



HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2016
OF THE CONDITION AND AFFAIRS OF THE

Aetna Better Health Inc. (a New Jersey corporation)

NAIC Group Code 0001 0001 NAIC Company Code 15611 Employer's ID Number 46-3203088
(Current) (Prior)

Organized under the Laws of New Jersey, State of Domicile or Port of Entry NJ

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

Is HMO Federally Qualified? Yes [] No [X]

Incorporated/Organized 05/01/2013 Commenced Business 01/01/2015

Statutory Home Office 3 Independence Way, Suite 400 Princeton, NJ, US 08540
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 3 Independence Way, Suite 400
(Street and Number)
Princeton, NJ, US 08540 855-232-3596
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 1425 Union Meeting Road, U23 Blue Bell, PA, US
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 3 Independence Way, Suite 400
(Street and Number)
Princeton, NJ, US 08540 855-232-3596
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.aetna.com

Statutory Statement Contact Steven Matthew Conte 215-775-6508
(Name) (Area Code) (Telephone Number)
Aetna.HMOReporting@aetna.com 860-262-7767
(E-mail Address) (FAX Number)

OFFICERS

Chief Executive Officer and President Laurie Ann Brubaker # Principal Financial Officer and Controller Steven Matthew Conte
Vice President and Secretary Robert Mark Kessler

OTHER

Elaine Rose Cofrancesco, Vice President and Treasurer Kevin James Casey, Senior Investment Officer Gregory Stephen Martino, Vice President
Dawn Marie Schoen, Assistant Controller

DIRECTORS OR TRUSTEES

Debra Jean Bacon Laurie Ann Brubaker # Mary Louise Osborne

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Laurie Ann Brubaker
Laurie Ann Brubaker
Chief Executive Officer and President

Robert Mark Kessler
Robert Mark Kessler
Vice President and Secretary

Steven Matthew Conte
Steven Matthew Conte
Principal Financial Officer and Controller

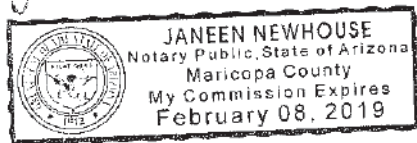
State of..... Arizona
County of..... Maricopa

Subscribed and sworn to before me this

30 day of January 2017

M. Newhouse

NOTARY PUBLIC (Seal)



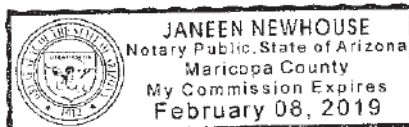
State of..... Arizona
County of..... Maricopa

Subscribed and sworn to before me this

30 day of January 2017

M. Newhouse

NOTARY PUBLIC (Seal)



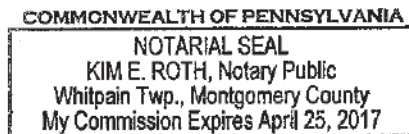
State of..... Pennsylvania
County of..... Montgomery

Subscribed and sworn to before me this

24th day of February 2017

K. ROTH

NOTARY PUBLIC (Seal)



- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number
2. Date filed
3. Number of pages attached.....

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	65,709,778	0	65,709,778	25,469,047
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	0	0	0	0
2.2 Common stocks.....	0	0	0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$0 encumbrances).....	0	0	0	0
4.2 Properties held for the production of income (less \$0 encumbrances).....	0	0	0	0
4.3 Properties held for sale (less \$0 encumbrances).....	0	0	0	0
5. Cash (\$1,884,728 , Schedule E - Part 1), cash equivalents (\$43,321,797 , Schedule E - Part 2) and short-term investments (\$790 , Schedule DA).....	45,207,315	0	45,207,315	20,634,578
6. Contract loans, (including \$0 premium notes).....	0	0	0	0
7. Derivatives (Schedule DB).....	0	0	0	0
8. Other invested assets (Schedule BA).....	0	0	0	0
9. Receivables for securities.....	0	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0	0
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	110,917,093	0	110,917,093	46,103,625
13. Title plants less \$0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	235,106	0	235,106	57,509
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	3,041,539	0	3,041,539	3,358,277
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$0 earned but unbilled premiums).....	0	0	0	0
15.3 Accrued retrospective premiums (\$0) and contracts subject to redetermination (\$0).....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	0	0	0	0
16.2 Funds held by or deposited with reinsured companies.....	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts.....	0	0	0	0
17. Amounts receivable relating to uninsured plans.....	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	0	0	0	449,613
18.2 Net deferred tax asset.....	1,282,959	0	1,282,959	0
19. Guaranty funds receivable or on deposit.....	0	0	0	0
20. Electronic data processing equipment and software.....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$0).....	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	0	0	0	67,428
24. Health care (\$4,085,629) and other amounts receivable.....	4,484,772	399,143	4,085,629	0
25. Aggregate write-ins for other than invested assets.....	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	119,961,469	399,143	119,562,326	50,036,452
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. Total (Lines 26 and 27).....	119,961,469	399,143	119,562,326	50,036,452
DETAILS OF WRITE-INS				
1101.	0	0	0	0
1102.	0	0	0	0
1103.	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above).....	0	0	0	0
2501.	0	0	0	0
2502.	0	0	0	0
2503.	0	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above).....	0	0	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$0 reinsurance ceded)	27,677,840	6,369,245	34,047,085	34,538,648
2. Accrued medical incentive pool and bonus amounts	600,000	0	600,000	0
3. Unpaid claims adjustment expenses	550,742	0	550,742	476,670
4. Aggregate health policy reserves, including the liability of \$0 for medical loss ratio rebate per the Public Health Service Act	31,924,552	0	31,924,552	0
5. Aggregate life policy reserves	0	0	0	0
6. Property/casualty unearned premium reserves	0	0	0	0
7. Aggregate health claim reserves	0	0	0	0
8. Premiums received in advance	0	0	0	0
9. General expenses due or accrued	3,853,617	0	3,853,617	1,373,785
10.1 Current federal and foreign income tax payable and interest thereon (including \$0 on realized capital gains (losses))	1,479,795	0	1,479,795	0
10.2 Net deferred tax liability	0	0	0	162
11. Ceded reinsurance premiums payable	0	0	0	0
12. Amounts withheld or retained for the account of others	0	0	0	0
13. Remittances and items not allocated	11,455	0	11,455	0
14. Borrowed money (including \$0 current) and interest thereon \$0 (including \$0 current)	0	0	0	0
15. Amounts due to parent, subsidiaries and affiliates	11,757,425	0	11,757,425	1,356,686
16. Derivatives	0	0	0	0
17. Payable for securities	0	0	0	0
18. Payable for securities lending	0	0	0	0
19. Funds held under reinsurance treaties (with \$0 authorized reinsurers, \$0 unauthorized reinsurers and \$0 certified reinsurers)	0	0	0	0
20. Reinsurance in unauthorized and certified (\$0) companies	0	0	0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
22. Liability for amounts held under uninsured plans	0	0	0	0
23. Aggregate write-ins for other liabilities (including \$0 current)	3,907	0	3,907	0
24. Total liabilities (Lines 1 to 23)	77,859,333	6,369,245	84,228,578	37,745,951
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	1,250,000
26. Common capital stock	XXX	XXX	0	0
27. Preferred capital stock	XXX	XXX	0	0
28. Gross paid in and contributed surplus	XXX	XXX	21,000,000	15,000,000
29. Surplus notes	XXX	XXX	0	0
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	14,333,748	(3,959,499)
32. Less treasury stock, at cost:				
32.1 .....0 shares common (value included in Line 26 \$0)	XXX	XXX	0	0
32.2 .....0 shares preferred (value included in Line 27 \$0)	XXX	XXX	0	0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	35,333,748	12,290,501
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	119,562,326	50,036,452
DETAILS OF WRITE-INS				
2301. Escheat Payable	3,907	0	3,907	0
2302.	0	0	0	0
2303.	0	0	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	3,907	0	3,907	0
2501. Estimated Health Insurer Fee Accrual	XXX	XXX	0	1,250,000
2502.	XXX	XXX	0	0
2503.	XXX	XXX	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	XXX	XXX	0	1,250,000
3001.	XXX	XXX	0	0
3002.	XXX	XXX	0	0
3003.	XXX	XXX	0	0
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	355,658	136,592
2. Net premium income (including \$0 non-health premium income).....	XXX	169,907,625	68,389,594
3. Change in unearned premium reserves and reserve for rate credits.....	XXX	(31,924,552)	0
4. Fee-for-service (net of \$0 medical expenses).....	XXX	0	0
5. Risk revenue.....	XXX	0	0
6. Aggregate write-ins for other health care related revenues.....	XXX	0	0
7. Aggregate write-ins for other non-health revenues.....	XXX	0	0
8. Total revenues (Lines 2 to 7).....	XXX	137,983,073	68,389,594
Hospital and Medical:			
9. Hospital/medical benefits.....	7,339,347	56,785,271	53,644,632
10. Other professional services.....	0	3,814,230	1,094,277
11. Outside referrals.....	5,726,725	5,726,725	2,840,018
12. Emergency room and out-of-area.....	2,776,681	13,284,470	2,210,259
13. Prescription drugs.....	2,841,695	13,595,520	4,663,810
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....	0	869,507	0
16. Subtotal (Lines 9 to 15).....	18,684,448	94,075,723	64,452,996
Less:			
17. Net reinsurance recoveries.....	0	0	0
18. Total hospital and medical (Lines 16 minus 17).....	18,684,448	94,075,723	64,452,996
19. Non-health claims (net).....	0	0	0
20. Claims adjustment expenses, including \$4,531,883 cost containment expenses.....	0	7,403,303	3,733,654
21. General administrative expenses.....	0	11,093,993	4,248,288
22. Increase in reserves for life and accident and health contracts (including \$0 increase in reserves for life only).....	0	0	0
23. Total underwriting deductions (Lines 18 through 22).....	18,684,448	112,573,019	72,434,938
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	25,410,054	(4,045,344)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	0	935,272	79,791
26. Net realized capital gains (losses) less capital gains tax of \$8,892.....	0	(95,481)	(158,376)
27. Net investment gains (losses) (Lines 25 plus 26).....	0	839,791	(78,585)
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$0) (amount charged off \$0)].....	0	0	0
29. Aggregate write-ins for other income or expenses.....	0	(459,999)	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	25,789,846	(4,123,929)
31. Federal and foreign income taxes incurred.....	XXX	9,707,933	(1,488,504)
32. Net income (loss) (Lines 30 minus 31).....	XXX	16,081,913	(2,635,425)
DETAILS OF WRITE-INS			
0601.	XXX	0	0
0602.	XXX	0	0
0603.	XXX	0	0
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above).....	XXX	0	0
0701.	XXX	0	0
0702.	XXX	0	0
0703.	XXX	0	0
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above).....	XXX	0	0
1401.	0	0	0
1402.	0	0	0
1403.	0	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above).....	0	0	0
2901. Regulatory fines.....	0	(459,999)	0
2902.	0	0	0
2903.	0	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above).....	0	(459,999)	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year.....	12,290,501	5,003,444
34. Net income or (loss) from Line 32.....	16,081,913	(2,635,425)
35. Change in valuation basis of aggregate policy and claim reserves.....	0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ 0.....	0	0
37. Change in net unrealized foreign exchange capital gain or (loss).....	0	0
38. Change in net deferred income tax.....	1,283,121	(162)
39. Change in nonadmitted assets.....	(321,787)	(77,356)
40. Change in unauthorized and certified reinsurance.....	0	0
41. Change in treasury stock.....	0	0
42. Change in surplus notes.....	0	0
43. Cumulative effect of changes in accounting principles.....	0	0
44. Capital Changes:		
44.1 Paid in.....	0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0
44.3 Transferred to surplus.....	0	0
45. Surplus adjustments:		
45.1 Paid in.....	6,000,000	10,000,000
45.2 Transferred to capital (Stock Dividend).....	0	0
45.3 Transferred from capital.....	0	0
46. Dividends to stockholders.....	0	0
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0
48. Net change in capital and surplus (Lines 34 to 47).....	23,043,247	7,287,057
49. Capital and surplus end of reporting period (Line 33 plus 48)	35,333,748	12,290,501
DETAILS OF WRITE-INS		
4701.	0	0
4702.	0	0
4703.	0	0
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)	0	0

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	170,224,363	65,031,317
2. Net investment income	883,523	8,901
3. Miscellaneous income	(4,083,220)	(77,356)
4. Total (Lines 1 through 3)	167,024,666	64,962,862
5. Benefit and loss related payments	94,273,952	29,914,348
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	16,403,391	6,131,651
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	7,787,417	(1,037,611)
10. Total (Lines 5 through 9)	118,464,760	35,008,388
11. Net cash from operations (Line 4 minus Line 10)	48,559,906	29,954,474
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	33,497,631	0
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(44)	216
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	33,497,587	216
13. Cost of investments acquired (long-term only):		
13.1 Bonds	73,950,755	24,974,142
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	73,950,755	24,974,142
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(40,453,168)	(24,973,926)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	6,000,000	10,000,000
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	10,465,999	1,289,228
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	16,465,999	11,289,228
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	24,572,737	16,269,776
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	20,634,578	4,364,802
19.2 End of year (Line 18 plus Line 19.1)	45,207,315	20,634,578

Note: Supplemental disclosures of cash flow information for non-cash transactions:

