

# HELP LOWER COSTS AND INCREASE HEALTH PLAN ENROLLMENT.



## Cigna Accidental Injury, Critical Illness and Hospital Care Insurance with High-deductible Health Plans

### Changing benefits landscape

As employee benefits change, so does the role of employee benefit solutions. High-deductible health plans (HDHPs) were created to help combat rising health care costs, while providing employees with more transparency and control over their health care expenses.

Employees are sometimes uneasy about the potential for high out-of-pocket medical costs associate with HDHPs, but they can use a portion of their premium savings to provide additional financial protection for themselves and their families with voluntary benefits.

### Help employees be more financially protected – without increasing employer contributions

Adding voluntary benefits like Cigna’s Accidental Injury, Critical Illness and/or Hospital Care insurance alongside your HDHP can play a key role in your company’s employee benefits – helping to increase HDHP adoption and easing the transition for your employees. The cost savings associated with moving from a traditional core medical plan (like a PPO) to an HDHP with a savings option alongside employee-paid voluntary benefit plans can actually be less than the cost of the former traditional core standalone medical plan.

### Compare the savings

#### PPO vs. HDHP family medical plan average total annual premium

Both you and your employees can see instant premium savings when moving from a PPO plan to an HDHP<sup>1</sup>.

|              | PPO CONTRIBUTION <sup>1</sup> | HDHP CONTRIBUTION <sup>1</sup> | PREMIUM SAVINGS |
|--------------|-------------------------------|--------------------------------|-----------------|
| Employer     | \$13,433                      | \$12,448                       | \$985           |
| Employee     | \$5,569                       | \$4,289                        | \$1,280         |
| <b>TOTAL</b> | <b>\$19,002</b>               | <b>\$16,737</b>                | <b>\$2,265</b>  |

#### HDHP family medical plan average total annual premium + voluntary benefits

You and your employees can still save money on premium costs when you offer one or two additional voluntary benefits, such as Cigna Accidental Injury, Critical Illness or Hospital Care insurance alongside your HDHP compared to just offering a PPO plan.

|              | HDHP CONTRIBUTION <sup>1</sup> | + | ONE VOLUNTARY BENEFIT <sup>2</sup> | TOTAL           | PREMIUM SAVINGS | TWO VOLUNTARY BENEFITS <sup>2</sup> | TOTAL           | PREMIUM SAVINGS |
|--------------|--------------------------------|---|------------------------------------|-----------------|-----------------|-------------------------------------|-----------------|-----------------|
| Employer     | \$12,448                       |   | \$0                                | \$12,448        | <b>\$985</b>    | \$0                                 | \$12,448        | <b>\$985</b>    |
| Employee     | \$4,289                        |   | \$325                              | \$4,614         | <b>\$955</b>    | \$650                               | \$4,939         | <b>\$630</b>    |
| <b>TOTAL</b> | <b>\$16,737</b>                |   | <b>\$325</b>                       | <b>\$17,062</b> | <b>\$1,940</b>  | <b>\$650</b>                        | <b>\$17,387</b> | <b>\$1,615</b>  |

Together, all the way.®



Offered by: Life Insurance Company of North America or Cigna Life Insurance Company of New York.

## Help reduce your employees' out-of-pocket costs

Even with major medical coverage, employees can be exposed to out-of-pocket expenses. Cigna's Accidental Injury, Critical Illness and Hospital Care insurance can help reduce employee financial burden and pay in addition to their other coverage if they experience a covered injury or illness.

|                                  | ACCIDENTAL INJURY   | CRITICAL ILLNESS         | HOSPITAL CARE   |
|----------------------------------|---|--------------------------|---|
| Covered event                    | Jack falls off his bike and dislocates his knee and fractures his wrist | Marco has a heart attack | Susan has a car accident and is hospitalized <sup>3</sup> |
| Employee out-of-pocket expenses* | \$5,350   | \$7,250                  | \$3,000   |
| <b>Total coverage paid **</b>    | <b>\$4,275</b>  | <b>\$10,000</b>          | <b>\$2,000</b>  |
| Annual premium <sup>2</sup>      | \$320   | \$290                    | \$370   |

\*Expenses can include deductibles, coinsurance, transportation, room and board, day care, alternative treatments and others. Actual costs would vary.

\*\*These are examples only and actual coverage and benefit amounts will vary by policy design. Age-based reduction of benefits and benefit waiting periods may apply. Coverage is subject to all terms and conditions as specified in the group policy.

### Add up your employer savings:

= Annual HDHP premium: \$  
 + Employee-paid voluntary benefits: \$ 0  
 = Total new plan cost: \$  
 Current annual health plan premium: \$  
 – Total new plan cost: \$ \_\_\_\_\_  
 = Annual employer savings: \$

### Convenient. Cost-effective. Flexible.

- ▶ **Additional financial protection.** Help protect your employees when they may need it most.
- ▶ **Flexible.** You pick the benefit options and levels to fit your and your employees' needs.
- ▶ **Cost-effective.** Benefits offered on an employee-paid basis – helps to enhance your overall employee benefits package, while giving employees additional protection.
- ▶ **Convenient.** Online enrollment, dedicated support and payroll deductions make it convenient for your employees.

For illustrative purpose only. Actual costs/savings will vary.



### Consider this, in the U.S.

- ▶ **64%** of employers offer HDHPs as a health benefit choice<sup>4</sup>
- ▶ **86%** of employees say it's important that their employer offer voluntary benefits<sup>5</sup>
- ▶ **47%** of employees have \$1,000 or less on hand to pay for unexpected medical bills<sup>6</sup>

For more information, contact your Cigna sales representative or broker today.  
[Cigna.com/group-voluntary](http://Cigna.com/group-voluntary)

1. Kaiser Family Foundation, "2016 Employer Health Benefits Survey." September 2016. Individual client/employee results will vary. 2. Cigna's book of business, average annual premiums for Accidental Injury, Critical Illness and Hospital Care family coverage as of April 2017. 3. The term "Hospital" does not include a clinic, facility or unit of a Hospital for: (1) rehabilitation, convalescent, custodial, educational, hospice or skilled nursing care; (2) the aged, drug addicts or alcoholics; or (3) a facility primarily or solely providing psychiatric services to mentally ill patients. 4. Aon, "2016 Aon Health Care Survey." 5. "Human Resources Executive Survey on behalf of Purchasing Power." July 2015. 6. Cigna, "2016 Voluntary Benefits Consumer Survey." September 2016.

GROUP ACCIDENTAL INJURY, CRITICAL ILLNESS AND HOSPITAL INDEMNITY POLICIES PAY LIMITED BENEFITS ONLY. THEY DO NOT CONSTITUTE COMPREHENSIVE HEALTH INSURANCE COVERAGE AND DO NOT COVER ALL MEDICAL EXPENSES. THIS COVERAGE DOES NOT SATISFY THE "MINIMUM ESSENTIAL COVERAGE" OR INDIVIDUAL MANDATE REQUIREMENTS OF THE AFFORDABLE CARE ACT (ACA). THIS COVERAGE IS NOT MEDICAID OR MEDICARE SUPPLEMENT INSURANCE.

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