



## Cigna Europe Insurance Company S.A.-N.V. – Singapore Branch

### ABOUT US

We have included some additional information about us which meets the regulator's published guidance (Notice 124).

### IN PERSPECTIVE

Cigna operates globally to offer a range of employer sponsored products relating to health and wellbeing. The information contained in this document and on our website ([www.Cigna.com.sg](http://www.Cigna.com.sg)) relates specifically to Singapore business underwritten by Cigna Europe Insurance Company S.A.-N.V. – Singapore Branch of the insurer.

### WHAT WE SELL

#### Employees Coverage (Group)

Cigna sells group expatriate private medical insurance contracts to customers as policyholders for the benefit of their employees. Benefits are chosen by customers that reflect their needs and their employees are provided with plans tailored to suit such needs identified by the customers working with us either direct or with brokers who make such determinations. Such employees may be either expatriates or Singapore citizens. Cover can be either worldwide or worldwide excluding USA.

The policyholder can choose a range of covers and limits such as:

- Geographic coverage
- Deductible level
- Dental and vision cover
- Inclusion of physical examinations and screening
- A choice of benefit limits for outpatient and choice of whether to include immunizations and vaccinations, consultations, diagnostics, and a range of other medical services

For more information on our group expatriate private medical insurance, please visit: [www.CignaGlobalHealth.com](http://www.CignaGlobalHealth.com).

#### Individual Coverage

Cigna also sells individual expatriate private medical insurance contracts to customers based in Singapore on assignment or living as an expat. Benefits are chosen by the customers that reflect their needs and those of their families.

Cigna provides customers with plans tailored to suit such needs identified at the quote and underwriting process stages. We work with customers either direct or with brokers who act on their principal's behalf to make such decisions.

Customers can choose from three levels of cover plus:

- Geographic coverage
- Deductible level
- Dental and vision cover

For more information on our individual expatriate private medical insurance, please visit: [www.CignaGlobal.com](http://www.CignaGlobal.com).

### OUR STRATEGY & OBJECTIVE

Our strategy and objective is to listen to our customers and offer products which meet their needs and those of their employees/families and for us to proactively offer new solutions and ease of access to this cover. Cigna is committed to selling ethical, and legally compliant, solutions to our customers.

### CONTROLS & GOVERNANCE FRAMEWORKS

Cigna has implemented a Corporate Governance Framework which is set up to ensure compliance with local laws and regulations. It takes account of global and local governance initiatives. Its activity is overseen by regulators and auditors. It is a requirement under Singapore regulations that governance protocols are established and routinely monitored. Local management is responsible for the daily compliance and meets regularly to review progress against regulatory standards and best practice guidance published. It is supported in this regard by the parent company which supports and challenges activity to ensure a high degree of management oversight is adopted. This is in line with regulatory

objectives set locally for this company and its parent company's regulators. Governance framework and governance controls have been implemented and reviews take place with the regulators on a proactive basis.

## RISK MANAGEMENT

The Risk Management System takes into consideration business objectives and risk appetite to provide a framework for identifying, assessing, measuring and reporting on all material risks through both Quantitative and Qualitative Risk Management approaches. The combination of these complementary approaches ultimately provides Cigna's Risk Profile and the basis for the calculation of solvency capital requirements.

There is an explicit component in the Solvency II capital requirements which is dedicated to Asset Liability mismatch risk (SCR interest rate). This capital requirement is designed by the European Regulator (EIOPA) and calculated at Cigna Europe's level. In addition, this capital charge, methodology and key assumptions are reviewed and challenged by Cigna Europe's Board as part of the Own Risk and Solvency Assessment process.

Asset Liability Management is undertaken by the Asset Liability Committee (ALCO) which is responsible for the management and monitoring of Investments risks and performance within the limits on Cigna Europe Investment Policy.

Cigna Europe's approach to Risk Management is governed by the principle based Risk Management Policy. The Risk Management Policy outlines specific risk responsibilities throughout the governance structure and delivers the overall approach to establishing and embedding risk management throughout the organization.

Cigna Europe utilizes a combination of quantitative, qualitative, stress tests and scenario analysis to identify and assess the full Risk Profile of the organization. These complementary risk assessment tools range from being bottom up and top down processes to ensure all risk exposures which impact all business operations are identified and assessed. The Risk Profile of the organization then provides the basis for calculating the Solvency

Capital Requirements (Solvency II) and determining which risk exposures require mitigation actions and remediation planning.

The Economic Model used to calculate Cigna's risk profile is aligned with the A Company Rating of Cigna Europe and currently undergoing the approval process from the European Regulator. The Risk Profile is reported via the Own Risk and Solvency Assessment report and ensures the Board is in a fully informed position regarding the key risk exposures and can link the risk profile and appetite of the organization to Corporate Strategy and business objectives.

Ultimately, the Risk Profile is reported externally on an annual basis through the Internal Control Self-Assessment (ICSA) to the Belgian Regulator which will be progressively superseded throughout 2015-16 as the European Insurance Market goes through the transition period to meet Solvency II reporting requirements.

## UNDERWRITING

Underwriting limits are set dependent upon authority limits set by the company and are controlled centrally within the Underwriting Policy. Pricing strategy is set to reflect the underlying medical inflation increases and is reviewed annually.

## CLAIMS STATISTICS & CLAIMS DEVELOPMENT

Claims processes are reviewed regularly by management and subject to local audit scrutiny (ISO9001) to verify quality of the underlying data. A claim triangle analysis is adopted to calculate the Best Estimate Claim Liabilities plus allowance for adverse deviation at minimum 75% sufficiency. The triangle is completed on an accident month basis including all gross paid claims with monthly lag from "accident date" (i.e. date of treatment) to claim payment date. A monthly lag triangle is appropriate for short-tail medical insurance where claims around 99% developed after 12 months

## RETURN OF INVESTMENT ASSETS

The asset class of investments is restricted to Sovereign bonds only, ensuring robust compliance in respect of the Asset-Liability Management (ALM) policy – investment is only undertaken where a thorough assessment of the Nature, Scale and Complexity of the risks associated with the investments has occurred.

The Investment Committee has approved unlimited holdings in Singapore Government Bonds and additional Sovereigns restricted to AAA+ rating.

The investment in derivatives is explicitly excluded by the company management and ongoing monitoring of this and compliance to the asset class restrictions is reviewed regularly.

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*In addition to the information we have supplied, we also disclose confidential information in detail to the regulator to assist with its review and assessment of the branch.*

*Furthermore we have additional corporate information about the Corporation and its subsidiaries available from [www.Cigna.com](http://www.Cigna.com). If you have any further questions please contact the branch legal representative **Ms. Lena Tsia** ([Singapore.Feedback@Cigna.com](mailto:Singapore.Feedback@Cigna.com)).*

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