



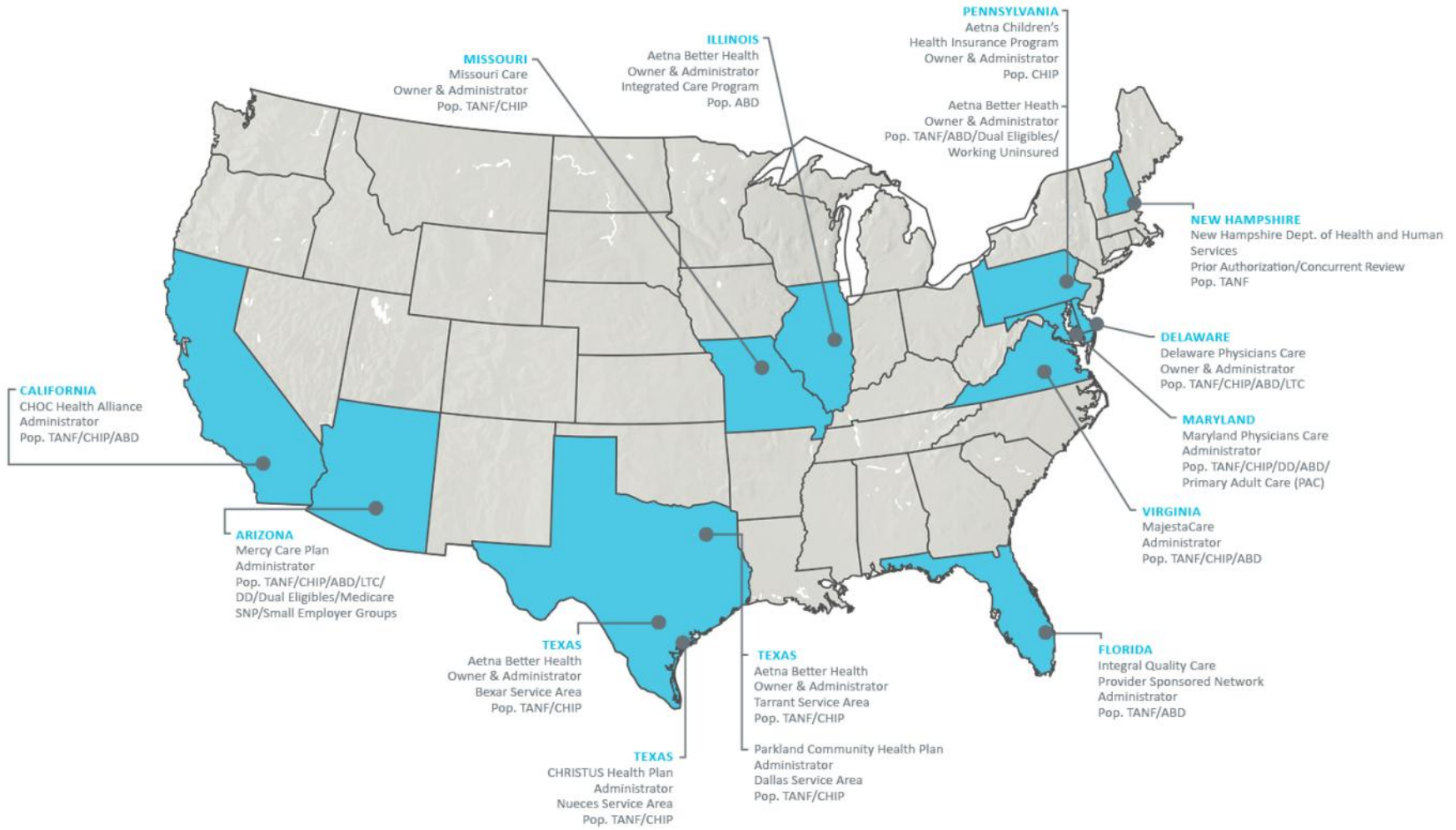
AETNA MEDICAID

Doing the right thing for the
right reason

Aetna Medicaid Overview

- The employ member-centered managed care tools and strategies for all our Medicaid populations
- We provide services for over 1.2 million members in 10 states and manage \$4.75 billion worth of health care expenses each year
- Our two decades of Medicaid experience have been successful thanks to:
 - Local partnerships
 - Clinical integration
 - Technology

