

CUSTOMER SUCCESS STORY

Doppelmayr CTEC elevates its quality of benefits while reducing costs for employees, company

GREAT-WEST HEALTHCARE



COMPANY PROFILE

Every day, Doppelmayr CTEC helps take people to new heights. As North America's leading manufacturer of ropeway transportation equipment, the company installs and retrofits gondolas, chairlifts, trams and sky rides at ski resorts and scenic locales throughout the continent. The company is based in Salt Lake City, with additional offices in Quebec, Canada; Golden, Colorado; and Lincoln, New Hampshire. Doppelmayr CTEC is the North American branch of the Austrian-based Doppelmayr ropeway manufacturing company, a subsidiary of the Doppelmayr/Garaventa-Group.

"With Great-West Healthcare, renewal increases are much more manageable. We're able to minimize the amount that we require employees to contribute, even as industry costs have risen."

Kathy Pearson, Human Resources Manager, Doppelmayr CTEC

BENEFIT NEEDS

In 2002, Doppelmayr CTEC formed as a result of the merger of Doppelmayr and Garaventa CTEC. Prior to the merger, Doppelmayr had tried several health care plans. Every year the company saw large cost increases, which inevitably led it to jump around to different carriers, each offering lower rates in the short term. The company needed a quality health care plan that would minimize out-of-pocket costs for employees and cut company expenses. Plus, with the merger, the newly united organization faced the challenge of covering employees in multiple states.

Customer: Doppelmayr CTEC

Employees: 240

Benefit needs:

- A health care plan that minimizes employees' out-of-pocket expenses and Doppelmayr CTEC's costs
- Quality benefits that cover employees in multiple states
- Simple administration for a one-person HR department
- A long-term solution for managing health care benefit costs

Our solution:

- Self-funding through Great-West Healthcare saves Doppelmayr CTEC 15 to 20 percent over fully insured plans
- Lower costs enabled employees to more readily "buy up" to richer benefits
- The plan covers the company's employees in multiple states
- The Great-West Healthcare disease management program helps employees manage conditions, thereby lowering claim costs in the long run
- Doppelmayr CTEC appreciates that its Great-West Healthcare account manager delivers responsive, attentive service, and offers suggestions for ways to improve its plans



OUR ADVANTAGE

Fortunately, the Garaventa CTEC side of the company offered an answer. For more than a decade, Garaventa CTEC had offered benefits through Great-West Healthcare, now part of CIGNA. With a self-funded plan, Garaventa only paid for claims it incurred, instead of high premiums based on industry averages. With a relatively healthy group of employees, paying only for actual claims added up to significant cost savings.

Though the Great-West Healthcare way was compelling, Kathy Pearson, human resources manager for Doppelmayr CTEC and a 20-year veteran of Doppelmayr, compared a variety of plans. She concluded that Great-West Healthcare would best enable the company to minimize costs for the company and employees.

"Overall, we have a pretty healthy group, and self-funding allows us to take advantage of that," Pearson said. "We retain the savings and try to pass them back to the employees through better benefits."

COST SAVINGS FREE EMPLOYEES TO CHOOSE HIGHER-QUALITY BENEFITS

To date, Great-West Healthcare has delivered Doppelmayr CTEC with cost savings around 15 to 20 percent below industry average for fully insured plans. With lower costs, the company offers two plans that are both quite affordable for employees: a base PPO plan and one with greater coverage levels that employees can buy up to.

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Employees embraced choice, with 75 to 80 percent opting to pay more for richer benefits.

“With Great-West Healthcare, renewal increases are much more manageable,” Pearson said. “We are able to minimize the amount that we require employees to contribute, even as industry costs have risen.”

Great-West Healthcare, now part of CIGNA, also helps Doppelmayr CTEC bring claims levels down through education and its disease management program. The company’s account manager delivered a presentation to employees on ways to use the plan more cost effectively, such as visiting in-network providers and choosing

generic drugs over name brands. The company has expanded its own education efforts with payroll staffers that emphasize ways to save on health care costs.

About 17 employees are enrolled in the Great-West Healthcare disease management program, which has been shown to reduce claims costs for employees with specific conditions by an average of \$1,260 per year. Doppelmayr CTEC pays only for members who participate in these services, and their employees enjoy a one-to-one relationship with a primary care nurse for more consistency of care. In addition, the program provides in-depth information on a variety of medical conditions, such as

diabetes, asthma, cancer and heart disease, which empowers employees to manage their condition more effectively. They have access to information via a comprehensive wellness Web site, supplemental educational materials specific to their diseases and knowledgeable medical staff who can answer questions when they arise.

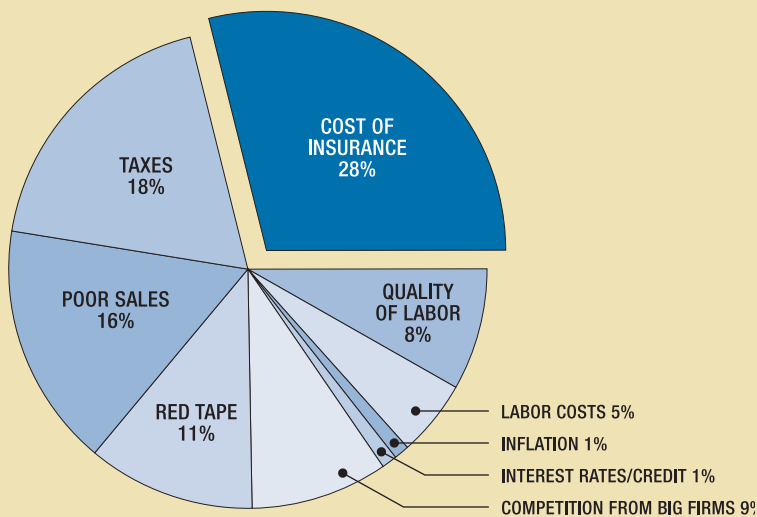
SIMPLE ADMINISTRATION, RESPONSIVE SERVICE ENHANCE THE EXPERIENCE

As the sole member of the company’s HR department, Pearson appreciates the ease of administering Doppelmayr CTEC’s plan. With Great-West Healthcare’s online benefits administration site, Pearson can add and remove employees or change participant information quickly. “[The online administration site] is extremely user friendly and very versatile,” she said. “Making changes to participant information and accessing the online reporting are very easy.”

In addition to bottom-line savings and simplified administration, Pearson values the experience of working with Great-West Healthcare and her account manager. “Great-West Healthcare has been very responsive in coming through with changes and giving us more ideas to lower costs even further,” she said. “Our account manager always follows up with us immediately and sees all issues through to resolution. We all work together. I feel like we’re an important client to Great-West Healthcare. And, our account manager goes out of her way to tell us we’re a valued client.” ■

WHAT IS THE MOST IMPORTANT PROBLEM FACING SMALL BUSINESS?

With pressures facing small businesses today, Doppelmayr CTEC chose Great-West Healthcare for exceptional service and expertise in self-funding.



Note: Category Other accounts for 3%. Source: The Wall Street Journal online, December 30, 2003



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