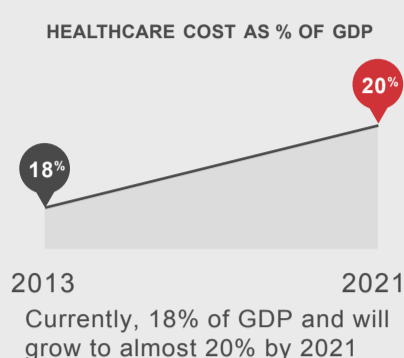
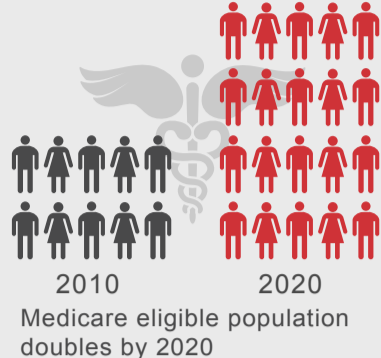


TRAVELERS MEDICAL ADVANTAGESM

Integrated Medical Management Solutions

EVOLVING STATE OF HEALTHCARE IN THE U.S.

RISING U.S. HEALTHCARE COST



BY 2020,
FEDERAL SPENDING
ON ENTITLEMENTS
WILL MAKE UP



51%
OF THE TOTAL U.S.
FEDERAL BUDGET

ADDITIONAL IMPACTS ON AN ALREADY STRESSED HEALTHCARE SYSTEM

BEGINNING JANUARY 2014, THE AFFORDABLE CARE ACT (ACA) SIGNIFICANTLY EXPANDED ACCESS TO HEALTHCARE.

EXTENDED HEALTHCARE COVERAGE

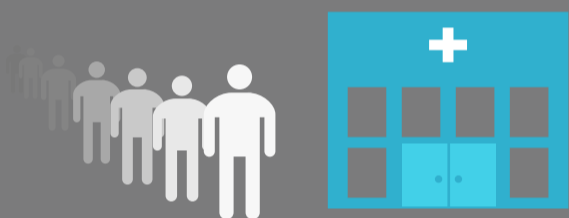
17%

increase in demand for a fixed supply of healthcare services



25 MILLION

uninsured Americans will be entering the system

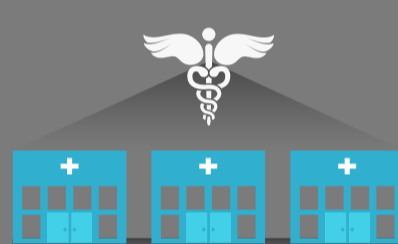


FUNDING OF THE HEALTHCARE SYSTEM MAY RESULT IN:

Cost shifting from public to private sector through taxes, entitlement reforms or offsets to Medicare



Healthcare rationing due to reduced physician capacity



POTENTIAL IMPACTS OF THE ACA ON THE P&C INDUSTRY



Decreased access to care, increasing indemnity costs as prompt access to physicians is reduced and return to work is delayed



Increased pharmacy and DME medical costs due to new taxes and fees passed on to consumers



Increased cost shifting from Medicare to P&C payers by physicians and hospitals due to declining Medicare reimbursement rates



Decreased network discounts due to increased bargaining power of physicians/hospitals and less need to drive volume, increasing medical costs



