



RETIREE
SOLUTIONS

Get
better
Every Year.

Together, all the way.®

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Offered by: Cigna Health and Life Insurance Company or its affiliates.

Our experience*

25
years

Offering Medicare
Advantage and
Group Retiree
Solutions

12
years

As a Medicare
Part D carrier

2m

Medical
and pharmacy
retirees

* Cigna provides medical and prescription drug coverage to over 2.0 million retirees across our individual and group plans. January 2018 Medicare book of business reports.



One Cigna for a seamless approach

1

- Cigna Sales Team
- Account Management Team
- Implementation Team
- Dedicated Retiree Support Team

Simplifies
administration
across active and
retiree populations



City of Independence



Cigna Medicare Surround[®]

Group Retiree Medical plan



Reasons to choose Cigna Medicare Surround



Coverage

- Customized for City of Independence
- Group retiree medical plan that supplements Medicare



Access

- Freedom to see any provider accepting Medicare
- No referrals or prior authorizations required



Savings

- Helps lower costs and reduce GASB liability
- Follows Medicare guidelines

Note: Cigna Medicare Surround is an employer-sponsored group retiree medical plan. In most states, it is NOT a standardized Medicare Supplement (Medigap) plan and is NOT offered under a contract with the federal government. In Arizona, Connecticut, and Oregon, the insured Cigna Medicare Surround product is considered a group indemnity medical plan for retirees.



Cigna Medicare Surround vs. Cigna Medicare Expand

Medical plan comparison¹

Cigna Medicare Surround^{1@2}

Cigna Medicare Expand²

See any physician who accepts Medicare	✓	✓
Plan covers the Part A and Part B deductibles and coinsurance	✓	✓
Helps reduce costs by following Medicare claim determinations	✓	
Take a health risk assessment for a path to better health	✓	✓
100% coverage for preventive care ³	✓	✓
24/7 customer service hours	✓	✓
Claims paid based on Medicare fee schedule	✓	✓
Excess charges over Medicare allowable are covered ⁴	✓	✓ ⁵
Assumption of Medicare payment for opt out providers	✓	✓

1. This slide is for illustrative purposes only and compares only the highlights of each plan. For complete details of each plan, refer to your plan documents or ask your Cigna representative.

2. Cigna Medicare Surround and Expand are employer-sponsored group retiree medical plans. In most states they are NOT standardized Medicare Supplement (Medigap) plans and are NOT offered under a contract with the federal government. In Arizona, Connecticut, and Oregon, the insured Cigna Medicare Surround product is considered a group indemnity medical plan for retirees.

3. For all preventive services covered by original Medicare.

4. Applies to Medicare non-participating provider claims. Excess charges that can be billed is 115% of the Medicare non-par fee schedule.

5. Cigna contracted rates may apply if amount is less than 115% of Medicare non-part fee schedule.



The Cigna Medicare Surround plan

Benefit highlights

Customer pays (after Medicare and Cigna pays)

Individual Monthly Premium	\$174.76
Annual deductible	\$0
Plan out-of-pocket maximum	NA
Doctor or specialist office visit	\$0
Inpatient medical hospital care	\$0
Emergency care or urgent care	\$0
Diagnostic tests and lab services	0%
Preventive care	0% for preventive services covered by original Medicare

Note: Refer to City of Independence proposed Surround plan. The benefit information provided here is a brief summary, not a comprehensive description of available benefits. The terms of the group plan or policy will apply. In general, services must be medically necessary and provided by a licensed health care provider accepting Medicare to be covered. All plans and group insurance policies have exclusions and limitations. For details of coverage, see your plan benefit summary or review your plan documents.

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Cigna Medicare Surround® + Cigna-HealthSpring® Rx (PDP)

The customer experience

Pre-enrollment – education Pre-enrollment communications help retirees choose a plan that's right for them.

GET ACQUAINTED >>>

Pre-enrollment mailing

Enrollment support

Enrollment processing



Post-enrollment – transition Post-enrollment communications are simple and easy to understand, to help ensure a smooth transition to the plan.

STAY ENGAGED

Post-enrollment kit mailing

ID card mailing

<<< GET STARTED



Post-enrollment – participation A variety of programs, services and resources that keep your retirees focused on better health.