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ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	169,907,625	0	0	0	0	0	0	169,907,625	0	0
2. Change in unearned premium reserves and reserve for rate credit	(31,924,552)	0	0	0	0	0	0	(31,924,552)	0	0
3. Fee-for-service (net of \$ 0 medical expenses)	0	0	0	0	0	0	0	0	0	XXX
4. Risk revenue	0	0	0	0	0	0	0	0	0	XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	137,983,073	0	0	0	0	0	0	137,983,073	0	0
8. Hospital/medical benefits	56,785,271	0	0	0	0	0	0	56,785,271	0	XXX
9. Other professional services	3,814,230	0	0	0	0	0	0	3,814,230	0	XXX
10. Outside referrals	5,726,725	0	0	0	0	0	0	5,726,725	0	XXX
11. Emergency room and out-of-area	13,284,470	0	0	0	0	0	0	13,284,470	0	XXX
12. Prescription drugs	13,595,520	0	0	0	0	0	0	13,595,520	0	XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	869,507	0	0	0	0	0	0	869,507	0	XXX
15. Subtotal (Lines 8 to 14)	94,075,723	0	0	0	0	0	0	94,075,723	0	XXX
16. Net reinsurance recoveries	0	0	0	0	0	0	0	0	0	XXX
17. Total medical and hospital (Lines 15 minus 16)	94,075,723	0	0	0	0	0	0	94,075,723	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ 4,531,883 cost containment expenses	7,403,303	0	0	0	0	0	0	7,403,303	0	0
20. General administrative expenses	11,093,993	0	0	0	0	0	0	11,093,993	0	0
21. Increase in reserves for accident and health contracts	0	0	0	0	0	0	0	0	0	XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
23. Total underwriting deductions (Lines 17 to 22)	112,573,019	0	0	0	0	0	0	112,573,019	0	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	25,410,054	0	0	0	0	0	0	25,410,054	0	0
DETAILS OF WRITE-INS										
0501.	0	0	0	0	0	0	0	0	0	XXX
0502.	0	0	0	0	0	0	0	0	0	XXX
0503.	0	0	0	0	0	0	0	0	0	XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0602.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0603.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.	0	0	0	0	0	0	0	0	0	XXX
1302.	0	0	0	0	0	0	0	0	0	XXX
1303.	0	0	0	0	0	0	0	0	0	XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)	0	0	0	0
2. Medicare Supplement	0	0	0	0
3. Dental only	0	0	0	0
4. Vision only	0	0	0	0
5. Federal Employees Health Benefits Plan	0	0	0	0
6. Title XVIII - Medicare	0	0	0	0
7. Title XIX - Medicaid	170,141,599	0	233,974	169,907,625
8. Other health	0	0	0	0
9. Health subtotal (Lines 1 through 8)	170,141,599	0	233,974	169,907,625
10. Life	0	0	0	0
11. Property/casualty	0	0	0	0
12. Totals (Lines 9 to 11)	170,141,599	0	233,974	169,907,625

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	94,004,445	.0	.0	.0	.0	.0	.0	94,004,445	.0	.0
1.2 Reinsurance assumed	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
1.3 Reinsurance ceded	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
1.4 Net	94,004,445	.0	.0	.0	.0	.0	.0	94,004,445	.0	.0
2. Paid medical incentive pools and bonuses	269,507	.0	.0	.0	.0	.0	.0	269,507	.0	.0
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	34,047,085	.0	.0	.0	.0	.0	.0	34,047,085	.0	.0
3.2 Reinsurance assumed	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3.3 Reinsurance ceded	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3.4 Net	34,047,085	.0	.0	.0	.0	.0	.0	34,047,085	.0	.0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.2 Reinsurance assumed	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.3 Reinsurance ceded	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.4 Net	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
5. Accrued medical incentive pools and bonuses, current year	600,000	.0	.0	.0	.0	.0	.0	600,000	.0	.0
6. Net healthcare receivables (a)	324,196	.0	.0	.0	.0	.0	.0	324,196	.0	.0
7. Amounts recoverable from reinsurers December 31, current year	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	34,521,118	.0	.0	.0	.0	.0	.0	34,521,118	.0	.0
8.2 Reinsurance assumed	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
8.3 Reinsurance ceded	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
8.4 Net	34,521,118	.0	.0	.0	.0	.0	.0	34,521,118	.0	.0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9.2 Reinsurance assumed	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9.3 Reinsurance ceded	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9.4 Net	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
10. Accrued medical incentive pools and bonuses, prior year	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
11. Amounts recoverable from reinsurers December 31, prior year	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
12. Incurred Benefits:										
12.1 Direct	93,206,216	.0	.0	.0	.0	.0	.0	93,206,216	.0	.0
12.2 Reinsurance assumed	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
12.3 Reinsurance ceded	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
12.4 Net	93,206,216	.0	.0	.0	.0	.0	.0	93,206,216	.0	.0
13. Incurred medical incentive pools and bonuses	869,507	.0	.0	.0	.0	.0	.0	869,507	.0	.0

(a) Excludes \$.0 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	4,761,824	0	0	0	0	0	0	4,761,824	0	0
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
1.4 Net	4,761,824	0	0	0	0	0	0	4,761,824	0	0
2. Incurred but Unreported:										
2.1 Direct	29,285,261	0	0	0	0	0	0	29,285,261	0	0
2.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
2.4 Net	29,285,261	0	0	0	0	0	0	29,285,261	0	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct	0	0	0	0	0	0	0	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. TOTALS:										
4.1 Direct	34,047,085	0	0	0	0	0	0	34,047,085	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	34,047,085	0	0	0	0	0	0	34,047,085	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred In Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1	2	3	4		
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid December 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	0	0	0	0	0	0
2. Medicare Supplement	0	0	0	0	0	0
3. Dental Only	0	0	0	0	0	0
4. Vision Only	0	0	0	0	0	0
5. Federal Employees Health Benefits Plan	0	0	0	0	0	0
6. Title XVIII - Medicare	0	0	0	0	0	0
7. Title XIX - Medicaid	8,766,691	85,237,754	2,198,787	31,848,298	10,965,478	34,521,118
8. Other health	0	0	0	0	0	0
9. Health subtotal (Lines 1 to 8)	8,766,691	85,237,754	2,198,787	31,848,298	10,965,478	34,521,118
10. Healthcare receivables (a)	0	324,196	0	0	0	0
11. Other non-health	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	269,507	0	0	600,000	269,507	0
13. Totals (Lines 9 - 10 + 11 + 12)	9,036,198	84,913,558	2,198,787	32,448,298	11,234,985	34,521,118

(a) Excludes \$0 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Comprehensive (Hospital & Medical)

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	NONE				
2. 2012	NONE				
3. 2013	NONE				
4. 2014	NONE				
5. 2015	NONE				
6. 2016	NONE				

Section B - Incurred Health Claims - Comprehensive (Hospital & Medical)

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	NONE				
2. 2012	NONE				
3. 2013	NONE				
4. 2014	NONE				
5. 2015	NONE				
6. 2016	NONE				

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Comprehensive (Hospital & Medical)

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2012	NONE									
2. 2013	NONE									
3. 2014	NONE									
4. 2015	NONE									
5. 2016	NONE									

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Medicare Supplement

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	NONE				
2. 2012	NONE				
3. 2013	NONE				
4. 2014	NONE				
5. 2015	NONE				
6. 2016	NONE				

Section B - Incurred Health Claims - Medicare Supplement

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	NONE				
2. 2012	NONE				
3. 2013	NONE				
4. 2014	NONE				
5. 2015	NONE				
6. 2016	NONE				

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Medicare Supplement

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/3) Percent	5 Claim and Claim Adjustment Expense Payments	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2012	NONE									
2. 2013	NONE									
3. 2014	NONE									
4. 2015	NONE									
5. 2016	NONE									

12.MS

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Dental Only

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	NONE				
2. 2012	NONE				
3. 2013	NONE				
4. 2014	NONE				
5. 2015	NONE				
6. 2016	NONE				

Section B - Incurred Health Claims - Dental Only

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	NONE				
2. 2012	NONE				
3. 2013	NONE				
4. 2014	NONE				
5. 2015	NONE				
6. 2016	NONE				

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Dental Only

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/3) Percent	5 Claim and Claim Adjustment Expense Payments	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2012	NONE									
2. 2013	NONE									
3. 2014	NONE									
4. 2015	NONE									
5. 2016	NONE									

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Vision Only

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	NONE				
2. 2012	NONE				
3. 2013	NONE				
4. 2014	NONE				
5. 2015	NONE				
6. 2016	NONE				

Section B - Incurred Health Claims - Vision Only

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	NONE				
2. 2012	NONE				
3. 2013	NONE				
4. 2014	NONE				
5. 2015	NONE				
6. 2016	NONE				

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Vision Only

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/3) Percent	5 Claim and Claim Adjustment Expense Payments	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2012	NONE									
2. 2013	NONE									
3. 2014	NONE									
4. 2015	NONE									
5. 2016	NONE									

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	NONE				
2. 2012	NONE				
3. 2013	NONE				
4. 2014	NONE				
5. 2015	NONE				
6. 2016	NONE				

Section B - Incurred Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	NONE				
2. 2012	NONE				
3. 2013	NONE				
4. 2014	NONE				
5. 2015	NONE				
6. 2016	NONE				

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Federal Employees Health Benefits Plan Premium

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/3) Percent	5 Claim and Claim Adjustment Expense Payments	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2012	NONE									
2. 2013	NONE									
3. 2014	NONE									
4. 2015	NONE									
5. 2016	NONE									

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (000 Omitted)

Section A - Paid Health Claims - Title XVIII

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2012	2 2013	3 2014	4 2015	5 2016
1.	Prior	NONE				
2.	2012					
3.	2013					
4.	2014					
5.	2015					
6.	2016					

Section B - Incurred Health Claims - Title XVIII

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2012	2 2013	3 2014	4 2015	5 2016
1.	Prior	NONE				
2.	2012					
3.	2013					
4.	2014					
5.	2015					
6.	2016					

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XVIII

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments (Col. 2/3) Percent	4 (Col. 2/3) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 4/5) Percent	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1.	2012	NONE								
2.	2013									
3.	2014									
4.	2015									
5.	2016									

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Title XIX

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2012	2 2013	3 2014	4 2015	5 2016
1.	Prior	0	0	0	0	0
2.	2012	0	0	0	0	0
3.	2013	XXX	0	0	0	0
4.	2014	XXX	XXX	0	0	0
5.	2015	XXX	XXX	XXX	29,914	38,950
6.	2016	XXX	XXX	XXX	XXX	84,914

Section B - Incurred Health Claims - Title XIX

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2012	2 2013	3 2014	4 2015	5 2016
1.	Prior	0	0	0	0	0
2.	2012	0	0	0	0	0
3.	2013	XXX	0	0	0	0
4.	2014	XXX	XXX	0	0	0
5.	2015	XXX	XXX	XXX	64,453	41,149
6.	2016	XXX	XXX	XXX	XXX	117,362

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XIX

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1.	0	0	0	0.0	0	0.0	0	0	0	0.0
2.	0	0	0	0.0	0	0.0	0	0	0	0.0
3.	0	0	0	0.0	0	0.0	0	0	0	0.0
4.	68,390	38,950	4,071	10.5	43,021	62.9	2,199	28	45,248	66.2
5.	137,983	84,914	6,515	7.7	91,429	66.3	32,448	522	124,399	90.2

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Other

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	NONE				
2. 2012					
3. 2013					
4. 2014					
5. 2015					
6. 2016					

Section B - Incurred Health Claims - Other

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	NONE				
2. 2012					
3. 2013					
4. 2014					
5. 2015					
6. 2016					

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Other

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/3) Percent	5 Claim and Claim Adjustment Expense Payments	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2012	NONE									
2. 2013										
3. 2014										
4. 2015										
5. 2016										

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2012	2 2013	3 2014	4 2015	5 2016
1.	Prior	0	0	0	0	0
2.	2012	0	0	0	0	0
3.	2013	XXX	0	0	0	0
4.	2014	XXX	XXX	0	0	0
5.	2015	XXX	XXX	XXX	29,914	38,950
6.	2016	XXX	XXX	XXX	XXX	84,914

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2012	2 2013	3 2014	4 2015	5 2016
1.	Prior	0	0	0	0	0
2.	2012	0	0	0	0	0
3.	2013	XXX	0	0	0	0
4.	2014	XXX	XXX	0	0	0
5.	2015	XXX	XXX	XXX	64,453	41,149
6.	2016	XXX	XXX	XXX	XXX	117,362

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Grand Total

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2012	0	0	0	0.0	0	0.0	0	0	0	0.0
2. 2013	0	0	0	0.0	0	0.0	0	0	0	0.0
3. 2014	0	0	0	0.0	0	0.0	0	0	0	0.0
4. 2015	68,390	38,950	4,071	10.5	43,021	62.9	2,199	28	45,248	66.2
5. 2016	137,983	84,914	6,515	7.7	91,429	66.3	32,448	522	124,399	90.2

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves	0	0	0	0	0	0	0	0	0
2. Additional policy reserves (a)	0	0	0	0	0	0	0	0	0
3. Reserve for future contingent benefits	0	0	0	0	0	0	0	0	0
4. Reserve for rate credits or experience rating refunds (including \$0) for investment income	31,924,552	0	0	0	0	0	0	31,924,552	0
5. Aggregate write-ins for other policy reserves	0	0	0	0	0	0	0	0	0
6. Totals (gross)	31,924,552	0	0	0	0	0	0	31,924,552	0
7. Reinsurance ceded	0	0	0	0	0	0	0	0	0
8. Totals (Net)(Page 3, Line 4)	31,924,552	0	0	0	0	0	0	31,924,552	0
9. Present value of amounts not yet due on claims	0	0	0	0	0	0	0	0	0
10. Reserve for future contingent benefits	0	0	0	0	0	0	0	0	0
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (gross)	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded	0	0	0	0	0	0	0	0	0
14. Totals (Net)(Page 3, Line 7)	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes \$0 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT**PART 3 - ANALYSIS OF EXPENSES**

