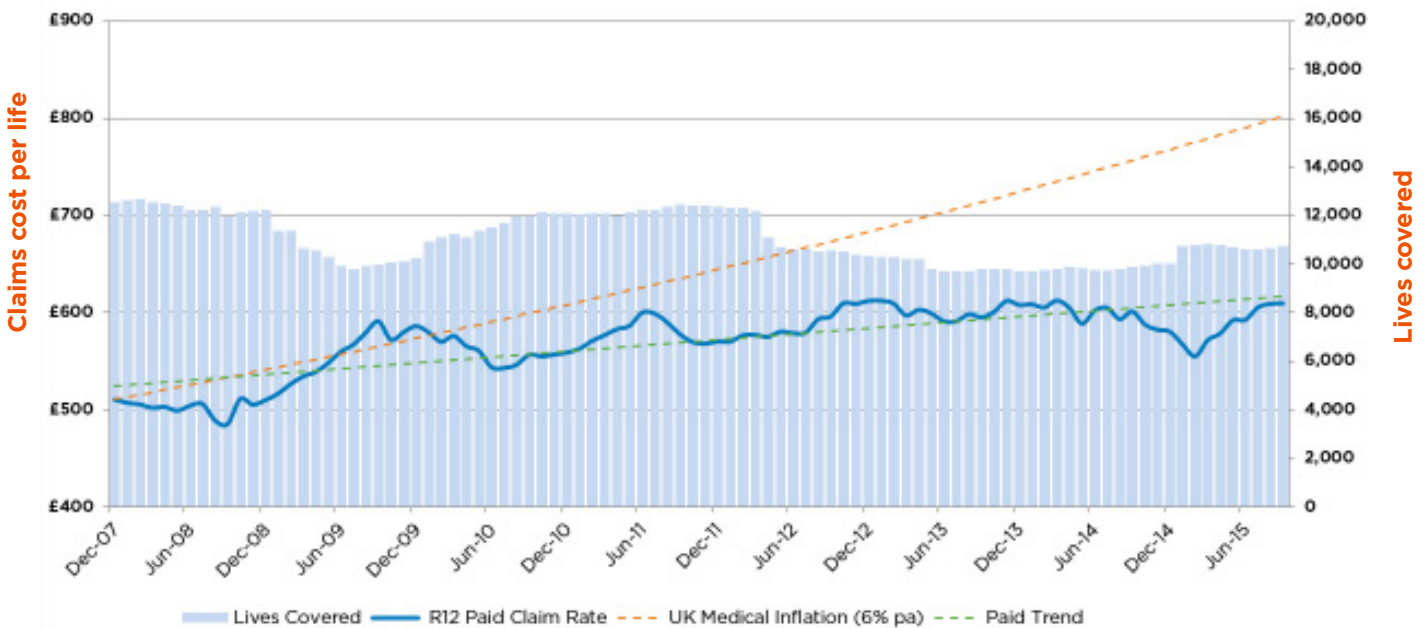
FINANCIAL SERVICES



We have a long and established relationship with a leading financial services organisation, predominantly based in London. Cigna has developed and implemented a range of bespoke benefits and care pathways designed to meet this client's needs. In conjunction with other key benefit providers, including private GP and EAP services, Cigna identified key drivers of claims costs and implemented practical solutions to address these, including bespoke mental health and musculoskeletal care pathways. Cigna's nurses act as a gatekeeper to this client's mental health service providers, ensuring that the right care is accessed, at the right time, in the right setting, every time.

KEY FACTS

Industry sector:	Financial services
Time with Cigna:	16 years
Specific plan details:	Two levels of cover (Gold and Silver), £100 London /£50 non-London excess
Location:	London / Glasgow
Size:	10,600 lives



We introduced a musculoskeletal (MSK) care pathway for this client, with referral to extended scope physiotherapists as an alternative to consultant referral.

An independent broker review confirmed the following outcomes:

1

7% reduction in MSK claims spend overall, with a 22% reduction in consultant spend and 10% reduction in MRI spend.

2

Per Life Pure Risk Cost reduced by 8%.
16% reduction in MRI pure risk cost and 14% decrease in out-patient spend.