Aetna Medicaid Program Experience Spans the Country

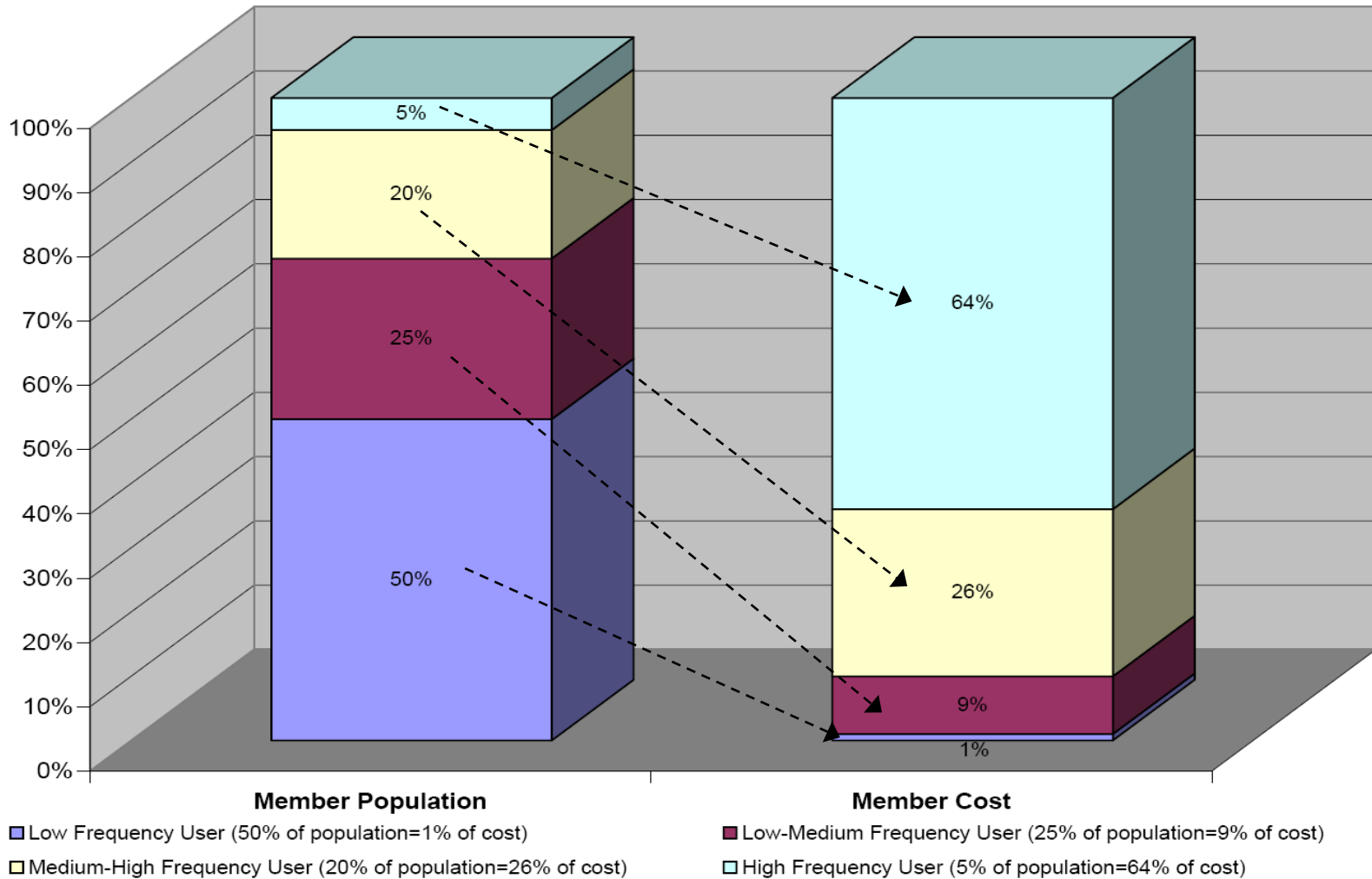


Managed Care Serves Needy Populations while Saving States Money

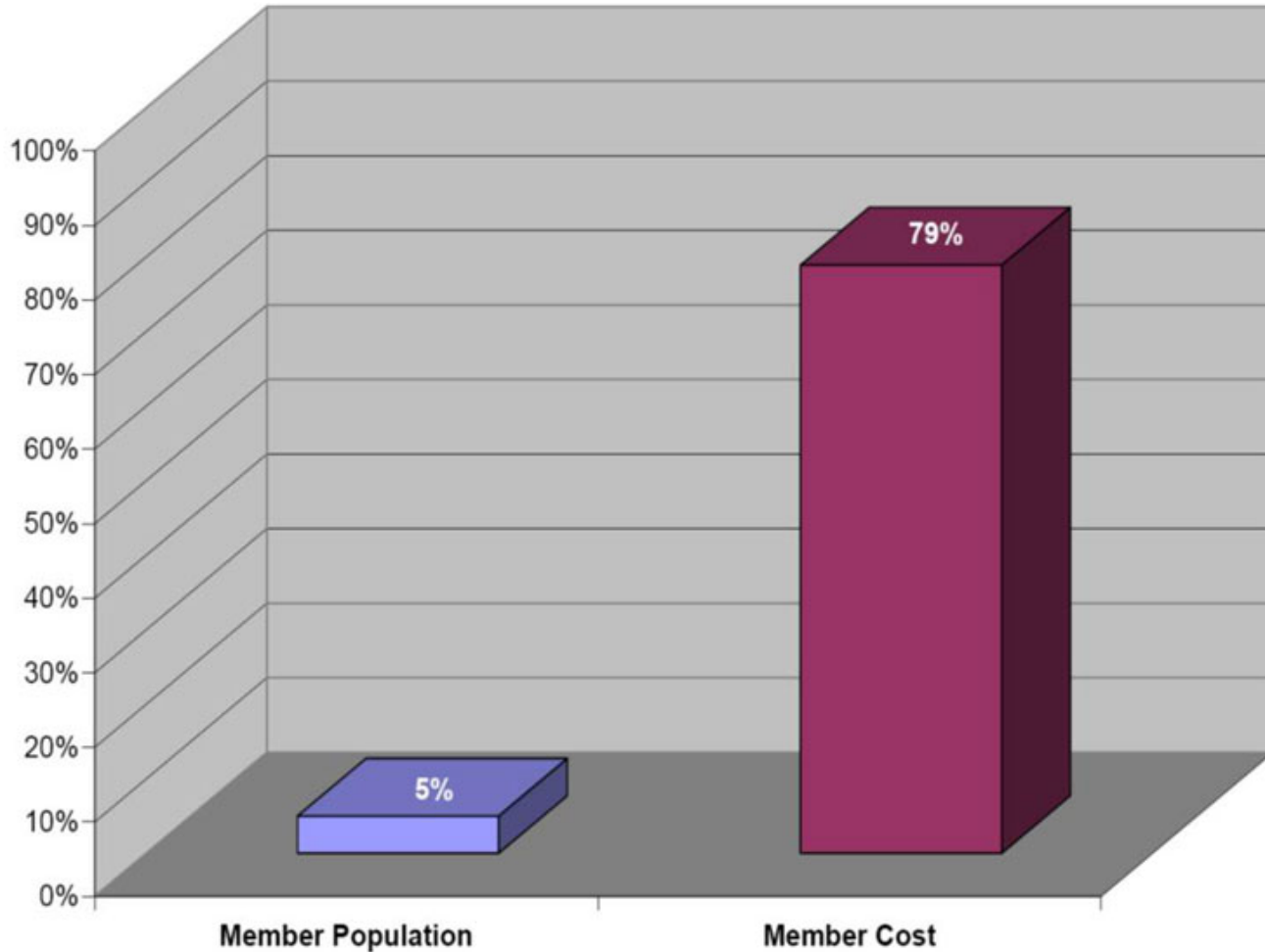
Population Served	Cost Savings
Temporary Assistance for Needy Families	10-12 percent
Aged, Blind and Disabled	15-18 percent
Long-Term Care	20 percent

We Have Experience
Delivering Lower Costs
and Better Outcomes
for Dual Eligible
Beneficiaries