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$0 for occupancy of own building)	0	94,453	288,812	3,955	387,220
2. Salary, wages and other benefits	3,418,377	1,817,876	2,140,174	76,125	7,452,552
3. Commissions (less \$0 ceded plus \$0 assumed)	0	0	0	0	0
4. Legal fees and expenses	24,243	12,892	89,250	540	126,925
5. Certifications and accreditation fees	0	0	0	0	0
6. Auditing, actuarial and other consulting services	0	205,315	636,394	0	841,709
7. Traveling expenses	0	41,272	126,199	1,728	169,199
8. Marketing and advertising	0	0	187,631	0	187,631
9. Postage, express and telephone	0	61,991	189,551	2,596	254,138
10. Printing and office supplies	0	24,310	74,332	1,018	99,660
11. Occupancy, depreciation and amortization	0	0	0	0	0
12. Equipment	0	1,352	4,135	57	5,544
13. Cost or depreciation of EDP equipment and software	0	0	455,909	0	455,909
14. Outsourced services including EDP, claims, and other services	682,805	363,112	427,490	15,206	1,488,613
15. Boards, bureaus and association fees	4,640	2,467	2,905	103	10,115
16. Insurance, except on real estate	0	6,280	19,465	0	25,745
17. Collection and bank service charges	0	69	212	3	284
18. Group service and administration fees	0	25,594	79,331	0	104,925
19. Reimbursements by uninsured plans	0	0	0	0	0
20. Reimbursements from fiscal intermediaries	0	0	0	0	0
21. Real estate expenses	0	753	2,302	32	3,087
22. Real estate taxes	0	0	0	0	0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	0	0	2,307,906	0	2,307,906
23.2 State premium taxes	0	0	0	0	0
23.3 Regulatory authority licenses and fees	0	0	2,776,249	0	2,776,249
23.4 Payroll taxes	394,177	209,621	246,786	8,778	859,362
23.5 Other (excluding federal income and real estate taxes)	0	0	1,034,176	0	1,034,176
24. Investment expenses not included elsewhere	0	0	0	0	0
25. Aggregate write-ins for expenses	7,641	4,063	4,784	170	16,658
26. Total expenses incurred (Lines 1 to 25)	4,531,883	2,871,420	11,093,993	110,311	(a) 18,607,607
27. Less expenses unpaid December 31, current year	337,133	213,609	3,853,617	0	4,404,359
28. Add expenses unpaid December 31, prior year	283,275	193,395	1,373,785	0	1,850,455
29. Amounts receivable relating to uninsured plans, prior year	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year	0	0	0	0	0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	4,478,025	2,851,206	8,614,161	110,311	16,053,703
DETAILS OF WRITE-INS					
2501. Miscellaneous Expense	7,641	4,063	4,784	170	16,658
2502.	0	0	0	0	0
2503.	0	0	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	7,641	4,063	4,784	170	16,658

(a) Includes management fees of \$12,417,803 to affiliates and \$0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds	(a) 349,033	364,693
1.1 Bonds exempt from U.S. tax	(a) 0	0
1.2 Other bonds (unaffiliated)	(a) 332,555	494,491
1.3 Bonds of affiliates	(a) 0	0
2.1 Preferred stocks (unaffiliated)	(b) 0	0
2.11 Preferred stocks of affiliates	(b) 0	0
2.2 Common stocks (unaffiliated)	0	0
2.21 Common stocks of affiliates	0	0
3. Mortgage loans	(c) 0	0
4. Real estate	(d) 0	0
5. Contract Loans	0	0
6. Cash, cash equivalents and short-term investments	(e) 186,399	186,399
7. Derivative instruments	(f) 0	0
8. Other invested assets	0	0
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	867,987	1,045,583
11. Investment expenses		(g) 101,533
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 8,778
13. Interest expense		(h) 0
14. Depreciation on real estate and other invested assets		(i) 0
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		110,311
17. Net investment income (Line 10 minus Line 16)		935,272
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$ 134,346 accrual of discount less \$ 260,194 amortization of premium and less \$ 74,029 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 186,393 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	83,103	(114,513)	(31,410)	0	0
1.1 Bonds exempt from U.S. tax	0	0	0	0	0
1.2 Other bonds (unaffiliated)	(55,135)	0	(55,135)	0	0
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	(44)	0	(44)	0	0
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	27,924	(114,513)	(86,589)	0	0
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB)	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL)	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only)	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	0	0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset	0	0	0
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software	0	0	0
21. Furniture and equipment, including health care delivery assets	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivable from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable	399,143	77,356	(321,787)
25. Aggregate write-ins for other than invested assets	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	399,143	77,356	(321,787)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
28. Total (Lines 26 and 27)	399,143	77,356	(321,787)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501.			
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	0	0	0

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations	18,578	26,500	29,975	32,453	33,335	355,658
2. Provider Service Organizations	0	0	0	0	0	0
3. Preferred Provider Organizations	0	0	0	0	0	0
4. Point of Service	0	0	0	0	0	0
5. Indemnity Only	0	0	0	0	0	0
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	18,578	26,500	29,975	32,453	33,335	355,658
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of significant accounting policies and going concern

A. Accounting practices

The accompanying statutory financial statements of Aetna Better Health Inc. (a New Jersey corporation) (the "Company"), indirectly a wholly-owned subsidiary of Aetna Inc. ("Aetna"), have been prepared in conformity with accounting practices prescribed or permitted by the State of New Jersey Department of Banking and Insurance ("New Jersey Department") ("New Jersey Accounting Practices"). The New Jersey Department recognizes only statutory accounting practices prescribed or permitted by the State of New Jersey for determining and reporting the financial condition and results of operations of an insurance company, which include accounting practices and procedures adopted by the National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* ("NAIC SAP").

A reconciliation of the Company's net income (loss) and surplus between NAIC SAP and practices prescribed and permitted by the State of New Jersey for the years ending December 31, 2016 and 2015 is as follows:

	SSAP #	F/S Page	F/S Line #	2016	2015
Net income (loss)					
(1) The Company's state basis	XXX	XXX	XXX	\$16,081,913	\$(2,635,425)
(2) New Jersey prescribed practices that increase/ (decrease) NAIC SAP	N/A	N/A	N/A	-	-
(3) New Jersey permitted practices that increase/ (decrease) NAIC SAP	N/A	N/A	N/A	-	-
(4) NAIC SAP				<u>\$16,081,913</u>	<u>\$(2,635,425)</u>
Surplus					
(5) The Company's state basis	XXX	XXX	XXX	\$35,333,748	\$12,290,501
(6) New Jersey prescribed practices that increase/ (decrease) NAIC SAP	N/A	N/A	N/A	-	-
(7) New Jersey permitted practices that increase/ (decrease) NAIC SAP	N/A	N/A	N/A	-	-
(8) NAIC SAP				<u>\$35,333,748</u>	<u>\$12,290,501</u>

B. Use of estimates in the preparation of the financial statements

The preparation of these financial statements in conformity with New Jersey Accounting Practices requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and revenue and expenses. Actual results could differ from those estimates.

C. Accounting policies

The Company applies the following significant accounting policies:

(1) Cash, cash equivalents and short-term investments

Cash, cash equivalents and short-term investments, consisting primarily of money market instruments and other debt issues with an original maturity of up to one year, are carried at amortized cost. Short-term investments consist primarily of investments purchased with an original maturity date of greater than three months but less than one year. Cash equivalents consist of highly liquid instruments, which mature within three months from the date of purchase. The carrying amount of cash, cash equivalents and short-term investments approximates fair value.

(2) Bonds

Bonds, which include special deposits, are carried at amortized cost except for those bonds with an NAIC designation of 3 through 6, which are carried at the lower of amortized cost or fair value. The amount carried at fair value is not material to the financial statements. Bond premiums and discounts are amortized using the scientific interest method. When quoted prices in active markets for identical assets are available, the Company uses these quoted market prices to determine the fair value of bonds. This is used primarily for U.S. government securities. In other cases where a quoted market price for identical assets in an active market is either not available or not observable, the Company estimates fair values using valuation methodologies based on available and observable market information or by using a matrix pricing model. If quoted market prices are not available, the Company determines fair value using broker

quotes or an internal analysis of each investment's financial performance and cash flow projections. The Company had no investments where fair value was determined using broker quotes or an internal analysis of financial performance and cash flow projections at December 31, 2016 and 2015. Bonds include all investments whose maturity is greater than one year when purchased.

The Company periodically reviews its bonds to determine whether a decline in fair value below the carrying value is other-than-temporary. For bonds, other than loan-backed and structured securities, an other-than-temporary impairment ("OTTI") shall be recorded if it is probable that the Company will be unable to collect all amounts due according to the contractual terms in effect at the date of acquisition. Declines deemed to be OTTI in the cost basis are recognized as realized capital losses. Yield-related impairments are deemed other-than-temporary when the Company intends to sell an investment at the reporting date before recovery of the cost of the investment.

For loan-backed and structured securities, the Company records OTTI when the fair value of the loan-backed or structured security is less than the amortized cost basis at the balance sheet date and (1) the Company intends to sell the investment, or (2) the Company does not have the intent and ability to retain the investment for the time sufficient to recover the amortized cost basis, or (3) the Company does not expect to recover the entire amortized cost basis of the security, even if it does not intend to sell the security and has the intent and ability to hold. If it is determined an OTTI has occurred because of (1) or (2), the amount of the OTTI is equal to the difference between the amortized cost and the fair value of the security at the balance sheet date and this difference is recorded as a realized capital loss. If it is determined an OTTI has occurred because of (3), the amount of the OTTI is equal to the difference between the amortized cost and the present value of cash flows expected to be collected, discounted at the loan-backed or structured security's effective interest rate and this difference is also accounted for as a realized capital loss.

The Company analyzes all relevant facts and circumstances for each investment when performing its analysis to determine whether an OTTI exists. Among the factors considered in evaluating whether a decline is other-than-temporary, management considers whether the decline in fair value results from a change in the quality of the investment security itself, whether the decline results from a downward movement in the market as a whole, the prospects for realizing the carrying value of the bond based on the investee's current and short-term prospects for recovery and other factors. The risks inherent in assessing the impairment of an investment include the risk that market factors may differ from our expectations and the risk that facts and circumstances factored into our assessment may change with the passage of time. Unexpected changes to market factors and circumstances that were not present in past reporting periods may result in a current period decision to sell securities that were not other-than-temporarily-impaired in prior reporting periods.

- (3) The Company did not own any common stock at December 31, 2016 or 2015.
- (4) The Company did not own any preferred stock at December 31, 2016 or 2015.
- (5) The Company did not have any mortgage loans at December 31, 2016 or 2015.
- (6) Securities lending

The Company engages in securities lending by lending certain securities from its investment portfolio to other institutions for short periods of time. Borrowers must post cash collateral in the amount of 102% to 105% of the fair value of a loaned security. The fair value of the loaned securities is monitored on a daily basis, with additional collateral obtained or refunded as the fair value of the loaned securities fluctuates. The collateral is retained and invested by a lending agent according to the Company's guidelines to generate additional investment income for the Company. Pursuant to SSAP No. 103 - *Transfers and Servicing of Financial Assets and Extinguishments of Liabilities* ("SSAP No. 103"), collateral required under the Company's securities lending program is carried on the Company's Statutory Statements of Assets and Liabilities, Capital and Surplus as both a receivable and payable. Also pursuant to SSAP No. 103, if the collateral received from a counterparty is less than 100 percent at the reporting date, the difference between the actual collateral and 100 percent is nonadmitted. Collateral value is measured and compared to the loaned securities in aggregate by counterparty. The Company did not have any loaned securities at December 31, 2016 or 2015.

- (7) The Company did not have any investments in any subsidiaries or affiliated companies at December 31, 2016 or 2015.
- (8) The Company did not have any investments in any joint ventures, partnerships and limited liability companies at December 31, 2016 or 2015.
- (9) The Company did not have any derivatives at December 31, 2016 or 2015.

(10) Aggregate health policy reserves and related expenses

Premium deficiency reserves ("PDR") are recognized when it is probable that the expected future hospital and medical costs, including maintenance costs, will exceed anticipated future premiums and reinsurance recoveries on existing contracts. Where allowed, anticipated investment income is considered in the calculation of any PDR. For purposes of calculating a PDR, contracts are grouped in manner consistent with the method of acquiring, servicing and measuring the profitability of such contracts. The Company had no PDR at December 31, 2016 or 2015.

Unearned premium reserves ("UEP") are recognized for premiums that were collected by the Company that have not been earned as of the statement date. The Company had no UEP at December 31, 2016 or 2015.

The Company is required to make premium rebate payments to the State of New Jersey if specific minimum annual medical loss ratios ("MLR") were not met in the prior year. The Company's results for full year 2016 included an estimate of \$31,924,552 of minimum MLR rebates, which were included in aggregate health policy reserves in the Statutory Statement of Liabilities and Capital and Surplus. The Company did not have any minimum MLR rebates for the full year 2015.

(11) Hospital and medical costs and claims adjustment expenses and related reserves

Hospital and medical costs consist principally of fee-for-service medical claims and capitation costs. Claims unpaid and aggregate health claim reserves include the Company's estimate of payments to be made on claims reported but not yet paid and for health care services rendered to enrollees but not yet reported to the Company as of the Statutory Statements of Assets and Liabilities, Capital and Surplus date. Such estimates are developed using actuarial principles and assumptions, which consider, among other things, historical and projected claim submission and processing payment patterns, medical cost trends, historical utilization of health care services, claim inventory levels, medical inflation, contract requirement changes in membership and product mix, seasonality and other relevant factors. The Company reflects changes in estimates in hospital and medical costs in the Statutory Statements of Revenue and Expenses in the period they are determined. Capitation costs, which are recorded in hospital and medical expenses in the Statutory Statements of Revenue and Expenses, represent contractual monthly fees paid to participating physicians and other medical providers for providing medical care, regardless of the medical services provided to the enrollee.

The Company uses the triangulation method to estimate reserves for claims incurred but not reported. The method of triangulation makes estimates of completion factors that are then applied to the total paid claims (net of coordination of benefits) to date for each incurrence month. This provides an estimate of the total projected incurred claims and total amount outstanding or claims incurred but not reported (claims unpaid). For the most current dates of service where there is insufficient paid claim data to rely solely on the triangulation method, the Company examines cost and utilization trends as well as environmental factors, plan changes, provider contracts, changes in membership and/or benefits, and historical seasonal patterns to estimate the reserve required for these months.