3

Physiotherapy claims spend increased by 5% and 'other diagnostics' by 8%. This was anticipated based on the pathway design.

CASE STUDY

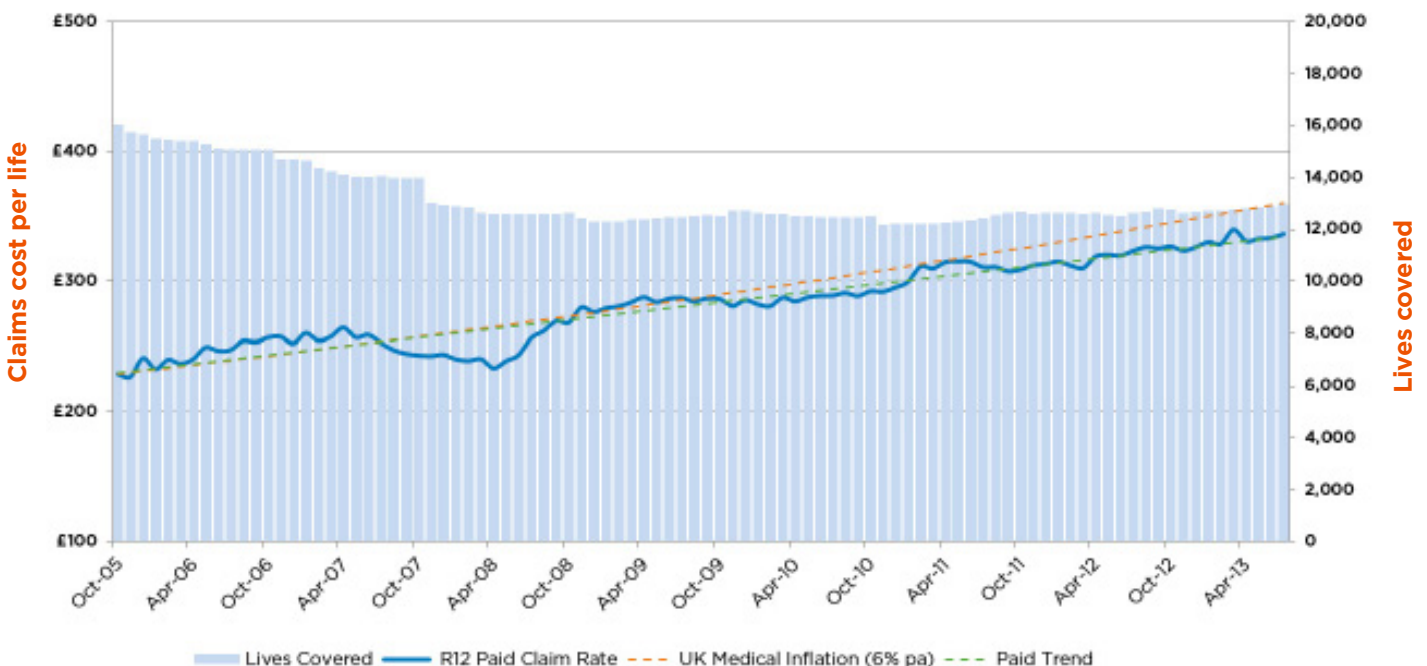
BUILDING SOCIETY



Another of our longest established client relationships is with a leading UK building society. We have partnered directly with this client for over 23 years. In that time they have worked closely with us to quickly adopt new innovations and care pathways. Our key contact is a regular attendee and contributor to our Customer Advisory Board and has commented in the past on the value that forum brings to him, enabling him to spend time with and learn from others in the HR community.

KEY FACTS

Industry sector:	Building Society
Time with Cigna:	23 years
Specific plan details:	£175 excess
Location:	Swindon, Northampton and various locations across the UK
Size:	12,000 lives



An area of concern for this client was the cost and quality of physiotherapy. An early advocate of our voluntary self-referral to physiotherapy pathway, the client was keen to explore the benefits of utilising our partner Nuffield for more of their routine physiotherapy claims. From January 2014, all standard physiotherapy claims were routed directly to Nuffield to ensure maximum benefit from their physiotherapy care pathways. Keen to ensure appropriateness of care, the following exceptions were made:

- 1) The physiotherapy is part of an inpatient stay, in a non-Nuffield Hospital.
- 2) The Physiotherapy is not available within the Nuffield Network or the distance is unreasonable.
- 3) It would delay the operation unduly by insisting on Nuffield physiotherapy.
- 4) It would be medically inappropriate to insist on Nuffield.

