Incentives drive health and affordability
2014 CIGNA STUDY SHOWS HOW INCENTIVES IMPROVE HEALTH AND MAKE HEALTH CARE MORE AFFORDABLE

What we learned
People with unhealthy body mass index and cholesterol have higher costs

What to know
The bad news: Unhealthy weight, blood pressure, cholesterol and diabetes cause strokes, blindness, heart attacks, painful joints and cancer – along with multiple emergency room and hospital visits. In fact, 50% of medical expenses are a result of these conditions.

The good news: The health problems – and related costs – can be avoided by meeting the following goals:

<table>
<thead>
<tr>
<th>Health Parameter</th>
<th>Less than 30</th>
<th>More than 30</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>BMI greater than 30</td>
<td>$3,320</td>
<td>$8,604</td>
<td>$492</td>
</tr>
<tr>
<td>BMI less than 30</td>
<td>$2,828</td>
<td>$6,144</td>
<td>$2,460</td>
</tr>
<tr>
<td>Cholesterol greater than 240</td>
<td>$3,102</td>
<td>$7,392</td>
<td>$4,290</td>
</tr>
<tr>
<td>Cholesterol less than 240</td>
<td>$2,749</td>
<td>$5,748</td>
<td>$2,999</td>
</tr>
<tr>
<td>Fasting blood sugar less than 100</td>
<td>$353</td>
<td>$1,644</td>
<td>$1,291</td>
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What we looked at
Studied impact of incentives on health engagement, health outcomes and medical cost

What we looked at
200,000 people examined between 2012–2014

Out-of-pocket health care costs (yearly)

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885799 a 09/15 Not intended for New Mexico residents.
What we learned

People with more chronic conditions – indicated by unhealthy BMI, blood pressure, cholesterol and blood sugar – have higher health care expenses

Number of chronic conditions

| Number of Chronic Conditions | Yearly Total Cost Per Customer | Yearly Total Out-of-Pocket Costs Per Customer*
<table>
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<tr>
<td>0</td>
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<td>$2,204</td>
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<tr>
<td>1</td>
<td>$6,084</td>
<td>$2,816</td>
</tr>
<tr>
<td>2+</td>
<td>$11,940</td>
<td>$3,500</td>
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*“Cigna Comprehensive Evaluation of Outcomes Based Incentives,” February 1, 2015. Cigna customers enrolled in employer-sponsored plans with more than 500 employees. Assumes $2,000 deductible, 20% coinsurance and a $3,500 out-of-pocket max. Chronic conditions include: Coronary artery disease, congestive heart failure, chronic obstructive pulmonary disease, depression, diabetes, low back pain, osteoarthritis, peripheral artery disease, weight complications, asthma.

Many don’t know they have health risks that cost money

Despite the high costs and dangers of poor health, many don’t realize they have health problems:

- **25%** of adults with diabetes don’t know it¹
- **20%** of those with high blood pressure don’t know it²
- **Less than half** of adults with high LDL cholesterol get treatment²
- **66%** of adults are overweight or obese, but only **18%** realize it and are trying to lose weight³

Incentives can lead to better health engagement, clinical outcomes and cost⁴

- Offering an outcome-based incentive more than doubles biometric screening rates, for example from **20%** to **55%** for 2014 data
- The probability of engagement in health coaching programs increased by **24%**
- Engagement improvement was as high as **30%** for the populations with chronic conditions
- Incentive customers saw an increased probability of setting (18%) and meeting (43%) goals with a coach
- Incentives increase the probability of meeting biometric targets
  - BMI less than 30 - improvement of **35.8%**
  - Total cholesterol less than 240 - improvement of **10.9%**
  - Blood pressure less than 140/90 - improvement of **47.2%**
- Incentives reduce total medical cost by approximately **10%** for those 50+ years of age or with chronic conditions

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Four ways Cigna helps keep health risks and costs low

1. **Health screenings**
   Make an appointment with an in-network primary care physician to get a yearly physical. Cigna can also help employers offer health screenings at work.

   And adding a Cigna incentive program **can more than double** health screening rates.¹


2. **Health technology**
   Health apps can help manage weight, cholesterol, blood sugar and blood pressure. App activity can also be shared with a Cigna health coach.

   In fact, customers sharing their data with Cigna coaches are **three times more likely** to work with a coach to improve.²

   And Cigna’s online Health Dashboard helps track the latest BMI, blood pressure and cholesterol test results available.


3. **Health coaches**
   Cigna has experts to call who can help improve health – with proven results.³

   **Body mass index:** Lowered by 1 point

   **Cholesterol:** Lowered by 34 points

   **Systolic BP:** Lowered by 12 points

   **Diastolic BP:** Reduced by 10 points

   **Diabetes:** 81% medication compliance rate


4. **Quality doctors and hospitals**
   We can help customers facing a hospital visit discuss their options and recover more quickly.

   Calling Cigna or using **myCigna.com** can help customers choose cost-effective doctors and hospitals, saving **11%** per procedure, and reducing readmissions by **14%**.⁴


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The bottom line: Get a health screening and address health risks