

Public Meeting on the Acquisition of Express Scripts Holding Company by Cigna Corporation

September 26, 2018

Welcome and Introductions

Mary Watanabe

Deputy Director, Health Policy & Stakeholder Relations
California Department of Managed Health Care

Agenda

1. Welcome and Introductions
2. Director's Remarks
3. DMHC's Jurisdiction and Authority
4. Remarks from Cigna Corporation
5. Remarks from Express Scripts Holding Company
6. Public Comment
7. Closing Remarks

DMHC Mission Statement

The California Department of Managed Health Care
protects consumers' health care rights
and ensures a stable health care delivery system.

Director's Remarks

Shelley Rouillard
Director

California Department of Managed Health Care

DMHC's Jurisdiction and Authority

Havi Jogani
Attorney, Office of Plan Licensing
California Department of Managed Health Care

Cigna Corporation

- Fortune 500 company
- National insurer based in Connecticut
- Fifth largest health insurance payer in the United States

Cigna DMHC Licensed Health Plans

- Cigna HealthCare of California, Inc.
(Full-Service Commercial Health Plan)
- Cigna Behavioral Health of California, Inc.
(Specialized Behavioral Health Plan)
- Cigna Dental Health of California, Inc.
(Specialized Dental Health Plan)

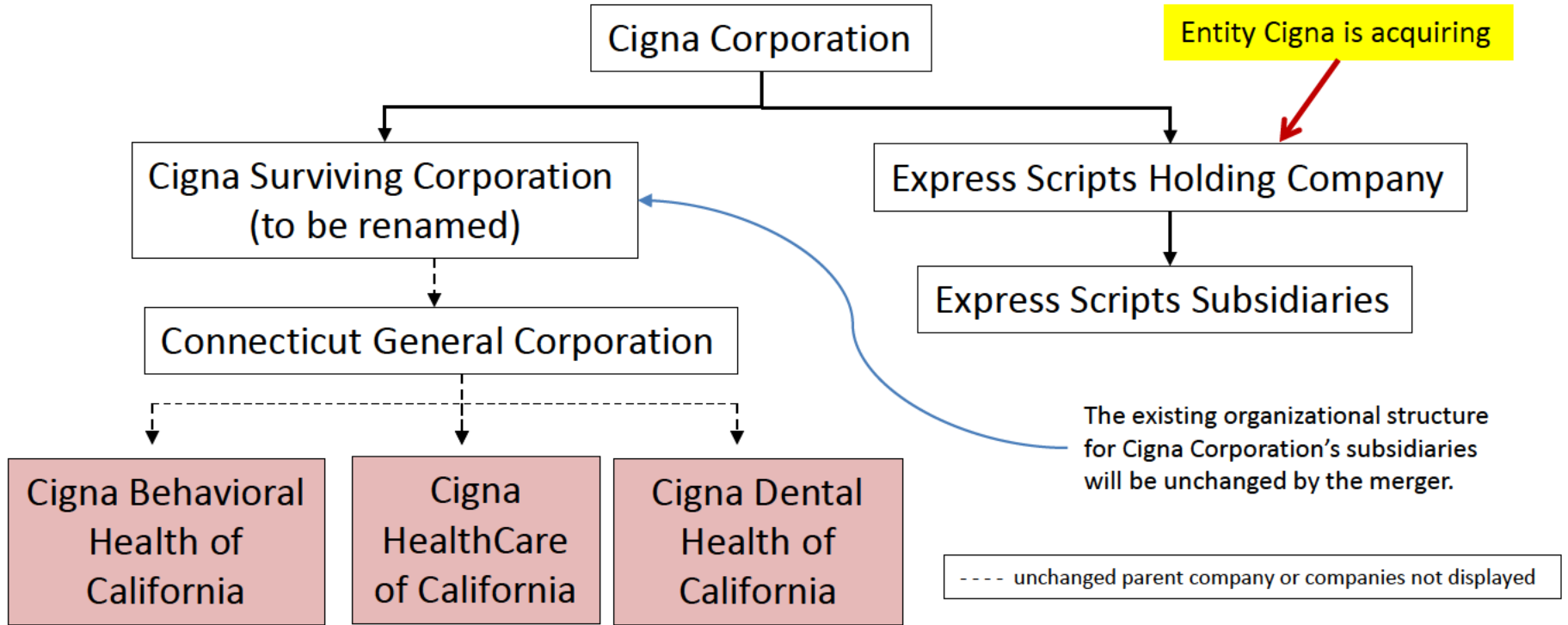
Express Scripts Holding Company

- Largest Independent Pharmacy Benefits Management Company in the United States
- Headquartered in St. Louis, Missouri
 - Pharmacy claims processing
 - Home delivery Pharmacy Care
 - Specialty Pharmacy Care
 - Specialty Benefit Management
 - Benefit Design Consultation
 - Drug Utilization Review
 - Formulary Management
 - Medical and Drug Data Analysis

Proposed Transaction

- Cigna Corporation to buy Express Scripts Holding Company for \$67 billion.
- Cigna's Board of Directors will expand to 13, with 4 independent Express Scripts members.
- Cigna Corporation will remain the ultimate parent of the DMHC licensed plans.

Post Close Organization Chart



Licensing Review Process

The DMHC's licensing review includes looking at:

- Organizational and corporate changes
- Any administrative capacity issues
- Changes to how services will be delivered
- Changes in how the plan contracts with other plans and with providers
- Any other potential impacts to enrollees

Financial Review Process

DMHC's review includes the following:

- Financial projections from Cigna
- Likely impact on Cigna's:
 - finances
 - staffing, services performed, and organizational structure and
 - assigned enrollment

Remarks from Cigna Corporation

Gene Rapisardi

Market President, Southern California and Nevada

Thomas Richards

Global Lead of Strategy and Business Development

Cigna Corporation

Remarks from Express Scripts Holding Company

Brian Henry
Vice President, Corporate Communications
Express Scripts Holding Company

Public Comment

*Public comment may be submitted until 5:00 pm on
October 10, 2018 to publiccomments@dmhc.ca.gov*

Closing Remarks

Public comment may be submitted until 5:00 pm on October 10, 2018 to publiccomments@dmhc.ca.gov

Consumer Participation Program

- Submit a “Petition to Participate in a Proceeding” by October 10, 2018.
- Issue: “Material Modification concerning the acquisition of Express Scripts by Cigna”
- <https://www.dmhc.ca.gov/AbouttheDMHC/OpportunitiestoParticipate.aspx#.VXWzja3JBdg>