

AETNA INC /PA/
Form 10-Q
May 01, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2018
or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 1-16095

Aetna Inc.
(Exact name of registrant as specified in its charter)

Pennsylvania	23-2229683
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
151 Farmington Avenue, Hartford, CT	06156
(Address of principal executive offices)	(Zip Code)
Registrant's telephone number, including area code:	(860) 273-0123

Former name, former address and former fiscal year, if changed since last report: N/A

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
 Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated

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filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer

(Do not check if a smaller reporting company) Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

There were 327.1 million shares of the registrant’s voting common stock with a par value of \$.01 per share outstanding at March 31, 2018.

Aetna Inc.
 Form 10-Q
 For the Quarterly Period Ended March 31, 2018

Unless the context otherwise requires, references to the terms “we”, “our” or “us” used throughout this Quarterly Report on Form 10-Q (except the Report of Independent Registered Public Accounting Firm), refer to Aetna Inc. (a Pennsylvania corporation) (“Aetna”) and its subsidiaries (collectively, the “Company”).

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Item 1. Financial Statements

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Consolidated Balance Sheets

(Millions)	(Unaudited)	
	March 31, 2018	December 31, 2017
Assets:		
Current assets:		
Cash and cash equivalents	\$ 7,875	\$ 4,076
Investments	2,521	2,280
Premiums receivable, net	2,384	2,240
Other receivables, net	3,266	2,831
Reinsurance recoverables	1,103	1,050
Income taxes receivable	49	365
Other current assets	3,503	2,681
Total current assets	20,701	15,523
Long-term investments	16,409	17,793
Reinsurance recoverables	3,176	3,323
Goodwill	10,576	10,571
Other acquired intangible assets, net	1,152	1,180
Property and equipment, net	577	586
Deferred income taxes	351	195
Other long-term assets	1,948	1,684
Separate Accounts assets	4,307	4,296
Total assets	\$ 59,197	\$ 55,151
Liabilities and shareholders' equity:		
Current liabilities:		
Health care costs payable	\$ 5,783	\$ 5,815
Future policy benefits	581	604
Unpaid claims	849	850
Unearned premiums	2,528	654
Policyholders' funds	3,060	2,918
Current portion of long-term debt	1,374	999
Accrued expenses and other current liabilities	5,518	4,997
Total current liabilities	19,693	16,837
Future policy benefits	5,741	5,763
Unpaid claims	1,901	1,922
Policyholders' funds	709	739
Long-term debt, less current portion	7,785	8,160
Other long-term liabilities	2,396	1,597
Separate Accounts liabilities	4,307	4,296
Total liabilities	42,532	39,314
Commitments and contingencies (Note 13)		
Shareholders' equity:		
Common stock (\$.01 par value; 2.5 billion shares authorized and 327.1 million shares issued and outstanding in 2018; 2.5 billion shares authorized and 326.8 million shares issued and outstanding in 2017) and additional paid-in capital		