

HOW DOES LEVEL FUNDINGSM WORK?

- Employer pays **pre-set level payments** (maximum costs) each month
- Regardless of claim activity from month to month, employer **costs do not fluctuate** (except to adjust for enrollment shifts)
- Employer and broker can view **monthly claims reporting** and assess expected surplus throughout the year
- To fund claims after termination, Terminal Funds are assessed; Terminal Fund pays for costs related to run-out claims; no additional fees due
- In month 16, when client renews, the employer receives their portion* of the claims funding surplus
- The employer's surplus share percentage will be determined up front, at either 1/2, 2/3 or 100%*

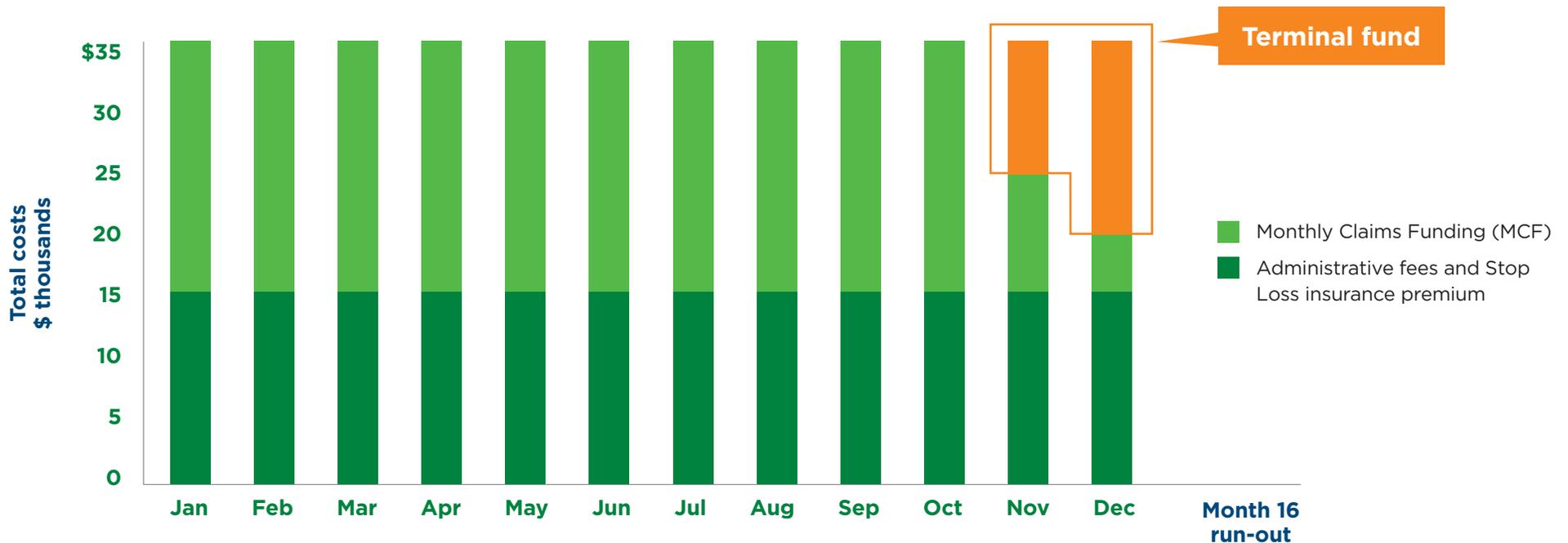


Chart is for illustrative purposes only. Actual plan terms will vary.

* Surplus is not guaranteed and is given as an administrative fee credit.

Together, all the way.®



LEVEL FUNDING: TRUST AN ORIGINAL

We launched Cigna Level FundingSM with a simple goal: **Provide smaller to mid-size companies the advantages of self-funding with similar simplicity to a traditional fully insured product.** There are a lot of products that look like Level Funding, but they do not have the history, expertise and proven ability to save smaller to mid-size employers money.

As you consider self-funding as a smart, long-term employee benefit strategy, remember that Cigna Level FundingSM is a proven, effective, modern self-funding solution from an industry pioneer.

Five Things to Remember about Level Funding:

1. Know what you owe – consistent monthly payment that includes terminal coverage for 15 months.
2. Opportunity to share in savings if claims run well, and you don't pay more if claims run worse than expected.
3. Premium tax savings.
4. No deficits that carry forward from year to year.
5. Experience – self-funded sales and underwriting experts since 2008.

Cigna Level FundingSM includes:

- An aligned self-funded medical plan and stop-loss insurance policy with no 'gaps' in coverage
- Direct payments to hospitals and health care professionals on employer's behalf
- Same Open Access Plus network as our fully insured products
- Claims payment and administration system specifically configured for self-funding
- Traditional and high deductible plan designs
- Ability to self fund dental claims
- Same comprehensive case, utilization and clinical management as our insured products
- Platinum Service (if qualified) and Gold Service for single-point-of-contact resolution
- Underwriting, sales and local client service team who are experts on self-funding
- A health improvement strategist to bring innovative programs that help improve employee health and productivity.
- Same 24/7 live customer service as our fully insured products
- Stop-loss insurance coverage provided by a financially solid company with 'AA-' rating from Standard & Poor's and 'A' rating from A.M. Best*

To learn more about Cigna Level Funding, contact your broker or Cigna representative.

* Financial strength rating for Cigna Health and Life Insurance Company as of May 2017: "AA-" is fourth out of twenty-two categories for Standard and Poor's, and "A" is third out of sixteen categories for A.M. Best. Ratings are based on the rating agency's opinions of the company's overall financial strength. Ratings are not a recommendation of the company, its products, specific policy provisions, rates or the practices of the insurance company. Rating agencies review their ratings periodically and there can be no assurance that current ratings will be maintained in the future. The above information is not exclusive. If you would like to request complete financial or credit rating information for a particular Cigna subsidiary, please contact your Cigna representative.

Product availability may vary by plan type, group size and location, and is subject to change. In most states, Cigna offers group insurance coverage to employers with more than 50 full time employees, as well as administrative services for self-funded plans with as few as 25 full-time employees. For more information, contact your Cigna sales representative.

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