Claims adjustment expenses, which include cost containment expenses, represent the costs incurred related to the claim settlement process such as costs to record, process and adjust claims. These expenses are included in the Company's management agreement with an affiliate described in Note 10.

(12) The Company did not modify its capitalization policy from the prior period.

(13) Pharmaceutical rebate receivables

The Company estimates pharmaceutical rebate receivables based upon historical payment trends, actual utilization and other variables. Pharmaceutical rebates for a quarter are billed to the vendor within one month of the completion of the quarter with any adjustment to previously recorded amounts reflected at the time of billing. The Company reports pharmaceutical rebate receivables as health care receivables. Pharmacy rebate receivables over 90 days past due are nonadmitted. All rebates are processed and settled with an affiliated entity.

(14) Premiums and amounts due and unpaid

Premium revenue for prepaid health care products is recognized as income in the month in which enrollees are entitled to health care services.

Nonadmitted amounts consist of all premiums due and unpaid greater than 90 days past due, with the exception of amounts due under government insured plans, which may be admitted assets under certain circumstances.

(15) Investment income due and accrued

Accrued investment income consists primarily of interest. Interest is recognized on an accrual basis and dividends are recorded as earned on the ex-dividend date. Due and accrued income is not recorded on: (a) bonds in default; and (b) bonds delinquent more than 90 days or where collection of interest is improbable. At December 31, 2016 and 2015, the Company did not have any nonadmitted investment income due and accrued.

(16) Covered and uncovered expenses and related liabilities

Covered expenses and related liabilities represent costs for health care expenses for which a member is not responsible in the event of the insolvency of the Company. Uncovered expenses and related liabilities represent costs to the Company for health care services that are the obligation of the Company and for which a member may also be liable in the event of the Company's insolvency.

(17) Fees Paid to the Federal Government by Health Insurers

Beginning January 1, 2014, SSAP No. 106 – *Affordable Care Act Section 9010 Assessment* (“SSAP No. 106”) required (1) that the health insurer fee be recognized in full on January 1 of the fee year (the calendar year in which the assessment must be paid to the federal government), in the operating expense category of insurance taxes, licenses and fees, excluding federal income taxes and (2) that in each data year preceding a fee year a reporting entity pro-ratably accrue by reclassifying from unassigned funds (surplus) to aggregate write-ins for special surplus funds an amount equal to its estimated subsequent fee year assessment. This reclassification has no impact on total capital and surplus and is reversed in full on January 1 of the fee year beginning with fee years starting on January 1, 2015 and after. In December 2015, the Consolidated Appropriation Act was enacted which included a one year suspension in 2017 of the health insurer fee. As interpreted in INT 16-01: ACA Section 9010 Assessment 2017 Moratorium, because there is not an ACA Section 9010 fee due in September 2017, there is not an accrual of a liability on January 1, 2017 based on 2016 data year net written premiums. Accrual of a liability on January 1, 2018 for the ACA Section 9010 assessment based on 2017 data year net written premiums and the reclassification from unassigned funds (surplus) to aggregate write-ins for special surplus funds equal to the estimated 2018 fee year assessment accrued in data year 2017 will both continue as prescribed under SSAP No. 106. See Note 22 for disclosure of all amounts related to the health insurer fee for the Company.

(17) Accounting for the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010's (collectively, "Health Care Reform") Reinsurance, Risk Adjustment and Risk Corridor (the "3Rs") pursuant to SSAP No. 107 – Risk-Sharing Provisions of the Affordable Care Act ("SSAP No. 107") and INT 15-01: ACA Risk Corridors Collectibility ("INT 15-01")

Reinsurance

Health Care Reform established a temporary reinsurance program that expired at the end of 2016. Under this program, all issuers of major medical commercial insurance products and self-insured plan sponsors are required to contribute funding in amounts set by the U.S. Department of Health and Human Services (“HHS”). A portion of the funds collected will be utilized to reimburse issuers' high claims costs incurred for qualified individual members. The expense related to this required funding is reflected in insurance, taxes, licenses and fees for all of the Company's insurance products with the exception of products associated with qualified individual members; this expense for qualified individual members is reflected as a reduction of premium revenue. When annual claim costs incurred by the Company's qualified individual members exceed a specified attachment point, the Company is entitled to certain reimbursements from this program. The Company records amounts recoverable for claims paid and unpaid and ceded claim benefit recoveries to reflect its estimate of these recoveries. At December 31, 2016 and 2015, the Company did not record a payable or a receivable under the temporary three-year reinsurance program.

Risk Adjustment

Health Care Reform established a permanent risk adjustment program to transfer funds from qualified individual and small group insurance plans with below average risk scores to plans with above average risk scores. Based on the risk of the Company's qualified plan members relative to the average risk of members of other qualified plans in comparable markets, the Company estimates its ultimate risk adjustment receivable or payable for the current calendar year and reflects the impact as an adjustment to its premium revenue. At December 31, 2016 and 2015, the Company did not record a payable or a receivable under the risk adjustment program.

Risk Corridor

Health Care Reform established a temporary risk sharing program, which expires at the end of 2016, for qualified individual and small group insurance plans. Under this program the Company makes (or receives) a payment to (or from) HHS based on the ratio of allowable costs to target costs (as defined by Health Care Reform). The Company records a risk corridor receivable or payable as an adjustment to premium revenue based on the Company's estimate of the ultimate risk sharing amount for the current calendar year. In October 2015, HHS announced that 2014 Health Care Reform risk corridor receivables

would be funded at 12.6% to the extent HHS fully collects risk corridor payables. In November 2015, INT 15-01 was issued as guidance to address the accounting for risk corridor receivables. In conjunction with this guidance, the Company recorded a risk corridor receivable at December 31, 2015 that coincided with the portion of the 2014 Health Care Reform risk corridor receivables that were considered collectible. The Company currently has not recorded any risk corridor receivables for the 2016 and 2015 program years or any amount in excess of HHS's announced pro-rated funding amount for the 2014 program year because payments from HHS are uncertain. The Company currently has not recorded any risk corridor receivables for the 2016 and 2015 program years.

The Company expects to perform an annual final reconciliation and settlement with HHS of the 3Rs in each subsequent year.

(19) Federal and state income taxes

The Company is included in the consolidated federal income tax return of its parent company, Aetna and Aetna's other wholly-owned subsidiaries pursuant to the terms of a tax sharing agreement. In accordance with a written tax sharing agreement with an affiliate, the Company's current federal and state income tax provisions are generally computed as if the Company were filing a separate federal and state income tax return; current income tax benefits, including those resulting from net operating losses, are recognized to the extent realized in the consolidated return. Pursuant to this agreement, the Company has the enforceable right to recoup federal and state income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal and state income taxes.

Income taxes are accounted for under the asset and liability method. Deferred income tax assets ("DTAs") and liabilities ("DTLs") represent the expected future tax consequences of temporary differences generated by statutory accounting as defined in SSAP No. 101. DTAs and DTLs are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. DTAs and DTLs are computed by means of identifying temporary differences which are measured using a balance sheet approach whereby statutory and tax basis balance sheets are compared. Current income tax recoverables include all current income taxes, including interest, reasonably expected to be recovered in a subsequent accounting period.

Pursuant to SSAP No. 101, gross DTAs are first reduced by a statutory valuation allowance adjustment to an amount that is more likely than not to be realized ("adjusted gross DTAs"). Adjusted gross DTAs are then admitted in an amount equal to the sum of paragraphs a. b. and c. below:

- a. Federal income taxes paid in prior years that can be recovered through loss carrybacks for existing temporary differences that reverse during a timeframe corresponding with Internal Revenue Service ("IRS") tax loss carryback provisions.
- b. The amount of adjusted gross DTAs, after the application of paragraph a. above, expected to be realized within the applicable period and that is no greater than the applicable percentage as determined using the applicable Realization Threshold Limitation Table. The applicable period refers to the number of years in which the DTA will reverse in the Company's tax return and the applicable percentage refers to the percentage of the Company's statutory capital and surplus as required to be shown on the statutory balance sheet adjusted to exclude any net DTAs, electronic data processing equipment and operating system software and any net positive goodwill ("Stat Cap ExDTA").

The Realization Threshold Limitation Tables allow DTAs to be admitted based upon either realization within 3 years and 15% of Stat Cap ExDTA, 1 year and 10% of Stat Cap ExDTA, or no DTA admitted pursuant to this paragraph b. In general, the Realization Threshold Limitation Tables allow the Company to admit more DTAs if total DTAs as reported by the Company are a smaller percentage of statutory capital and surplus.

- c. The amount of gross DTAs, after the application of paragraphs a. and b. above that can be offset against existing gross DTLs. In applying this offset, the Company considers the character (i.e. ordinary versus capital) of the DTAs and DTLs such that offsetting would be permitted in the tax return under existing enacted federal income tax laws and regulations and the reversal patterns of temporary differences.

Changes in DTAs and DTLs are recognized as a separate component of gains and losses in surplus ("Change in net deferred income tax") except to the extent allocated to changes in unrealized gains and losses. Changes in DTAs and DTLs allocated to unrealized gains and losses are netted against the related changes in unrealized gains and losses and are reported as "Change in net unrealized capital gains (losses)", also a separate component of gains and losses in surplus.

State income tax expense is recorded in general administrative expenses in the Statutory Statements of Revenue and Expenses. For the years ended December 31, 2016 and 2015, the Company incurred state income tax expense of \$2,307,906 and \$3,836, respectively. The Company had state income tax payable of \$1,328,906 at December 31, 2016, which was recorded as general expenses due or accrued in the Statutory Statements of Liabilities.

(20) Reinsurance

In the normal course of business, the Company seeks to reduce the loss that may arise from catastrophes or other events that cause unfavorable underwriting results and to help balance its risks and capital by reinsuring certain levels of risk with other insurance enterprises. The reinsurance coverage does not relieve the Company of its primary obligations. Reinsurance premiums and reserves related to reinsured business are accounted for on a basis consistent with those used in accounting for the original policies issued and the terms of the reinsurance contracts. Premiums ceded for medical losses and the related unpaid reserves have been reported as reductions of these items. The reinsurance agreements are more fully discussed in Note 23.

D. Going concern

After evaluation at December 31, 2016, management has no concern over the Company's ability to continue as a going concern at this time. Management will continuously evaluate the Company's ability to continue as a going concern and will take appropriate action and will make appropriate disclosures if there is any change in any condition or events that would raise substantial doubt about the Company's ability to continue as a going concern.

2. Accounting changes and corrections of errors

The Company did not have any accounting changes or corrections of errors in the years ended December 31, 2016 and 2015.

3. Business combinations and goodwill

The Company was not a part of any business combinations that involved the statutory purchase method, a statutory merger, an assumption reinsurance, or an impairment loss in the period ending December 31, 2016 and 2015.

4. Discontinued operations

The Company did not have any discontinued operations in the period ending December 31, 2016.

5. Investments

A. The Company did not have any mortgage loans, including Mezzanine Real Estate Loans, at December 31, 2016 or 2015.

B. The Company did not have any debt restructuring in the years ending December 31, 2016 and 2015.

C. The Company did not have any reverse mortgages at December 31, 2016 or 2015.

D. Loan-Backed Securities

(1) Prepayment assumptions for single class and multi-class mortgage backed/asset backed securities were obtained from industry market sources.

(2) The Company had no OTTI losses during 2016 on loan-backed and structured securities in which the Company had the (1) intent to sell, (2) did not have the intent and ability to retain for a period of time sufficient to recover the amortized cost basis or (3) present value of cash flows expected to be collected is less than the amortized cost basis of the securities in accordance with SSAP No. 43R - *Loan-Backed and Structured Securities*.

(3) The Company had no recognized OTTI on loan-backed and structured securities currently held, in which the present value of cash flows expected to be collected is less than the amortized cost basis, at December 31, 2016.

(4) The Company's unrealized loss position on loan-backed and structured securities held by the Company at December 31, 2016 is as follows:

a. The aggregate amount of unrealized losses:

1. Less than 12 months	\$(12,219)
2. 12 months or longer	-

b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 months	\$2,487,641
2. 12 months or longer	-

- (5) The Company has reviewed the loan-backed and structured securities in accordance with SSAP No. 43R in the table above and have concluded that these are performing assets generating investment income to support the needs of the business. Furthermore, the Company has no intention to sell the securities at December 31, 2016 before their cost can be recovered and does have the intent and ability to retain the securities for the time sufficient to recover the amortized cost basis; therefore, no OTTI write-down to fair value was determined to have occurred on these securities.

E. Repurchase Agreements and/or Securities Lending Transactions

- (1) The Company did not have any repurchase agreements or loaned securities transactions at December 31, 2016.
- (2) The Company did not pledge any of its assets as collateral, which are classified as securities pledged to creditors as of December 31, 2016.
- (3) Neither the Company nor its agent has accepted collateral that is permitted by contract or custom to sell or repledge as of December 31, 2016.
- (4) The Company did not have securities lending transactions administered by an affiliated agent which is "one line" reported at December 31, 2016.
- (5) The Company did not have any repurchase agreements, loaned securities or dollar repurchase agreements at December 31, 2016.
- (6) The Company has not accepted collateral that is not permitted by contract or custom to sell or repledge as of December 31, 2016.
- (7) The Company did not have any collateral for transactions that extend beyond one year from the reporting date.

