

**Testimony of Brian Evanko
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**Hearing before the House Energy & Commerce Committee
Subcommittee on Oversight and Investigations
“PPACA Enrollment and the Insurance Industry”
*May 7, 2014***

Chairman Murphy, Ranking Member DeGette, members of the Subcommittee, good morning and thank you for inviting me to testify at this hearing on “PPACA Enrollment and the Insurance Industry.”

I am Brian Evanko, and I currently serve as President of the U.S. Individual Segment at Cigna Corporation (“Cigna”). I oversee the operation tasked with developing, promoting, and maintaining the Cigna products offered in the individual health insurance market, including those products offered on the exchanges set up pursuant to the Patient Protection and Affordable Care Act or “ACA.”

Cigna is a global health service company dedicated to helping people improve their health, well-being, and sense of security. Through its subsidiaries, Cigna offers an integrated suite of health services, such as medical, dental, behavioral health, pharmacy, and vision care benefits, along with other related products including group disability, life, and accident coverage. We employ more than 26,000 people and have sales capability in 30 countries and jurisdictions. We manage more than 80 million customer relationships throughout the world.

Despite our large footprint, 80 percent of Cigna's overall health care business consists of administrative services. This means we help employers administer their policies. We also administer claims processes, which are not risk-based like traditional insurance. Many of the employers we assist are self-insuring and the claim payments come out of the employers' funds.

Cigna's traditional insurance business is concentrated in the large group market. We have a very limited presence in the individual market, including on the ACA exchanges. The individual market constitutes approximately three percent of Cigna's total revenue. Currently, we offer health insurance products on the exchanges in five states, four of which—Arizona, Florida, Tennessee, and Texas—are part of the Federally-Facilitated Marketplace. The only state-run exchange in which Cigna is participating is located in Colorado. We have entered the exchanges on a focused basis in 2014 to gather deeper learning about consumer behaviors in the individual market, the operational implications of how the exchanges function, and as a potential longer term source of growth for Cigna. For 2014, we did not expect the exchanges to have a significant financial impact on our company.

The health insurance marketplace is evolving rapidly, and Cigna, like other health insurance companies, is constantly challenged to maintain affordability, accessibility, and consumer choice in its product offerings. Cigna has worked

collaboratively with our clients and customers, health care professionals, state and federal regulators, as well as other stakeholders to maintain our heritage of providing high quality health insurance products and services while adapting to the ACA and other statutory and regulatory changes. We believe health care is a shared responsibility of the individual, the private sector, the medical community, and the government. Accordingly, we look forward to how we can all work together to improve the health and wellness of—and quality of care for—all Americans.

I welcome any questions you may have.