About Cigna

- **Cigna**: a global health services company

- **Mission**: To improve the health, well-being, and security of the customers we serve
  - Go Deep, Go Global, Go Individual

- **Locations**:
  - Bloomfield, CT (near Hartford)
  - Philadelphia, PA and Wilmington, DE
  - Denver, CO
  - Austin, TX
  - Various Domestic and Int’l Locations

- **Cigna’s major lines of business include**:
  - Health Care (largest)
    - *Medical, Dental, Pharmacy and others*
  - Group Life and Disability Insurance
  - International (fastest growing)
    - *Health, Life & Accident*
    - *Global Health (expatriate) benefits*
Cigna at a Glance

• Financials
  – Ranked 130 on the 2012 Fortune 500
  – $29.1 billion in revenues
  – $1.6 billion in net income
  – $9.8 billion in shareholder’s equity
  – Assets of $53.7 billion
  – Partnerships and licenses in 30 countries and jurisdictions

• Customers
  – 80 million customer relationships around the world
  – 14 million medical customers in US
  – 154 million medical claims processed
  – 1.2 million expatriates and other globally mobile individuals covered

• People
  – 35,000 employees worldwide
  – Global network includes more than 1 million partnerships and health care professionals, clinics, and facilities
  – Charitable giving of $10.7 million in 2012
  – Total employee volunteer hours of 37,270 in 2012

As of December 31, 2012. The above data is for informational purposes only and may not relate to a particular insurance company subsidiary of Cigna Corporation.
About the AEDP

• Purpose is to develop actuarial talent into our future financial leaders

• Has been around for over 50 years

• Approximately 75 current program members and 100 FSAs / graduates

• Headed by an FSA

• Approximately 15 full time hires and 25 interns each year
  – Interns are the primary source for full time hires
About the AEDP

• Benefits of the program

  – Developmental rotations through different areas of the organization every 18-30 months coordinated by program director
  
  – Actuarial exam support: paid study time, materials / seminars, exam fees
    – Raises for passing exams and achieving ASA and FSA designations
  
  – A feeling of community: social events, community service, mentoring

  – Exposure to various training opportunities
    – Cross Program Summit
    – Quarterly analyst call speaker series
    – Functional training: presentation skills, Excel / Access, negotiations
About the AEDP

• Cigna has a unique vision of the actuary
  – Not just technical resources, actuaries are our present and future business leaders
  – Long track-record of success: former program graduates have gone on to become Financial and Business Leaders, Presidents, CFOs and even CEOs!

AEDP Leadership Opportunities

Operational Leaders
(BFOs, Underwriting, Presidents)

Financial Leaders
(CFOs, Chief Actuaries)

Actuarial Specialists
(Investment advisors, etc.)

Actuarial Students
Leadership Examples:

• John Rottkamp, Chief Underwriter
  – Responsible for leading a team of 1000+ employees supporting Cigna’s
    14 million member health and related benefits business

• Eric Palmer, Business Financial Officer for Global Employer segment
  – Responsible for leading a team of employees supporting Cigna’s pricing,
    reserving and finance functions for the segment

• Kelly Brundin, Head of Financial Planning & Analysis
  – “Controller”, responsible for strategic spending and forecasting
    decisions across the enterprise
About the AEDP

How Do We Develop Future Business Leaders?
#1: Start With the Best

- Hire top actuarial talent across the US and abroad
  - Highly competitive internship and full-time programs
  - 13 target schools across 3 countries
  - 2013 intern class featured 23 students from 20 different schools, 4 countries

- What characteristics do future leaders possess?
  - Self motivation and ambition
  - Creativity
  - Outstanding communication skills – verbal and written
  - Leadership and Courage
  - Desire to work on and lead a high performing team
  - Analytical and Technical abilities
#2: Provide significant opportunities – Internships

- Real projects that meaningfully contribute to the business
- Numerous case studies to expand your learning
  - How to build an organization
  - Creating your own health care reform proposals
  - Product Development and Effective Negotiation Skills
- Exposure to Senior Business Leaders
  - CEO, CFO, President and many more!
#3: Provide significant opportunities – Full time rotations

• The full time rotational program is designed to produce broad business leaders

• What experiences do you need?
  – Diverse roles that allow you to learn the business
  – Projects that allow you to contribute meaningfully to the success of the organization
  – Leadership opportunities early in your career
  – Exposure/Communication with many different audiences (Customers, Employers, Sales, Hospital Executives, Brokers, etc.)