F. The Company did not have any real estate at December 31, 2016 or 2015.

G. The Company did not have any low-income housing tax credits at December 31, 2016.

H. Restricted Assets

(1) Restricted assets (including pledged):

Restricted Asset Category	1	2	3	4	5	6	7
	Total gross (admitted & nonadmitted) restricted from current year	Total gross (admitted & nonadmitted) restricted from prior year	Increase (decrease) (1 minus 2)	Total current year nonadmitted restricted	Total current year admitted restricted (1 minus 4)	Percentage gross (admitted & nonadmitted) restricted to total assets	Percentage admitted restricted to total admitted assets
a. Subject to contractual obligation for which liability is not shown	-	-	-	-	-	-	-
b. Collateral held under security lending agreements	-	-	-	-	-	-	-
c. Subject to repurchase agreements	-	-	-	-	-	-	-
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-
g. Placed under option contracts	-	-	-	-	-	-	-
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	-	-	-	-	-	-	-
i. FHLB capital stock	-	-	-	-	-	-	-
j. On deposit with states	\$17,545,935	\$645,254	\$16,900,681	-	\$17,545,935	15.016%	15.068%
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-
l. Pledged as collateral to FHLB (including assets backing funding agreements)	-	-	-	-	-	-	-
m. Pledged as collateral not captured in other categories	-	-	-	-	-	-	-
n. Other restricted assets	-	-	-	-	-	-	-
o. Total restricted assets	\$17,545,935	\$645,254	\$16,900,681	-	\$17,545,935	15.016%	15.068%

(2) The Company did not have any assets pledged as collateral not captured in other categories at December 31, 2016.

(3) The Company did not have any other restricted assets at December 31, 2016.

(4) The Company did not have any collateral received and reflected within its financial statements at December 31, 2016.

I. The Company did not have any working capital finance investments at December 31, 2016.

- J. The Company did not have any offsetting and netting of financial assets or liabilities at December 31, 2016.
- K. The Company did not have any structured notes at December 31, 2016.
- L. The Company did not have any 5* securities at December 31, 2016.

6. Joint ventures, partnerships, and limited liability companies

- A. The Company did not have any joint ventures, partnerships, or limited liability companies that exceeded 10% of its admitted assets at December 31, 2016 or 2015.
- B. The Company does not have any impaired investments in joint ventures, partnerships, or limited liability companies at December 31, 2016 or 2015.

7. Investment income

- A. There was no investment income due and accrued excluded from surplus at December 31, 2016 or 2015, except in bonds where collection of interest was uncertain.
- B. There was no amount excluded at December 31, 2016 or 2015.

8. Derivative instruments

The Company did not have any derivative instruments at December 31, 2016 or 2015.

9. Income taxes

A.

1. The components of the net DTAs recognized in the Company's Statutory Statements of Assets, Liabilities, Surplus and Other Funds are as follows:

	December 31, 2016		
	Ordinary	Capital	Total
(a) Gross DTAs	\$1,236,023	\$95,951	\$1,331,974
(b) Statutory valuation allowance adjustment	-	-	-
(c) Adjusted gross DTAs	1,236,023	95,951	1,331,974
(d) DTAs nonadmitted	-	-	-
(e) Subtotal net admitted DTAs	1,236,023	95,951	1,331,974
(f) DTLs	-	(49,015)	(49,015)
(g) Net admitted DTAs/(DTLs)	\$1,236,023	\$46,936	\$1,282,959

	December 31, 2015		
	Ordinary	Capital	Total
(a) Gross DTAs	\$128,745	\$55,871	\$184,616
(b) Statutory valuation allowance adjustment	(122,113)	(55,871)	(177,984)
(c) Adjusted gross DTAs	6,632	-	6,632
(d) DTAs nonadmitted	-	-	-
(e) Subtotal net admitted DTAs	6,632	-	6,632
(f) DTLs	-	(6,794)	(6,794)
(g) Net admitted DTAs/(DTLs)	\$6,632	\$(6,794)	\$(162)

	Change		
	Ordinary	Capital	Total
(a) Gross DTAs	\$1,107,278	\$40,080	\$1,147,358
(b) Statutory valuation allowance adjustment	122,113	55,871	177,984
(c) Adjusted gross DTAs	1,229,391	95,951	1,325,342
(d) DTAs nonadmitted	-	-	-
(e) Subtotal net admitted DTAs	1,229,391	95,951	1,325,342
(f) DTLs	-	(42,221)	(42,221)
(g) Net admitted DTAs/(DTLs)	\$1,229,391	\$53,730	\$1,283,121

2. The amount of admitted gross DTAs admitted under each component of SSAP No. 101:

	December 31, 2016		
	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$1,236,023	\$10,416	\$1,246,439
(b) Adjusted gross DTAs expected to be realized (excluding the amount of DTAs) after application of the threshold limitations (the lesser of 2(b)1 and 2(b)2 below)	-	74,943	74,943
1. Adjusted gross DTAs expected to realized following the balance sheet date	-	74,943	74,943
2. Adjusted gross DTAs allowed per limitation threshold	XXX	XXX	5,107,618
(c) Adjusted gross DTAs (excluding the amount of DTAs from 2(a) and 2(b) above) offset by gross DTLs	-	10,592	10,592
(d) DTAs admitted as the result of application of SSAP No. 101	\$1,236,023	\$95,951	\$1,331,974

	December 31, 2015		
	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	-	-	-
(b) Adjusted gross DTAs expected to be realized (excluding the amount of DTAs) after application of the threshold limitations (the lesser of 2(b)1 and 2(b)2 below)	\$6,632	-	\$6,632
1. Adjusted gross DTAs expected to realized following the balance sheet date	6,632	-	6,632
2. Adjusted gross DTAs allowed per limitation threshold	XXX	XXX	1,843,532
(c) Adjusted gross DTAs (excluding the amount of DTAs from 2(a) and 2(b) above) offset by gross DTLs	-	-	-
(d) DTAs admitted as the result of application of SSAP No. 101	\$6,632	-	\$6,632

	Change		
	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$1,236,023	\$10,416	\$1,246,439
(b) Adjusted gross DTAs expected to be realized (excluding the amount of DTAs) after application of the threshold limitations (the lesser of 2(b)1 and 2(b)2 below)	(6,632)	74,943	68,311
1. Adjusted gross DTAs expected to realized following the balance sheet date	(6,632)	74,943	68,311
2. Adjusted gross DTAs allowed per limitation threshold	XXX	XXX	3,264,086
(c) Adjusted gross DTAs (excluding the amount of DTAs from 2(a) and 2(b) above) offset by gross DTLs	-	10,592	10,592
(d) DTAs admitted as the result of application of SSAP No. 101	\$1,229,391	\$95,951	\$1,325,342

3.

	2016	2015
(a) Ratio percentage used to determine recovery period and threshold limitation amount	757%	336%
(b) Amount of adjusted capital and surplus used to determine recovery period threshold limitation in 2(b)2 above	\$34,050,789	\$12,290,663

4. The impact of tax planning strategies is as follows:

	December 31, 2016		
	Ordinary	Capital	Total
(a) Determination of adjusted gross DTAs and net admitted DTAs, by tax character as a percentage			
1. Adjusted gross DTAs amount from Note 9A1(c)	\$1,236,023	\$95,951	\$1,331,974
2. Percentage of adjusted DTAs by tax character attributable to the impact of tax planning strategies	0%	6%	6%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$1,236,023	\$95,951	\$1,331,974
4. Percentage of net admitted adjusted DTAs by tax character admitted because of the impact of tax planning strategies	0%	6%	6%

	December 31, 2015		
	Ordinary	Capital	Total
(a) Determination of adjusted gross DTAs and net admitted DTAs, by tax character as a percentage			
1. Adjusted gross DTAs amount from Note 9A1(c)	\$6,632	-	\$6,632
2. Percentage of adjusted DTAs by tax character attributable to the impact of tax planning strategies	100%	0%	100%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$6,632	-	\$6,632
4. Percentage of net admitted adjusted DTAs by tax character admitted because of the impact of tax planning strategies	100%	0%	100%

	Change		
	Ordinary	Capital	Total
(a) Determination of adjusted gross DTAs and net admitted DTAs, by tax character as a percentage			
1. Adjusted gross DTAs amount from Note 9A1(c)	\$1,229,391	\$95,951	\$1,325,342
2. Percentage of adjusted DTAs by tax character attributable to the impact of tax planning strategies	(100)%	6%	(94)%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$1,229,391	\$95,951	\$1,325,342
4. Percentage of net admitted adjusted DTAs by tax character admitted because of the impact of tax planning strategies	(100)%	6%	(94)%

(b) Does the Company's tax-planning strategies include the use of reinsurance? Yes No

B. There are no DTLs that were not recognized at December 31, 2016 or 2015.

C. Current income taxes incurred consist of the following major components:

	December 31,		Change
	2016	2015	
1. Current income tax			
(a) Federal	\$9,707,933	\$(1,488,504)	\$11,196,437
(b) Foreign	-	-	-
(c) Subtotal	9,707,933	(1,488,504)	11,196,437
(d) Federal income tax on net capital gains	8,892	586	8,306
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	\$9,716,825	\$(1,487,918)	\$11,204,743

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

	December 31,		Change
	2016	2015	
2. DTAs:			
(a) Ordinary			
Claims unpaid	\$1,096,323	\$101,670	\$994,653
Premium taxes - nonadmitted	139,700	27,075	112,625
Total ordinary DTAs	1,236,023	128,745	1,107,278
(b) Statutory valuation allowance adjustment	-	(122,113)	122,113
(c) Nonadmitted ordinary DTAs	-	-	-
(d) Admitted ordinary DTAs	1,236,023	6,632	1,229,391
(e) Capital			
Investments - impairment	95,951	55,871	40,080
Total capital DTAs	95,951	55,871	40,080
(f) Statutory valuation allowance adjustment	-	(55,871)	55,871
(g) Nonadmitted capital DTAs	-	-	-
(h) Admitted capital DTAs	95,951	-	95,951
(i) Admitted DTAs	1,331,974	6,632	1,325,342
3. DTLs:			
(a) Ordinary			
Investments	-	6,794	(6,794)
Ordinary DTLs	-	6,794	(6,794)
(b) Capital			
Investments	49,015	-	49,015
Capital DTLs	49,015	6,794	49,015
(c) Total DTLs	49,015	6,794	42,221
4. Net admitted DTAs	\$1,282,959	\$(162)	\$1,283,121

The change in net deferred income taxes is comprised of the following:

	December 31,		Change
	2016	2015	
Total DTAs	\$1,331,974	\$6,632	\$1,325,342
Total DTLs	(49,015)	(6,794)	(42,221)
Net DTAs/(DTLs)	1,282,959	(162)	1,283,121
Tax effect of unrealized gains (losses)			-
Change in net deferred income tax			\$1,283,121

The valuation allowance adjustment to gross DTAs was \$0 and \$177,984 at December 31, 2015 and December 31, 2015, respectively.

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

- D. The (benefit) provision for federal income taxes is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The items causing this difference were as follows:

	December 31, 2016	Effective tax rate	December 31, 2015	Effective tax rate
(Benefit) provision computed at statutory rate	\$9,029,558	35.0%	\$(1,443,169)	35.0%
Health Insurer Fee	361,962	1.4%	-	0.0%
Transfer pricing adjustment	(786,382)	(3.0)%	(196,425)	4.7%
Tax-exempt interest	(31,467)	(0.1)%	-	0.0%
Change in nonadmitted assets	(112,625)	(0.4)%	(27,075)	0.7%
Prior year true-up	(10,358)	0.0%	754	0.0%
Change in valuation allowance	(177,984)	(0.7)%	177,984	(4.3)%
Other permanent items	161,000	0.6%	175	0.0%
Total	\$8,433,704	32.7%	\$(1,487,756)	36.1%
Federal and foreign income tax (benefit) expense incurred	\$9,715,825	37.7%	\$(1,487,918)	36.1%
Change in net deferred income taxes	(1,283,121)	(5.0)%	162	0.0%
Total statutory income taxes	\$8,433,704	32.7%	\$(1,487,756)	36.1%

The transfer pricing adjustment allows taxpayers to apply different methods to price current period intercompany services at arm's length prices as compared to what would be charged to an unrelated entity, which results in a permanent deduction for tax reporting purposes.

E.

- At December 31, 2016 and 2015, the Company had no net capital loss or net operating loss carryforwards for tax purposes.
- The amount of federal income taxes incurred that is available for recoupment in the event of future net losses is \$8,655,483 for the year ended December 31, 2016. There are no federal income taxes incurred that are available for recoupment in the event of future net losses for the year ended December 31, 2015.
- The Company did not report any deposits as admitted assets under Internal Revenue Code Section 6603 at December 31, 2016 and 2015.

F.