We Know the Sickest Members Need Case Management the Most



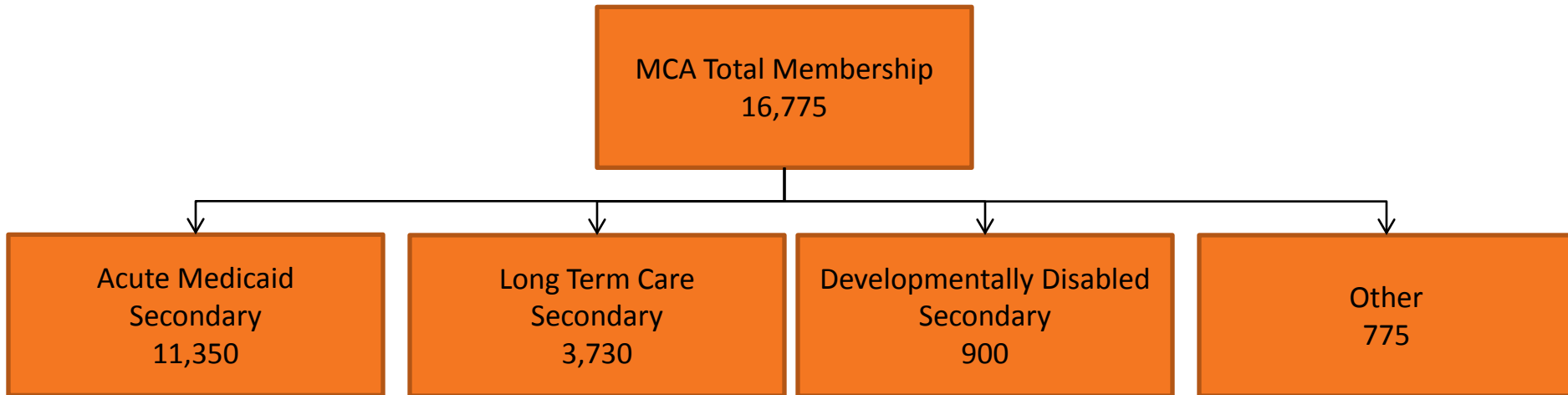
We Also Recognize the Importance of Integrated Behavioral Health



The top 5% of Aetna Medicaid members with at least one behavioral health condition account for 79% of our total health care costs.

We Have Experience Managing Dual Eligible members in Multiple Medicaid Subpopulations

Mercy Care Advantage (MCA) Enrollment Breakdown



How is it Possible to
Deliver Lower Costs
and Better Outcomes
for Dual Eligibles?

We Simplify Medicare / Medicaid Beneficiaries' Experience with Health Care

- Members are issued a single ID card for all services
- Members have access to a consolidated call center 24 hours a day, 7 days a week
- Members' benefits are automatically coordinated between Medicare and Medicaid
- We coordinate benefits with other payer sources

We provide enhanced benefits not otherwise covered by Medicare

- Dental
- Vision
- Hearing
- Wellness
 - Health Education, Smoking Cessation, Exercise
 - Van Go Active Steps

We employ integrated processes to Coordinate Care for Duals

- **Member Services, Case Management, Prior Authorization and Concurrent Review staff education on benefit coverage**
- **Process flows to allow simultaneous review of benefits and application of appropriate benefit and guideline**

Our Care Management Model Drives Improved Access to Preventive Care and Targets Comprehensive Care Where It is Needed Most

We Have An Innovative Approach to Risk Assessment

Aetna's Consolidated Outreach and Risk Evaluation (CORE) tool identifies members who will benefit most from our Integrated Care Management program.

Using acute care, pharmacy and long-term claims, CORE identifies 3 types of member risk:

Predictive Modeling (PM)

Emergency Department (ED)

Inpatient Admission (IP)

We Have More than Two Decades of Experience with Long-Term Care

Member-Centered Approach

Home & Community-Based Services (HCBS):

- Consumer-directed care
- Full array of home & community-based support

Support Services:

- Home modifications
- Assistive equipment
- Durable medical equipment (DME)



Institutional Care:

- Custodial
- Specialty Care

Assisted-Living Centers:

- Adult-day care
- Congregate care homes/adult foster care
- Individual homes

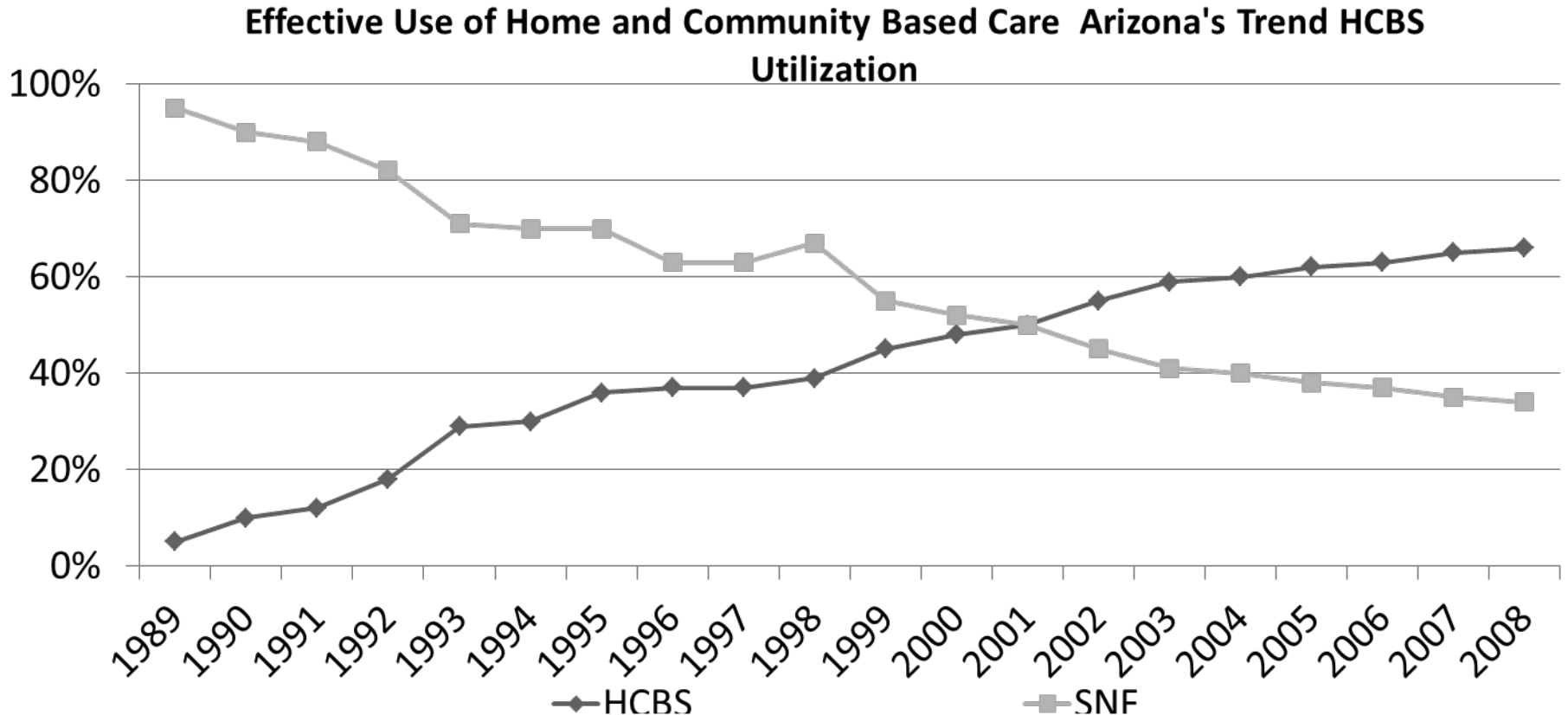
Dual Eligibles:

- Acute services for non-duals
- Cost sharing for duals

We Have A
Demonstrated Track
Record of Success

Getting Results By Rebalancing Institutional and HCBS Services

Aetna's Integrated Long-Term Care Model has been successful in the state of Arizona since 1989



An Avalere study recently compared outcomes achieved by our MCA business compared to the broader set of Medicare / Medicaid dual eligibles

Outcomes: When compared to Medicare Fee for Service dual eligibles across the country, and adjusted to match the risk of the FFS dual eligibles, the total Mercy Care population had:

- **43 percent fewer days spent in the hospital (per 1,000 months of beneficiary enrollment);**
- **31 percent fewer discharges (per 1,000 months of beneficiary enrollment);**
- **19 percent lower average length of stay;**
- **21 percent lower readmission rate;**
- **9 percent fewer ED visits (per 1,000 months of beneficiary enrollment);**
and
- **3 percent higher proportion of members accessing preventive/ambulatory health services.**

Bringing it all together: Providing the right care

Right Service

- Member-centered and holistic in approach
- Integrating fragmented services into coordinated system of care

Right Time

- Ongoing monitoring to enhance health outcomes and quality of life

Right Resource

- Cost-effective health care solutions
- Supplement, Not Supplant—we share comprehensive information with the local health care-provider community

Questions

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