• What skills do you need to develop?
  – Communicating with Influence, Leading through Change, Effective Use of Technology, Managing Others, Business Acumen, and Assessing Talent to name a few
Rotations (Example)

- Every rotation path is different and tailored to your individual development needs and preferences

- Rotation #1: Setting reserves for Cigna Health Care
  - Goal: Begin to build your foundational knowledge of the health care business
    - Understand the profit levers within the organization
    - Directly impact Cigna’s reported earnings to Wall Street
    - Nail the basics by making progress towards actuarial exams
  
  - Skills developed include: Technical and Analytical abilities, Prioritization, Business Knowledge, Innovation Management and Dealing with Ambiguity

  - Exposure/Communication: Senior reserve actuaries, along with accounting business partners
Rotations (Example)

• **Rotation #2: Negotiating lower medical rates with hospitals**
  – Goal: To further enhance your development by focusing on non-core actuarial skills while expanding your business knowledge to hospital operations
    – Understand the drivers of health care cost
    – Leverage our analytical and predictive capabilities to improve hospital negotiations and lower the cost of health care
    – Continue actuarial exam progress

  – Skills Developed Include: Communicating with Influence, Courage, Presentation Skills, Negotiating, and Business Knowledge

  – Exposure/Communication: Contract negotiators, Senior medical economics actuaries, Hospital representatives and executives
Rotations (Example)

- Rotation #3: Reinsurance – Relative Risk Management
  - Learn about investment theory, market risks, and actuarial risks that create exposure for variable annuities
  - Analyze different hedge programs to manage certain risks
  - Develop risk management techniques and harness technical actuarial skills while having the opportunity to work with senior leaders
  - Work with and develop complicated models to calculate liabilities and hedge effectiveness
Worldwide Opportunities

• Cigna International
  – Countries with Cigna actuaries
    – China / Taiwan / Hong Kong
    – South Korea
    – United Kingdom
    – Belgium
    – Turkey
  – This list is constantly expanding – in line with our growth strategy:
    – GO DEEP. GO GLOBAL. GO INDIVIDUAL
    – Joint ventures in India, China
  – The AEDP International Track
#4: Provide significant exam support

What goes into it
- Paid study time, materials, exam fees
- Supportive community and culture

What comes out of it
- A pass rate of 67% over the past 20 years, well in excess of the SOA ~40%
- A pass rate of 80% or higher in 2 of the past 3 sittings (high of 86%)
- The average time to FSA for a Cigna AEDP student is about 4-5 years
The Numbers

• Professional development is fundamental to the AEDP culture

• And it’s rewarding too:
  Strong pay (over $50k starting salary with no exams!)
  + Significant signing bonus and relocation assistance
  + Annual merit based increases (average ~ 3%) and bonuses (~6% start)
  + Exam raises ($2500-$5600 per exam)
  + Great benefits (401(k), health, dental, disability, life, etc.)

= An excellent opportunity

– Quick fact: many AEDP students double their starting pay within the first 5 years of work and triple it within the first 10!
Internship opportunities

• 11 weeks, usually in the summer (May-August)
• About 25 interns per year; located in CT, Philadelphia, Denver and Austin
  – Wide range of exam levels and experiences
  – Students from all over the North America and abroad!
• Travel & Housing paid for by Cigna, interns live in same complex (1-3 roommates)
• Salaries = $20 + /hr
Internship opportunities

• Social Events
  – Sporting events
  – Happy Hours
  – Intern party

• Sport Leagues Available
  – Softball, volleyball, kickball, soccer, basketball, bowling, tennis

• Austin Attractions:
  – “Live Music Capital of the World”
  – Congress Avenue Bats
  – Hiking, biking, kayaking, fishing, and limitless water sport activities
  – Vibrant social community including South Congress, Sixth Street, and festivals throughout the year
Questions?

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