**Healthy Rewards®
Program**

Rx refill reminders

**Therapeutic interchange
clinical pharmacy program**

myCigna.com

- Medical Coverage information
- Evidence of Coverage Snapshot
- Health assessments
- Rx claim information
- Healthwise® online medical encyclopedia
- Drug list
- Refill Cigna Home Delivery orders

Toll-free telephone support

Before, during and after the enrollment process.

Customer service representatives are specifically trained on your plan details.



Cigna Medicare Surround Plan

Example – Office Visit Charge

Claim Scenario:
Medicare Part B is met.
Cigna plan pays 100% after Medicare.
The Doctor accepts Medicare Assignment.

Total Billed Charge =	\$200.00
Write-off =	\$50.00 (Amount above the Medicare Allowable Amount)
Medicare Allowable Amount =	\$150.00 (Total Billed Charge minus the Write-off amount)
Medicare Part B Deductible* =	Met
Medicare Payment =	\$120.00 (The Medicare Allowable Amount of \$150.00, times Medicare's Coinsurance of 80%)
Cigna Plan Allowable Expense =	\$30.00 (The Medicare Allowable Amount of \$150.00, minus Medicare's Payment of \$120.00)
Cigna Plan Original Liability =	\$30.00
Cigna Plan Payment =	\$30.00
Customer Owes =	\$0.00

Disclaimer: These claim examples are for illustrative purposes only. Changes to your plan benefits and other factors may cause variations in claim payment determinations.

*Medicare Part B Deductible amount in 2019 is \$185. This amount is subject to change each year.



City of Independence



Cigna Medicare Rx (PDP)

Medicare Part D



Cigna Medicare Rx (PDP)



Coverage

- Tailored to city's current pharmacy benefits
- Better than a standard Part D plan



Access

- 67,000 network pharmacies nationally



Savings

- Premium reduced by government contribution
- Coverage gap discount and catastrophic reinsurance

*Savings is based on Cigna's actuarial study using CY EGWP PDP 2017 experience and 2019 Defined Standard Parameters. Savings may vary by plan.



Retiree Drug Subsidy vs. Cigna Medicare Rx (PDP)

Medicare Part D Employer options	Retiree Drug Subsidy	Cigna-HealthSpring Rx (PDP)
Flexible copay and coinsurance plan designs available	✓	✓
Access to broad network of pharmacies	✓	✓
Government subsidies available	✓	✓ ¹
Manufacturer discounts on brand-name drugs		✓
Carrier handles all administration with CMS		✓
Employer does not need to send creditable coverage notices		✓
myCigna.com self-service capabilities	✓	✓ ²
Healthy Rewards discount programs available	✓	✓

1. Cigna-HealthSpring Rx (PDP) Medicare Part D plans can provide \$65-\$125* PMPM over Retiree Drug Subsidy plans

2. Drug pricing comparison tools are not available at present time.

* Savings is based on Cigna's actuarial study using CY EGWP PDP 2017 experience and 2019 Defined Standard Parameters. Savings may vary by plan.



City of Independence Rx plan

	Retail (30-day supply)	Home delivery (90-day supply)
Deductible	\$0	\$0
Preferred generic drug	You pay \$15	You pay \$45
Preferred brand drug	You pay \$40	You pay \$120
Non-preferred generic and brand drug	You pay \$75	You pay \$225
Specialty generic and brand drugs	You pay \$75	Not Available - Specialty drugs only available up-to 30-day
Coverage gap	Once the retiree reaches \$3,820 in total drug costs you move into the Coverage Gap stage. Retiree pays the same copays as your Initial Coverage.	
Catastrophic coverage	Once the retiree reaches \$6,350 true out-of-pocket limit, they pay greater of 5% coinsurance or \$3.60 for generic drugs or \$8.95 for brand drugs for the remainder of the year.	



Refer to City of Independence Rx (PDP) proposals for a complete list of the plan's proposed prescription drug coverage.

City of Independence Rx plan

Opioids	Limited to one month supply
Clinical management	Step therapy, prior authorizations and quantity limits included
Non-Part D supplemental coverage	Prescription vitamins and erectile dysfunction included
Formulary	Standard EGWP formulary
<i>Premium</i> <i>(Per Medicare beneficiary per month)</i>	\$141.29
Effective date	January 1, 2020



Refer to City of Independence Rx (PDP) proposals for a complete list of the plan's proposed prescription drug coverage.

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