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GREAT-WEST HEALTHCARE TEAMS WITH MELLON FINANCIAL TO LAUNCH HEALTH SAVINGS ACCOUNT

GREENWOOD VILLAGE, Colo. and RIDGEFIELD PARK, N.J., Nov. 11, 2004 — Great-West Healthcare and Mellon Financial Corporation's Human Resources & Investor Solutions (HR&IS) business today unveiled an alliance to offer an easily administered health savings account (HSA) for employer-sponsored health plans with Jan. 1, 2005 effective dates.

HSAs are employee tax-favored savings accounts used in conjunction with qualified high-deductible health plans. HSA funds may be used without tax penalty to pay for qualified medical expenses such as deductibles and prescription drugs, as well as long-term care insurance and COBRA premiums. Employees and employers may make combined annual tax-free contributions less than or equal to the deductibles, up to certain limits. Although thresholds for 2005 have yet to be established, a qualified plan in 2004 has minimum deductibles of \$1,000 for individuals and \$2,000 for families.

Accounts may even be used to pay for services often not covered by traditional health plans such as acupuncture, eyeglasses and dental care. Unused monies grow tax-free and roll over from year-to-year and from job-to-job until retirement, when participants may continue to tap funds for qualified health care expenses.

Features of the Great-West Healthcare — Mellon HSA include:

- It is easy for employees to enroll in and use the HSA, since the medical plan and tax-advantaged account work together.
- Employers and employees contribute money to the interest-bearing HSA on a pre-tax or tax-deductible basis.
- Members pay for medical care from their HSA using debit cards and/or checkbooks.
- Employees may invest HSA funds over an account minimum threshold in a selection of mutual funds available through The Dreyfus Corporation, a Mellon company established in 1951 and among the nation's leading asset management companies.
- Participants can quickly check HSA account balances and make transactions on-line. Participants can also contact a dedicated HSA customer service unit for assistance.

“Our alliance combines Great-West Healthcare’s expertise in self-funding, award winning medical management programs and creative consumer-driven plan designs with Mellon’s depth of financial and human resources consulting services,” said Rick Rivers, executive vice president of Great-West Healthcare. “The HSA is an important component of Great-West Healthcare’s consumer-driven product portfolio, which offers a range of cost-saving plans and easy-to-use member decision-making tools. With six years of previous medical savings account processing experience, Mellon’s flexible payment and investment options appeal to both employers and participants.”

“HSAs represent a powerful new approach for addressing spiraling health care costs,” said James D. Aramanda, Mellon vice chairman and head of its HR&IS business. “Employees are most interested in the many tax advantages, especially since contributions to and earnings on HSA balances are not taxed, and the use of account funds is tax-free for qualified medical expenses.”

About Great-West Healthcare

Great-West Healthcare, a division of Great-West Life & Annuity Insurance Company, is a national employee benefits provider with expertise in self-funding and health care management solutions. Nationally, the division operates a health care network that includes more than 5,300 hospitals and 515,000 providers and provides health care coverage to approximately 1.9 million people. Visit www.greatwesthealthcare.com for more information.

Great-West Life & Annuity Insurance Company, headquartered in metro-Denver, serves its customers through a full range of health care plans, life and disability insurance, annuities, and retirement savings products and services. It is an indirect, wholly owned subsidiary of Great-West Lifeco Inc. and a member of the Power Financial Corporation group of companies. Great-West Life & Annuity Insurance Company is not licensed to do business in New York. Products are sold in New York by its subsidiary First Great-West Life & Annuity Insurance Company, White Plains, N.Y.

About Mellon Financial Corporation

Human Resources & Investor Solutions is the worldwide human resources and shareholder services business of Mellon Financial Corporation, a global financial services company. Headquartered in Pittsburgh, Mellon is one of the world's leading providers of financial services for institutions, corporations and high net worth individuals, providing institutional asset management, mutual funds, private wealth management, asset servicing, human resources and investor solutions, and treasury services. Mellon has more than \$3.7 trillion in assets under management, administration or custody, including \$670 billion under management. Its asset management companies include The Dreyfus Corporation and U.K.-based Newton Investment Management Limited. News and other information about Mellon are available at www.mellon.com.

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