Graded Funding offers a protective self-funding experience by conserving cash flow. You pay only for what you use, when you use it and costs are aligned with claim flow patterns throughout the life of the plan. Flexibility to adjust benefits as your company’s needs change means you have control of your health plan.

Features include:

**True “pay as you go” self-funding**
- You pay a fixed cost each month plus actual claims, up to stop-loss thresholds. If claims are low during a particular month, you benefit immediately with lower cost – and you get to keep ALL unused claim dollars to use later in the year or as immediate plan savings.

**Immediate funding and unique billing**
- Cigna offers a protective self-funding experience unlike that of any other national carrier, so you’ll know your maximum costs for the year and be able to budget.
- Cigna processes and pays claims to health care professionals on your behalf, then collects the portion that is your company’s responsibility at the end of the month, preserving cash flow.

**Simplified costs throughout the life of the plan**
- In the first year, month-one and -two costs are graded, lining up with typically low claims months in the first year.
- Terminal costs are outlined up front and since you hold the reserves you can adjust funds as needed.

**Insight**

- Robust online reporting – Client-specific monthly reporting lets you track claims and see exactly how your dollars are being spent. Reports, along with help from your Cigna client manager, help to determine if and where to make plan design changes. The online reports also provide insight into longterm impacts of plan adjustments and highlight opportunities for employee education.
- Transparent renewal story – Cigna incorporates your own employees’ claim experiences when calculating the renewal, so you save money immediately and in the future when claims are low. Additionally, our renewals use your stop-loss insurance limit as the pooling point, providing predictable renewals tailored to your company, demonstrating Cigna’s commitment to a consultative relationship with your broker.

Graded Funding is a good fit for a client who:
Understands the self-funding concept well.
Wants to keep 100% of unused claim dollars with the understanding that they may take on a little more risk to do so.
Flexibility

› Move up and down the risk-versus-reward spectrum – Flexible individual stop-loss limits help find the perfect fit for your company.

› Choosing the right plan design – Graded Funding is available with any of our traditional or account-based plans with the freedom to make benefit changes throughout the year.

Control

› Fully integrated stop-loss protection – Individual stop-loss insurance provides immediate coverage when any one of your employee’s claims is higher than the individual stop-loss insurance limit (pooling point). In addition, aggregate stop-loss with monthly accommodation protects you when your company’s total plan claims exceed the aggregate limit.

› Paired with Cigna’s health and wellness offerings – you can further control costs and realize additional claim savings. The reporting capabilities available with Graded Funding also clearly demonstrate the positive results of Cigna’s wellness and care management programs.

Self-funding Dental

Cigna has introduced a wide variety of self-funded dental plans with Cigna’s largest national discounted Dental PPO network. Cigna dental plans focus on prevention and include a 1% discount on medical claims when you buy both Cigna coverages. Cigna is dedicated to individuals’ oral and overall health and can deliver sustainable cost control through improved health and productivity.

Self-funding benefits already included

Consider the additional benefits you receive with all Cigna self-funded plans, including Graded Funding.

› Consolidated administration – provides strong national network, fully integrated medical management and “no-holes” stop-loss insurance coverage with automatic terminal protection.

› Flexibility in plan design – Self-funded plans are governed only by the federal Employee Retirement Income and Security Act (ERISA), and you decide which benefits to include in your plan. This greater flexibility can help you save money.

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

2. Based upon underwriting credibility calculations.

3. NetMinder. DPPO data as of March 2013, including combined reported Cigna Dental Radius Network® and Dental Network Savings Program counts of unique dentists. Data is subject to change. The Ignition Group makes no warranty regarding the performance of the data and the results that will be obtained by using.

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