- At December 31, 2016, the Company's Federal Income Tax Return was consolidated with the following entities:

Aetna Inc.	Broadspire National Services, Inc.
@ Credentials Inc.	bswift, LLC
Active Health Management Inc.	Carefree Insurance Services, Inc.
Adminco, Inc.	Claims Administration Corporation
Administrative Enterprises, Inc.	Cofinity, Inc.
AE Fourteen Incorporated	Corporate Benefit Strategies, Inc.
Aetna ACO Holdings, Inc.	Coventry Consumer Advantage, Inc.
Aetna Better Health Inc. (Connecticut)	Coventry Health and Life Insurance Company
Aetna Better Health Inc. (Georgia)	Coventry Health Care National Accounts, Inc.
Aetna Better Health Inc. (Illinois)	Coventry Health Care National Network, Inc.
Aetna Better Health Inc. (New Jersey)	Coventry Health Care of Delaware, Inc.
Aetna Better Health Inc. (New York)	Coventry Health Care of Florida, Inc.
Aetna Better Health Inc. (Ohio)	Coventry Health Care of Illinois, Inc.
Aetna Better Health Inc. (Pennsylvania)	Coventry Health Care of Kansas, Inc.
Aetna Better Health Inc. (Tennessee)	Coventry Health Care of Missouri, Inc.
Aetna Better Health of California Inc.	Coventry Health Care of Nebraska, Inc.
Aetna Better Health of Iowa Inc.	Coventry Health Care of the Carolinas, Inc.
Aetna Better Health of Kansas Inc.	Coventry Health Care of Virginia, Inc.
Aetna Better Health of Kentucky Insurance Company	Coventry Health Care of West Virginia, Inc.
Aetna Better Health of Michigan Inc.	Coventry Health Care Workers' Compensation, Inc.
Aetna Better Health of Missouri LLC	Coventry Health Plan of Florida, Inc.
Aetna Better Health of Nevada Inc.	Coventry HealthCare Management Corporation
Aetna Better Health of Oklahoma Inc.	Coventry Prescription Management Services, Inc.
Aetna Better Health of Texas Inc.	Coventry Rehabilitation Services, Inc.
Aetna Better Health, Inc. (Louisiana)	Coventry Transplant Network, Inc.
Aetna Dental Inc. (New Jersey)	Delaware Physicians Care, Incorporated
Aetna Dental Inc. (Texas)	Echo Merger Sub, Inc.
Aetna Dental of California Inc.	First Health Group Corp.
	First Health Life and Health Insurance Company

<p>Aetna Florida Inc. (fka Aetna Better Health Inc. (Florida)) Aetna Health and Life Insurance Company Aetna Health Inc. (Connecticut) Aetna Health Inc. (Florida) Aetna Health Inc. (Georgia) Aetna Health Inc. (Louisiana) Aetna Health Inc. (Maine) Aetna Health Inc. (Michigan) Aetna Health Inc. (New Jersey) Aetna Health Inc. (New York) Aetna Health Inc. (Pennsylvania) Aetna Health Inc. (Texas) Aetna Health Insurance Company Aetna Health Insurance Company of New York Aetna Health of California, Inc. Aetna Health of Iowa Inc. (fka Aetna Health Inc. (Iowa)) Aetna Health of Utah, Inc. Aetna HealthAssurance Pennsylvania, Inc. Aetna Insurance Company of Connecticut Aetna Integrated Informatics, Inc. Aetna International Inc. Aetna Ireland Inc. Aetna Life & Casualty (Bermuda) Ltd. Aetna Life Assignment Company Aetna Life Insurance Company Aetna Risk Assurance Company of Connecticut, Inc. Aetna Student Health Agency Inc. AHP Holdings, Inc. Allviant Corporation American Health Holding, Inc. AUSHC Holdings, Inc.</p>	<p>First Script Network Services, Inc. Florida Health Plan Administrators, LLC FOCUS Healthcare Management, Inc. Futrix Inc. Group Dental Service of Maryland, Inc. Group Dental Service, Inc. Health and Human Resource Center, Inc. Health Data & Management Solutions, Inc. Health Re, Incorporated HealthAmerica Pennsylvania, Inc. HealthAssurance Pennsylvania, Inc. Managed Care Coordinators, Inc. Medicity Inc. Mental Health Associates, Inc. Mental Health Network of New York IPA, Inc. Meritain Health, Inc. MetraComp, Inc. MHNNet Life and Health Insurance Company MHNNet of Florida, Inc. Niagara Re, Inc. PayFlex Holdings, Inc. PayFlex Systems USA, Inc. Performax, Inc. Precision Benefit Services, Inc. Prime Net, Inc. Prodigy Health Group, Inc. Professional Risk Management, Inc. Resources for Living, LLC Schaller Anderson Medical Administrators, Incorporated Strategic Resource Company The Vasquez Group Inc. U.S. Health Care Properties, Inc. Work and Family Benefits, Inc.</p>
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- 2. As explained in Note 1, the Company participates in a tax sharing agreement with its parent and affiliates.
- G. The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

10. Information concerning Parent, subsidiaries, affiliates, and other related parties

A., B. and C.

The Company did not pay any dividends in 2016 and 2015. The Company received a capital contribution in the amount of \$6,000,000 from its parent on May 13, 2016. The New Jersey Department approved this transaction on May 13, 2016. The Company received a capital contribution in the amount of \$10,000,000 from its parent on March 27, 2015.

- D. Amounts due to and due from affiliates shown in the accompanying Statutory Statements of Assets, Liabilities, Capital and Surplus include the Company's net receipts and disbursements processed by affiliates and transactions related to its administrative services agreement with Aetna Medicaid Administrators LLC ("AMA"), indirectly a wholly-owned subsidiary of Aetna.

At December 31, 2016 and 2015, the Company reported \$1,460,707 and \$1,352,196, respectively, as amounts due to AMA related to this agreement. The Company also reported \$9,320,439 due to Aetna at December 31, 2016.

- E. At December 31, 2016 and 2015, the Company did not have any guarantees or undertakings with its affiliates or parent company.

- F. As of and for the years ended December 31, 2016 and 2015, the Company had the following significant transactions with affiliates:

The Company and AMA are parties to an administrative services agreement, under which AMA provides certain administrative services, including accounting and processing of premiums and claims. Under this agreement, the Company will remit a percentage of its earned premium revenue, as applicable, to AMA as a fee. For these services, the Company was charged \$12,417,803 and \$6,164,081 for the years ended December 31, 2016 and 2015, respectively. The agreement also provides for interest on all intercompany balances. There was no interest earned (incurred) on amounts due from (to) affiliates for the years ended December 31, 2016 and 2015.

The Company has an insolvency agreement with Aetna Health Insurance Company ("AHIC"), a wholly-owned subsidiary of Aetna. This agreement provides that in the event that the Company ceases operations or becomes insolvent, AHIC will continue to pay benefits for any members confined as inpatients on the date of insolvency until their discharge. This agreement also provides that AHIC will continue benefits for any member until the end of the contract period for which premium has been paid, but for no longer than thirty-one days. AHIC will also make available to members, for a period of thirty-one days, replacement insurance policies.

As explained in Note 1, the Company participates in a tax sharing agreement with Aetna and Aetna's other subsidiaries. All federal income tax receivables/payables are due from/due to Aetna.

- G. All outstanding shares of the Company are owned by Aetna Health Holdings, LLC, whose ultimate parent is Aetna.
- H. At December 31, 2016, the Company did not own shares of any upstream intermediate of Aetna.
- I. At December 31, 2016, the Company did not hold any investments in any subsidiary, controlled or affiliated ("SCA") entity that exceeded 10% of the Company's admitted assets.
- J. At December 31, 2016, the Company did not hold any investments in any impaired SCA entity.
- K. At December 31, 2016, the Company did not hold any investments in any foreign insurance subsidiaries.
- L. At December 31, 2016, the Company did not hold any investments in a downstream noninsurance holding company.

M and N.

At December 31, 2016, the Company did not have any SCA investments.

11. Debt

- A. The Company did not have any items related to debt, including capital notes at December 31, 2016.
- B. The Company did not have any Federal Home Loan Bank agreements at December 31, 2016.

12. Retirement plans, deferred compensation, postemployment benefits and compensated absences and other postretirement benefit plans

The Company did not have a retirement plan, deferred compensation plan, or other postretirement benefit plan at December 31, 2016 or 2015.

13. Capital and surplus, shareholders' dividend restrictions and quasi-reorganizations

- (1) The Company had 10,000 shares of common stock with no par value authorized, with 100 shares issued and outstanding at December 31, 2016 and 2015.
- (2) The Company did not have any preferred stock authorized or outstanding at December 31, 2016 and 2015.
- (3) Dividend restrictions

Under the laws of the State of New Jersey, the Company shall not pay out dividends without the prior written approval of the New Jersey Department. The New Jersey Department may disapprove the dividend request for a period of 30 days after the receipt of notification.

Pursuant to New Jersey statute, no domestic insurer shall pay an extraordinary distribution to its shareholders until: (a) thirty days after the New Jersey Department has received notice of the declaration thereof and has not within such period disapproved such payment, or (b) the New Jersey Department approves such payment within the 30-day period. An extraordinary dividend or distribution is any dividend or distribution of cash or other property, whose fair market value together with that of other dividends or distributions made within the preceding twelve months exceeds the greater of: (a) 10% of the Company's surplus as regards to policyholders as of the 31st day of December next preceding, or (b) the net income, not including realized gains, for the 12 month period ending the 31st day of December next preceding, but shall not include pro rata distributions of any class of the Company's own securities.

- (4) The Company did not pay any dividends in 2016 or 2015.
- (5) At December 31, 2016 and 2015, there was no portion of the Company's profits that may be paid as ordinary dividends to stockholders.
- (6) There were no restrictions placed on the Company's surplus, including for whom the surplus was being held at December 31, 2016 or 2015, except as noted in Note 21.

- (7) Not applicable to the Company.
- (8) The Company did not hold any stock for any special purposes at December 31, 2016 or 2015.
- (9) Changes in the balances of special surplus funds from the prior year are due to the accrual of estimated ACA health insurer fees reclassified from unassigned funds or surplus to aggregate write-ins for special surplus funds as discussed more fully in Note 1.C and Note 22.
- (10) At December 31, 2016 and 2015, there was no portion of unassigned funds or surplus that was represented or reduced by unrealized gains and losses.
- (11) The Company has not issued any surplus notes or debentures or similar obligations at December 31, 2016 or 2015.
- (12) The Company did not participate in any quasi-reorganizations during the statement year.
- (13) The Company did not participate in any quasi-reorganizations in the past 10 years.

14. Contingencies

- A. The Company did not have any contingent commitments at December 31, 2016 or 2015.
- B. The Company did not have any contingent assessments at December 31, 2016 or 2015.
- C. The Company did not have any gain contingencies at December 31, 2016 or 2015.
- D. The Company did not have any claims related extra contractual obligation and bad faith losses stemming from lawsuits at December 31, 2016 or 2015.
- E. The Company did not have any joint and several liability arrangements at December 31, 2016 or 2015.
- F. Various liabilities arise in the normal course of the Company's business and have been recorded. In the opinion of management, any ultimate contingent losses will not have a material adverse effect on the Company's future results of operations and financial position. The Company, to the best of its knowledge, has no assets that it considers impaired that are not already recorded in the Company's books. The Company has coverage for certain litigation exposures (\$10,000,000 per claim and in the aggregate including defense costs) through an unaffiliated insurance company.

15. Leases

The Company did not have any material lease obligations at December 31, 2016 or 2015.

16. Information about financial instruments with off-balance sheet risk and financial instruments with concentrations of credit risk

The Company did not have any financial instruments with off-balance sheet risk or financial instruments with concentrations of credit risk at December 31, 2016 or 2015.

17. Sale, transfer and servicing of financial assets and extinguishments of liabilities

A. Transfers of receivables reported as sales

- (1) The Company did not have any transfers of receivables as sales for the years ending December 31, 2016 and 2015.

B. Transfer and servicing of financial assets

- (1) The Company's policy for requiring collateral or other security for security lending transactions as required in SSAP No. 103 is discussed in Note 1. The Company did not have any loaned securities at December 31, 2016 or 2015.

(2) and (3)

The Company did not have any servicing assets or liabilities at December 31, 2016 or 2015.

- (4) The Company did not have any securitized financial assets at December 31, 2016 or 2015.
- (5) The Company did not have any transfers of financial assets at December 31, 2016 or 2015.
- (6) The Company did not have any transfers of receivables with recourse at December 31, 2016 or 2015.
- (7) The Company did not have any repurchase or reverse repurchase agreements at December 31, 2016 or 2015.

C. Wash sales

(1) The Company did not have any wash sales for the years ending December 31, 2016 or 2015.

18. Gain or loss to the HMO from uninsured plans and the uninsured portion of partially insured plans

- A. The Company did not serve as an Administrative Services Only for uninsured accident and health plans or the uninsured portion of partially insured plans for the period ended December 31, 2016.
- B. The Company did not serve as an Administrative Services Contract plan administrator for uninsured accident and health plans or the uninsured portion of partially insured plans for the period ended December 31, 2016.
- C. The Company did not have any Medicare or other similarly structured cost based reimbursement contracts for the period ended December 31, 2016.

19. Direct premium written/produced by managing general agents/third party administrators

The Company did not have any material direct premiums written through/produced by managing general agents or third party administrators for the years ended December 31, 2016 and 2015.

20. Fair value measurements

A. and B.

The Company had no material assets or liabilities measured and reported at fair value at December 31, 2016 or 2015.

C. Certain of the Company's financial instruments are measured at fair value in the financial statements. The fair values of these instruments are based on valuations that include inputs that can be classified within one of three levels of a hierarchy established by U.S. generally accepted accounting principles. The following are the levels of the hierarchy and a brief description of the type of valuation information ("inputs") that qualifies a financial asset or liability for each level:

- **Level 1** – Unadjusted quoted prices for identical assets or liabilities in active markets.
- **Level 2** – Inputs other than Level 1 that are based on observable market data. These include: quoted prices for similar assets in active markets, quoted prices for identical assets in inactive markets, inputs that are observable that are not prices (such as interest rates and credit risks) and inputs that are derived from or corroborated by observable markets.
- **Level 3** – Developed from unobservable data, reflecting our own assumptions.

Financial assets and liabilities are classified based upon the lowest level of input that is significant to the valuation. When quoted prices in active markets for identical assets and liabilities are available, we use these quoted market prices to determine the fair value of financial assets and liabilities and classify these assets and liabilities as Level 1. In other cases where a quoted market price for identical assets and liabilities in an active market is either not available or not observable, we estimate fair value using valuation methodologies based on available and observable market information or by using a matrix pricing model. These financial assets and liabilities would then be classified as Level 2. If quoted market prices are not available, we determine fair value using broker quotes or an internal analysis of each investment's financial performance and cash flow projections. Thus, financial assets and liabilities may be classified in Level 3 even though there may be some significant inputs that may be observable.

The carrying values and estimated fair values of the Company's financial instruments at December 31, 2016 and 2015 were as follows:

December 31, 2016

	Aggregate fair value	Admitted assets	Level 1	Level 2	Level 3	Not practicable (carrying value)
Bonds, short-term investments and cash equivalents	\$109,115,545	\$109,032,365	\$27,370,077	\$81,745,468	-	-
Total	\$109,115,545	\$109,032,365	\$27,370,077	\$81,745,468	-	-

December 31, 2015

	Aggregate fair value	Admitted assets	Level 1	Level 2	Level 3	Not practicable (carrying value)
Bonds, short-term investments and cash equivalents	\$44,734,335	\$44,747,625	\$24,442,698	\$20,291,637	-	-
Total	\$44,734,335	\$44,747,625	\$24,442,698	\$20,291,637	-	-

The valuation methods and assumptions used by the Company in estimating the fair value of debt securities are discussed in Note 1.