\$3 TRILLION
SPENT ON HEALTHCARE

- 5% PROPERTY CASUALTY
- 28% MEDICARE AND MEDICAID PROGRAMS
- 67% EMPLOYER SPONSORED OR INDIVIDUAL PLANS

50% OF CASUALTY SPEND

- AUTO
- WORKERS COMPENSATION
- GENERAL LIABILITY

TRAVELERS INVESTMENTS AT WORK FOR YOU

MEDICAL COST MANAGEMENT STRATEGIES EMBEDDED IN OUR CORE PRODUCTS TO HELP MINIMIZE OUR CUSTOMERS' LOSSES

INNOVATION	EXPERTISE	DATA AND ANALYTICS	PREVENTION
<p>TRAVELERS HAS A CONSISTENT HISTORY OF INNOVATION, OFFERING COMPREHENSIVE MEDICAL MANAGEMENT STRATEGIES IN AUTO, WORKERS COMPENSATION, AND GENERAL LIABILITY.</p> <ul style="list-style-type: none"> ▶ TRAVCOMP® -- TRAVELERS' UNIQUE WORKERS COMPENSATION MODEL DELIVERS EXCEPTIONAL LOCAL CLAIM SERVICES TO OUR CUSTOMERS, WITH A SPECIALIZED FOCUS ON MEDICAL MANAGEMENT STRATEGIES, DATA AND ANALYTIC CAPABILITIES, AND SPECIALIZED CLAIM SOLUTIONS ▶ PATENTED CONCIERGECLAIM® NURSE PROGRAM, PLACES A TRAVELER NURSE IN PROVIDERS' CLINICS TO HELP US ACHIEVE BETTER MEDICAL AND CLAIM RESULTS 	<p>THE RIGHT EXPERTISE AND RESOURCES, WHERE YOU NEED IT, WHEN YOU NEED IT.</p> <p>WITH OVER 12,000 CLAIM AND MEDICAL PROFESSIONALS CO-LOCATED IN REGIONAL OFFICES ACROSS THE COUNTRY, OUR LOCAL PRESENCE ENSURES WE UNDERSTAND TRENDS, MARKET CONDITIONS, AND STATE REGULATIONS</p> <ul style="list-style-type: none"> ▶ 550+ IN-HOUSE NURSES CO-LOCATED WITH CLAIM PROFESSIONALS ▶ NATIONAL AND REGIONAL MEDICAL DIRECTOR, CHIROPRACTOR EXPERTS ▶ MEDICAL INVESTIGATIVE UNIT ▶ MAJOR CASE UNIT 	<p>SOPHISTICATED PREDICTIVE MODELING TOOLS SUPPORTED BY OUR ROBUST MEDICAL DATA WAREHOUSE. OUR COMPREHENSIVE MEDICAL INFORMATION INFORMS SMARTER CLAIM HANDLING DECISIONS.</p> <ul style="list-style-type: none"> ▶ COMPREHENSIVE MEDICAL BILL REVIEW CAPABILITIES ENSURE WE PAY ONLY WHAT WE OWE ▶ RISK MANAGEMENT INFORMATION SERVICES (RMIS) OFFERS CUSTOMIZED REPORTING ON MEDICAL BILL UTILIZATION, MEDICAL TRENDS AND FREQUENCY AND SEVERITY ANALYSIS 	<p>RISK CONTROL EXPERTISE AND RESOURCES HELP CUSTOMERS DEVELOP COMPREHENSIVE RISK MITIGATION STRATEGIES THAT ADDRESS EMPLOYEE HEALTH AND WELLNESS BEST PRACTICES.</p> <ul style="list-style-type: none"> ▶ ONSITE, ONLINE AND ON-DEMAND CONSULTATION SERVICES ▶ RESEARCH ON AGING AND WELLNESS ▶ EMPLOYEE WELLNESS EXPERTISE AND RESOURCES

TRAVELERS MEDICAL ADVANTAGE - PROVEN RESULTS



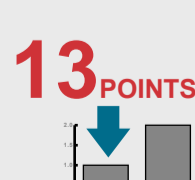
OUR SOPHISTICATED MEDICAL COST CONTAINMENT SOLUTIONS CAN SAVE CUSTOMERS AN AVERAGE OF 61 CENTS FOR EVERY MEDICAL DOLLAR BILLED



TWO-THIRDS OF INJURED EMPLOYEES RETURN TO WORK WITHIN 30 DAYS



- ▶ 80% MEDICAL PROVIDER NETWORK USAGE
- ▶ 87% PHARMACY NETWORK USAGE



47% OVERALL PHARMACY COST REDUCTION

COME SEE US IN ACTION - EXPERIENCE OUR NEW TRAVCOMP® TOUR

CONTACT YOUR LOCAL TRAVELERS REPRESENTATIVE FOR MORE INFORMATION