The results have been dramatic, and the client has reported that savings and quality have been drastically improved and the customer experience enhanced.

CASE STUDY

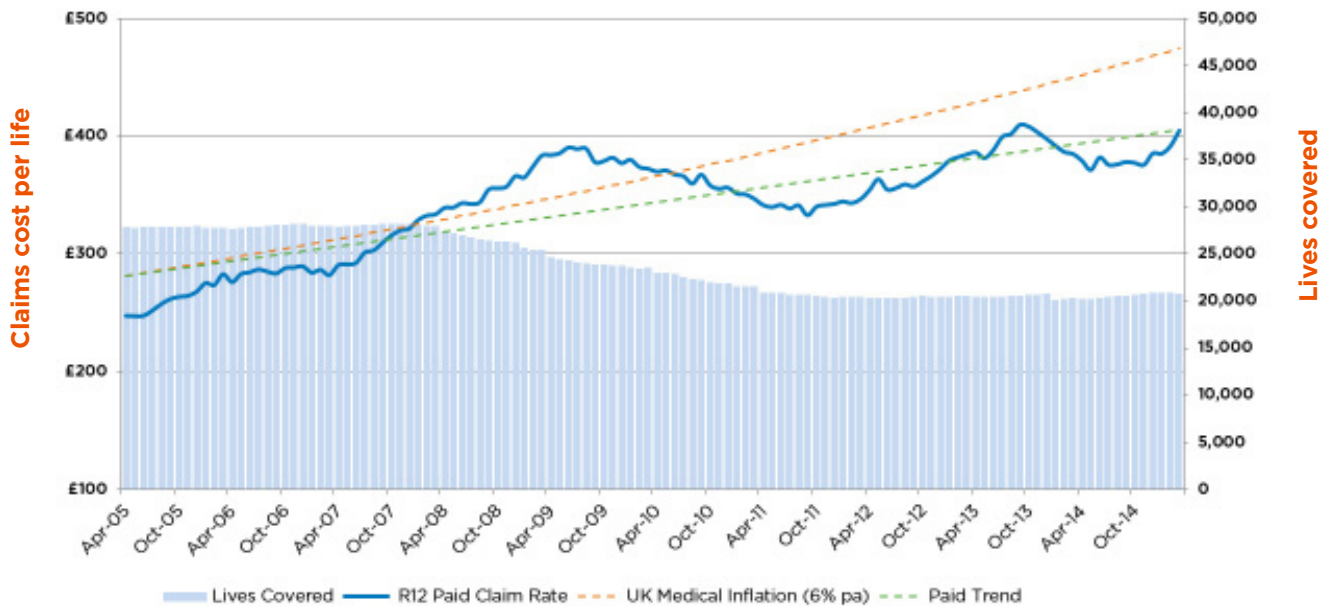
LARGE PHARMACEUTICAL



Our longest trust relationship of 24 years is with a leading pharmaceutical client with 24,000 lives. With a claims fund of £12 million for the active employee and dependant population, we have consistently delivered trend below the average medical trend of 6%. This translates as savings of over £8.9 million across that period.

KEY FACTS

Industry sector:	Pharmaceuticals
Time with Cigna:	24 years
Specific plan details:	Three different plans. Coinsurance of 15% to £500 pa.
Location:	London HQ, various locations across UK.
Size:	24,000 lives



This client was our pilot partner for the introduction of self-referral to physiotherapy via Nuffield Health in 2008. We often develop new innovations together with our larger trust based clients who we work closely with to identify key drivers of claims costs. When we introduced self-referral to Nuffield for this client, we achieved the following results during the pilot period:

GP referred physiotherapy	=	6.32 average sessions
Self referral physiotherapy	=	3.26 average sessions

Together, all the way.SM



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