There were no material realized and unrealized capital gains, purchases, sales, settlements, or transfers into or out of the Company's Level 3 financial assets during 2016 or 2015. There were no transfers between the Company's Level 1 or 2 financial assets during 2016 or 2015.

In evaluating the Company's management of interest rate and liquidity risk and currency exposures, the fair values of all assets and liabilities should be taken into consideration, not only those presented above.

- D. The Company did not have any financial instruments where it was not practicable to estimate the fair value.

21. Other items

A. Extraordinary items

The Company did not have any extraordinary items for the years ended December 31, 2016 and 2015.

B. Troubled debt restructuring: debtors

The Company did not have any troubled debt restructuring in the years ended December 31, 2016 and 2015.

C. Other disclosures and unusual items

(1) Minimum capital and surplus

Under the laws of the State of New Jersey, the Company is required to maintain a minimum capital and surplus equal to the greater of (1) \$1,000,000 adjusted annually by the Consumer Price Index; (2) 2% of the annual premium revenues as reported by the Company on its most recent annual financial statement filed with the Commissioner of Health and Commissioner of Banking and Insurance for the first \$150,000,000 of premium reported and 1% of the annual premium in excess of the first \$150,000,000 of premium reported; (3) an amount equal to the sum of three months of uncovered health care expenditures; or (4) an amount equal to the sum of 8% of the annual health care expenditures (not including those expenditures paid on a capitated basis and those made on a managed hospital payment basis) plus 4% of the annual hospital expenditures paid on a managed hospital payment basis. At December 31, 2016 and 2015, the Company's capital and surplus exceeded all such requirements.

The NAIC and the State of New Jersey adopted risk-based capital ("RBC") standards for health organizations, including HMOs, that are designed to identify weakly capitalized companies by comparing each company's adjusted capital and surplus to its required capital and surplus (the "RBC Ratio"). The RBC Ratio is designed to reflect the risk profile of the company. Within certain ratio ranges, regulators have increasing authority to take action as the RBC Ratio decreases. There are four levels of regulatory action, ranging from requiring insurers to submit a comprehensive plan to the state insurance commissioner to requiring the state insurance commissioner to place the insurer under regulatory control. At December 31, 2016 and 2015, the Company had capital and surplus that exceeded the highest threshold specified by the RBC rules.

(2) Health Care Reform

The Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (as amended, collectively, "Health Care Reform" or "ACA"), has made broad-based changes to the U.S. health care system. On January 20, 2017, the President signed an executive order that gives the regulatory agencies that enforce the ACA the authority to interpret regulations issued under the ACA in a way that limits fiscal burdens on states and financial or regulatory burdens on individuals, providers, health insurers and others. The practical implications of that order are unclear, and the future of the ACA is uncertain. While we anticipate efforts in 2017 and beyond to substantially modify, repeal or replace the ACA, the Company expects aspects of the ACA to continue to significantly impact the Company's business operations and operating results, including the Company's pricing, medical benefit ratios and the geographies in which the Company's products are available. Health Care Reform has presented the

Company with business opportunities, but also with financial and regulatory challenges. Most of the ACA's key components were phased in during or prior to 2014, including Public Exchanges, required minimum MLRs in commercial and Medicare products, the individual coverage mandate, guaranteed issue, rating limits in individual and small group products, significant new industry-wide fees, assessments and taxes, enhanced premium rate review and disclosure processes, reduced Medicare Advantage payment rates to insurers, and linking Medicare Advantage payments to a plan's Centers for Medicare and Medicaid Services ("CMS") quality performance ratings or "star ratings." The effects of these changes are reflected in the Company's operating results. If the ACA is not amended, repealed or replaced, certain of its components will continue to be phased in until 2020.

The Company has dedicated and expects to continue to be required to dedicate significant resources and incur significant expenses during 2017 to implement and comply with Health Care Reform and changes in Health Care Reform as well as state level health care reform. While most of the significant aspects of Health Care Reform became effective during or prior to 2014, significant parts of Health Care Reform, including aspects of nondiscrimination requirements, continue to evolve through the promulgation of executive orders, regulations and guidance. Additional changes to Health Care Reform and those regulations and guidance at the federal and/or state level are likely, and those changes are likely to be significant. Growing state and federal budgetary pressures make it more likely that any changes, including changes at the state level in response to changes to, or repeal or replacement of, Health Care Reform and/or changes in the funding levels and/or payment mechanisms of federally supported benefit programs, will be adverse to us. Given the inherent difficulty of foreseeing the nature and scope of future changes to Health Care Reform and how states, businesses and individuals will respond to those changes, the Company cannot predict the impact to the Company of future changes to Health Care Reform. It is reasonably possible that repeal or replacement of or other changes to Health Care Reform and/or states' responses to such changes, in the aggregate, could have a significant adverse effect on the Company's business operations and financial results.

Potential repeal of Health Care Reform, ongoing legislative and regulatory changes to Health Care Reform, other pending efforts in the U.S. Congress to amend or restrict funding for various aspects of Health Care Reform (including risk corridors and Health Care Reform's Cost Sharing Subsidy program), the results of the 2016 presidential, congressional and state level elections, pending litigation challenging aspects of the law and federal budget negotiations continue to create uncertainty about the ultimate impact of Health Care Reform. Examples of recent legislative and regulatory changes include: the January 20, 2017 executive order relating to Health Care Reform; the November 2016 HHS announcement that risk corridor collections for the 2015 program year will be applied first to amounts owed to plans for the 2014 program year; the May 2016 final regulations relating to Health Care Reform's non-discrimination requirements; the December 2015 suspension of the health insurer fee for 2017 and two year delay of the "Cadillac" tax on high-cost employer-sponsored health coverage; the October 2015 PACE, which leaves groups with 51 to 100 employees within the large group category for each state unless the state exercises its option to include these groups within the small group category; and the October 2015 HHS announcement that Health Care Reform's risk corridor receivables for the 2014 program year would only be funded at 12.6%. With respect to pending litigation, in May 2016, the U.S. District Court for the District of Columbia ruled that the U.S. Department of Health and Human Services does not have the authority to make payments under Health Care Reform's Cost Sharing Subsidy program. Implementation of this decision has been stayed pending appeal. A final ruling that adversely impacts the Cost Sharing Subsidy program could cause significant adverse selection in individual Public Exchange products and instability in the individual Public Exchange marketplace and could have a material adverse effect on the Company's business, cash flows, financial condition and operating results as well as hinder the Company's ability to offer Public Exchange products.

As described above, the availability of funding for the ACA's temporary risk corridor program is an example of this uncertainty. The Company continues to believe that receipt of any risk corridor payment from HHS for the 2016 or 2015 program year and receipt of such payments in excess of the announced prorated amount for the 2014 program year are uncertain. At December 31, 2016, the Company had no receivable for the remaining 2014 program year prorated amount that had not been collected from HHS and had no receivable for either of the 2015 or 2016 program years. In addition, these limited risk corridor payments created additional instability in the marketplace for individual commercial products in 2016 and going forward by contributing to decisions by health plans to change or stop offering their Public Exchange products. 2016 was the last program year for Health Care Reform's risk corridor program. Ongoing uncertainty regarding the funding of Health Care Reform-related programs and subsidies can be expected to create additional instability in the marketplace.

In addition to efforts to amend, repeal or replace Health Care Reform and the related regulations, the federal and state governments also continue to enact and seriously consider many other broad-based legislative and regulatory proposals that have had a material impact on or could materially impact various aspects of the health care and related benefits system and the Company's business. The Company cannot predict whether pending or future federal or state legislation or court proceedings, including future U.S. Congressional appropriations, will change various aspects of the health care and related benefits system or Health Care Reform or the impact those changes will have on the Company's business operations or operating results, but the effects could be materially adverse.

In addition, Health Care Reform ties a portion of each Medicare Advantage plans' reimbursement to the achievement of favorable CMS quality performance measures ("star ratings"). Since 2015, only Medicare Advantage plans with an overall star rating of four or more stars (out of five stars) are eligible for a quality bonus in their basic premium rates. As a result, the Company's Medicare Advantage plans' operating results in 2017 and going forward will be significantly affected by their star ratings.

(3) Medicaid

Medicaid and dual eligible products also are heavily regulated by CMS and state Medicaid agencies, which have the right to audit the Company's performance to determine compliance with CMS contracts and regulations. The Company's Medicaid products, dual eligible products and Children's Health Insurance Program ("CHIP") contracts also are subject to complex federal and state regulations and oversight by state Medicaid agencies regarding the services the Company provides to Medicaid enrollees, payment for those services, network requirements (including mandatory inclusion of specified high-cost providers), and other aspects of these programs, and by external review organizations which audit Medicaid plans on behalf of the state Medicaid agencies. The laws, regulations and contractual requirements applicable to the Company and other participants in Medicaid and dual eligible programs, including requirements that the Company submit encounter data to the applicable state agency, are extensive, complex and subject to change. The Company has invested significant resources to comply with these standards, and the Company's Medicaid and dual eligible program compliance efforts will continue to require significant resources. CMS and/or state Medicaid agencies may fine the Company, withhold payments to the Company, seek premium and other refunds, terminate the Company's existing contracts, elect not to award the Company new contracts or renew existing contracts, prohibit the Company from continuing to market and/or enroll members in or refuse to automatically assign members to one or more of the Company's Medicaid or dual eligible products, exclude the Company from participating in one or more Medicaid or dual eligible programs and/or institute other sanctions against the Company if it fails to comply with CMS or state regulations or the Company's contractual requirements. The Company cannot predict whether pending or future federal or state legislation or court proceedings will change various aspects of the Medicaid program, nor can it predict the impact those changes will have on its business operations or financial results, but the effects could be materially adverse.

- D. The Company did not have any business interruption insurance recoveries for the years ending December 31, 2016 or 2015.
- E. The Company did not have any transferable and non-transferable state tax credits for the years ending December 31, 2016 or 2015.
- F. The Company did not have any subprime mortgage related risk exposures at December 31, 2016 or 2015.
- G. The Company did not have any retained assets at December 31, 2016 or 2015.
- H. The Company did not have any insurance-linked securities ("ILS") contracts at December 31, 2016 or 2015.

22. Events subsequent

A. Type I - Recognized subsequent events

Subsequent events have been considered through February 24, 2017 for the statutory statement issued on March 1, 2017.

The Company had no known reportable recognized subsequent events.

B. Type II - Nonrecognized subsequent events

Subsequent events have been considered through February 24, 2017 for the statutory statement issued on March 1, 2017.

As discussed in Note 1, in December 2015, the Consolidated Appropriation Act was enacted which included a one year suspension in 2017 of the health insurer fee. As a result, there is no annual health insurance industry fee payable on September 30, 2017 and there are no amounts reflected in the Company's aggregate write-ins for special surplus funds related to this payable at December 31, 2016 as a result. There is also no resulting impact to the Company's RBC to assess as of December 31, 2016 as a result of this suspension.

	Current year	Prior year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?	No	
B. ACA fee assessment payable for upcoming year	-	\$1,250,000
C. ACA fee assessment paid	\$1,034,176	-
D. Premium written subject to ACA 9010 assessment	-	\$68,489,786
E. Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14)	-	
F. Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above)	-	
G. Authorized Control Level after surplus adjustment (Five-Year Historical Line 15)	-	
H. Would reporting the ACA assessment as of December 31, 2016, have triggered an RBC action level (YES/NO)?	No	

23. Reinsurance

The Company and Berkley Life and Health Insurance Company ("Berkley") entered into an excess loss reinsurance agreement for Medicaid only dual eligible members. Under this agreement, Berkley is liable for 90% of covered expenses in excess of the specific deductible of \$350,000 per covered member, with a maximum reimbursement of \$2,000,000 per member per agreement year. The Company paid reinsurance premiums of \$233,974 and \$100,192 in 2016 and 2015, respectively.

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?
Yes () No (X)
If yes, give full details.
- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?
Yes () No (X)
If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than nonpayment of premium or other similar credit?
Yes () No (X)
 - a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate.
\$ _____ N/A _____.
 - b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement?
\$ _____ N/A _____.
- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?
Yes () No (X)
If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

(1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the insurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate.

\$ 0

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes () No (X)

If yes, what is the amount of reinsurance credit, whether an asset or a reduction of liability, taken for such new agreements or amendments? \$ N/A

B. The Company did not have uncollectible reinsurance at December 31, 2016 or 2015.

C. The Company did not have any commutation of ceded reinsurance at December 31, 2016 or 2015.

D. The Company's certified reinsurer's rating has not been downgraded or its status subject to revocation at December 31, 2016 or 2015.

24. Retrospectively rated contracts and contracts subject to redetermination

A. and B.

The Company did not have any retrospectively rated contracts in 2016 or 2015.

C. Contracts subject to redetermination

The Company did not have any contracts subject to redetermination in 2016 or 2015.

D. Medical loss ratio rebates required pursuant to the Public Health Service Act

The Company did not have any medical loss ratios required pursuant to the Public Health Service Act in 2016 or 2015.

E. Risk Sharing Provisions of the Affordable Care Act

The Company did have any accident and health insurance premium that is subject to the ACA risk sharing provisions at December 31, 2016 or 2015.

25. Change in incurred claims and claims adjustment expense

The following table shows the components of the change in claims unpaid, unpaid claims adjustment expense and aggregate health claim reserves for the years ended December 31, 2016 and 2015.

	2016	2015
Balance, January 1	\$34,997,788	-
Health care receivable	-	-
Balance, January 1, net of health care receivable	34,997,788	-
Incurred related to:		
Current year	125,504,368	\$68,186,650
Prior years	(23,025,342)	-
Total incurred	101,479,026	68,186,650
Paid related to:		
Current year	91,864,475	33,188,862
Prior years	9,738,708	-
Total paid	101,603,183	33,188,862
Balance, December 31, net of health care receivable	34,873,631	34,997,788
Health care receivable	324,196	-
Balance, December 31	\$35,197,827	\$34,997,788

In 2016, reserves for incurred claims and claim adjustment expenses attributable to insured events of prior years decreased by \$23,025,342 from \$34,997,788 in 2015 to \$11,972,446 in 2016. The lower than anticipated health care cost trend rates observed in 2016 for claims incurred in 2015 were generally due to the result of ongoing analysis of recent loss development trends. The Company considers historical trend rates together with knowledge of recent events that may impact current trends when developing estimates of current trend rates. Original estimates are increased or decreased as additional information becomes known regarding individual claims. Historical health care cost trend rates are not necessarily representative of current trends.

Net coordination of benefits are implicit in the claims incurred but not reported calculation and could not be specifically identified.

26. Intercompany pooling arrangements

The Company did not have any intercompany pooling arrangements at December 31, 2016 or 2015.

27. Structured settlements

Not applicable to health entities.

28. Health care receivables

A. Pharmaceutical rebate receivables

The Company had admitted pharmaceutical rebates receivables of \$324,916 at December 31, 2016. The Company did not have any admitted pharmaceutical rebates receivables at December 31, 2015.

B. Risk sharing receivables

The Company did not have any admitted risk sharing receivables at December 31, 2016 or 2015.

29. Participating policies

The Company did not have any participating policies at December 31, 2016 or 2015.

30. Premium deficiency reserves

December 31, 2016

1. Liability carried for premium deficiency reserves	\$0
2. Date of the most recent evaluation of this liability	12/31/2016
3. Was anticipated investment income utilized in the calculation?	No

31. Anticipated salvage and subrogation

See discussion of hospital and medical costs and claims adjustment expenses and related reserves in Note 1.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1, 1A and 2
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []
- 1.3 State Regulating? New Jersey
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2015
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).
- 3.4 By what department or departments?
New Jersey Department of Banking and Insurance
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A [X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes [] No [X]
4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes [] No [X]
4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.
- | 1
Name of Entity | 2
NAIC Company Code | 3
State of Domicile |
|---------------------|------------------------|------------------------|
| | | |
- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 6.2 If yes, give full information:
N/A
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
7.21 State the percentage of foreign control; 0.0 %
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
N/A
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
KPMG LLP, One Financial Plaza, 755 Main Street, Hartford, CT 06103
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
N/A
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
N/A
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
- 10.6 If the response to 10.5 is no or n/a, please explain
N/A
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
William R. Jones, FSA, MAAA; 151 Farmington Avenue, RE2R; Hartford, CT 06156
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 12.11 Name of real estate holding company N/A
- 12.12 Number of parcels involved 0
- 12.13 Total book/adjusted carrying value \$ 0
- 12.2 If, yes provide explanation:
N/A
13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
N/A
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A [X]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 14.11 If the response to 14.1 is No, please explain:
N/A
- 14.2 Has the code of ethics for senior managers been amended? Yes [X] No []
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
See Attachment A.
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
N/A

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|---|----|---|
| 20.11 To directors or other officers | \$ | 0 |
| 20.12 To stockholders not officers | \$ | 0 |
| 20.13 Trustees, supreme or grand (Fraternal Only) | \$ | 0 |
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|---|----|---|
| 20.21 To directors or other officers | \$ | 0 |
| 20.22 To stockholders not officers | \$ | 0 |
| 20.23 Trustees, supreme or grand (Fraternal Only) | \$ | 0 |
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- | | | |
|----------------------------|----|---|
| 21.21 Rented from others | \$ | 0 |
| 21.22 Borrowed from others | \$ | 0 |
| 21.23 Leased from others | \$ | 0 |
| 21.24 Other | \$ | 0 |
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:
- | | | |
|--|----|---|
| 22.21 Amount paid as losses or risk adjustment | \$ | 0 |
| 22.22 Amount paid as expenses | \$ | 0 |
| 22.23 Other amounts paid | \$ | 0 |
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No []
- 24.02 If no, give full and complete information relating thereto
N/A
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
N/A
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] N/A [X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$ 0
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$ 0
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$	0
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$	0
24.103 Total payable for securities lending reported on the liability page	\$	0

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03)..... Yes [] No []

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements	\$	0
25.22 Subject to reverse repurchase agreements	\$	0
25.23 Subject to dollar repurchase agreements	\$	0
25.24 Subject to reverse dollar repurchase agreements	\$	0
25.25 Placed under option agreements	\$	0
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	\$	0
25.27 FHLB Capital Stock	\$	0
25.28 On deposit with states	\$	17,545,935
25.29 On deposit with other regulatory bodies	\$	0
25.30 Pledged as collateral - excluding collateral pledged to an FHLB	\$	0
25.31 Pledged as collateral to FHLB - including assets backing funding agreements	\$	0
25.32 Other	\$	0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?..... Yes [] No []

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?..... Yes [] No [] N/A []
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?..... Yes [] No []

27.2 If yes, state the amount thereof at December 31 of the current year..... \$

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?..... Yes [] No []

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
State Street Bank and Trust Company	State Street Financial Center, One Lincoln Street, Boston, MA 02111-2900

28.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?..... Yes [] No []

28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

GENERAL INTERROGATORIES

28.05 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts"; "...handle securities"]

1 Name of Firm or Individual	2 Affiliation
Kevin J. Casey as Senior Investment Officer	A.....

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets?..... Yes [] No [X]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets?..... Yes [] No [X]

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
N/A	Kevin J. Casey	N/A	Not registered	NO.....

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? Yes [] No [X]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		0

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	109,032,365	109,115,545	83,180
30.2 Preferred stocks	0	0	0
30.3 Totals	109,032,365	109,115,545	83,180

30.4 Describe the sources or methods utilized in determining the fair values:

See Attachment A

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No []

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [X] No []

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
N/A

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes [X] No []

32.2 If no, list exceptions:
N/A

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$0

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid

34.1 Amount of payments for legal expenses, if any?\$126,925

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$0

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid

December 31, 2016
General Interrogatories Responses

Question 14.21:

The key substantive changes include:

- Updated message from the Chairman
- Updated and expanded examples of conflicts of interest by increasing the threshold of stock ownership and adding running for, or holding, a public office
- Increased the business gift limit from \$25.00 to \$50.00
- Updated gift, reward, incentive and promotional program restrictions for members of government plans
- Added a section on employees' responsibility for their licensure and certification renewals
- Clarified the definition of 'social media' and expanded the rules for its use
- Updated guidance on protecting Aetna's intellectual property
- Expanded guidance regarding personal political contributions
- Clarified reporting requirements for government contract lobbying or procurement activities
- Introduced the requirement to report a felony conviction or plea to Investigative Services
- Added a section that specifically addresses Fraud, Waste and Abuse
- Added a section on proper supplier engagement process

There are also numerous non-substantive clarifying and conforming changes and updates to the factual information contained in the Code of Conduct, such as the level of giving by the Aetna Foundation since 1980, the inclusion of 'bullying' as a form of harassment, and the addition of anti-human trafficking, bribery and kickback laws relating to our government business.

Question 30.4:

Fair value of long term bonds and preferred stocks are determined based on quoted market prices when available, fair values using valuation methodologies based on available and observable market information or by using matrix pricing. If quoted market prices are not available, we determine fair value using broker quoted or an internal analysis of each investment's financial performance and cash flow projections. Short Term investments are carried at amortized cost which approximates fair value. The carrying value of cash equivalents which approximates fair value.

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
 1.2 If yes, indicate premium earned on U.S. business only. \$ 0
 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ 0
 1.31 Reason for excluding

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above \$ 0
 1.5 Indicate total incurred claims on all Medicare Supplement Insurance. \$ 0

1.6 Individual policies: Most current three years:
 1.61 Total premium earned \$ 0
 1.62 Total incurred claims \$ 0
 1.63 Number of covered lives 0
 All years prior to most current three years:
 1.64 Total premium earned \$ 0
 1.65 Total incurred claims \$ 0
 1.66 Number of covered lives 0

1.7 Group policies: Most current three years:
 1.71 Total premium earned \$ 0
 1.72 Total incurred claims \$ 0
 1.73 Number of covered lives 0
 All years prior to most current three years:
 1.74 Total premium earned \$ 0
 1.75 Total incurred claims \$ 0
 1.76 Number of covered lives 0

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator	169,907,625	68,389,594
2.2 Premium Denominator	169,907,625	68,389,594
2.3 Premium Ratio (2.1/2.2)	1.000	1.000
2.4 Reserve Numerator	66,571,637	34,538,648
2.5 Reserve Denominator	66,571,637	34,538,648
2.6 Reserve Ratio (2.4/2.5)	1.000	1.000

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [] No [X]

3.2 If yes, give particulars:

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No []

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [X] No []

5.1 Does the reporting entity have stop-loss reinsurance? Yes [X] No []

5.2 If no, explain:

5.3 Maximum retained risk (see instructions)
 5.31 Comprehensive Medical \$ 0
 5.32 Medical Only \$ 350,000
 5.33 Medicare Supplement \$ 0
 5.34 Dental & Vision \$ 0
 5.35 Other Limited Benefit Plan \$ 0
 5.36 Other \$ 0

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
 The Company assures that members are not liable for its debts if it becomes insolvent. Terms are included in the Company's provider contracts, including under the member billing provisions and the section entitled Obligations Following Termination, as well as in the exhibit incorporating the regulatory requirements specific to the Company's Medicaid and LTSS managed care contract with the State of New Jersey.

7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes [X] No []

7.2 If no, give details
 N/A

8. Provide the following information regarding participating providers: 8.1 Number of providers at start of reporting year 8,361
 8.2 Number of providers at end of reporting year 9,592

9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [] No [X]

9.2 If yes, direct premium earned:
 9.21 Business with rate guarantees between 15-36 months \$ 0
 9.22 Business with rate guarantees over 36 months \$ 0

GENERAL INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [] No [X]
- 10.2 If yes:
- 10.21 Maximum amount payable bonuses.....\$0
- 10.22 Amount actually paid for year bonuses.....\$0
- 10.23 Maximum amount payable withholds.....\$0
- 10.24 Amount actually paid for year withholds.....\$0
- 11.1 Is the reporting entity organized as:
- 11.12 A Medical Group/Staff Model, Yes [] No [X]
- 11.13 An Individual Practice Association (IPA), or, Yes [] No [X]
- 11.14 A Mixed Model (combination of above)? Yes [] No [X]
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [X] No []
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus. New Jersey
- 11.4 If yes, show the amount required. \$ 9,038,188
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [] No [X]
- 11.6 If the amount is calculated, show the calculation

12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
Atlantic, Bergen, Burlington, Camden, Essex, Gloucester, Hudson, Mercer, Middlesex, Morris, Passaic, Somerset, Union

- 13.1 Do you act as a custodian for health savings accounts? Yes [] No [X]
- 13.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$0
- 13.3 Do you act as an administrator for health savings accounts? Yes [] No [X]
- 13.4 If yes, please provide the balance of funds administered as of the reporting date. \$0
- 14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? Yes [] No [X] N/A []
- 14.2 If the answer to 14.1 is yes, please provide the following:

1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 Other

15. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded):
- 15.1 Direct Premium Written\$0
- 15.2 Total Incurred Claims\$0
- 15.3 Number of Covered Lives0

*Ordinary Life Insurance Includes
Term(whether full underwriting, limited underwriting, jet issue, "short form app")
Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")
Variable Life (with or without secondary gurarantee)
Universal Life (with or without secondary gurarantee)
Variable Universal Life (with or without secondary gurarantee)

FIVE-YEAR HISTORICAL DATA

	1 2016	2 2015	3 2014	4 2013	5 2012
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	119,562,326	50,036,452	5,004,332	0	0
2. Total liabilities (Page 3, Line 24)	84,228,578	37,745,951	888	0	0
3. Statutory minimum capital and surplus requirement	9,038,188	7,321,166	0	0	0
4. Total capital and surplus (Page 3, Line 33)	35,333,748	12,290,501	5,003,444	0	0
Income Statement (Page 4)					
5. Total revenues (Line 8)	137,983,073	68,389,594	0	0	0
6. Total medical and hospital expenses (Line 18)	94,075,723	64,452,996	0	0	0
7. Claims adjustment expenses (Line 20)	7,403,303	3,733,654	0	0	0
8. Total administrative expenses (Line 21)	11,093,993	4,248,288	164	0	0
9. Net underwriting gain (loss) (Line 24)	25,410,054	(4,045,344)	(164)	0	0
10. Net investment gain (loss) (Line 27)	839,791	(78,585)	3,980	0	0
11. Total other income (Lines 28 plus 29)	(459,999)	0	0	0	0
12. Net income or (loss) (Line 32)	16,081,913	(2,635,425)	3,122	0	0
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	48,559,906	29,954,474	0	0	0
Risk-Based Capital Analysis					
14. Total adjusted capital	35,333,748	12,290,501	0	0	0
15. Authorized control level risk-based capital	4,519,094	3,660,583	0	0	0
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	33,335	18,578	0	0	0
17. Total members months (Column 6, Line 7)	355,658	136,592	0	0	0
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	68.2	94.2	0.0	0.0	0.0
20. Cost containment expenses	3.3	3.2	0.0	0.0	0.0
21. Other claims adjustment expenses	2.1	2.2	0.0	0.0	0.0
22. Total underwriting deductions (Line 23)	81.6	105.9	0.0	0.0	0.0
23. Total underwriting gain (loss) (Line 24)	18.4	(5.9)	0.0	0.0	0.0
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	11,234,985	0	0	0	0
25. Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]	34,521,118	0	0	0	0
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	0	0	0	0	0
32. Total of above Lines 26 to 31	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above	0	0	0	0	0

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [] No []
 If no, please explain: _____

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

States, etc.	1 Active Status	Direct Business Only							9 Deposit-Type Contracts
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Plan Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7	
1. Alabama AL	N	0	0	0	0	0	0	0	0
2. Alaska AK	N	0	0	0	0	0	0	0	0
3. Arizona AZ	N	0	0	0	0	0	0	0	0
4. Arkansas AR	N	0	0	0	0	0	0	0	0
5. California CA	N	0	0	0	0	0	0	0	0
6. Colorado CO	N	0	0	0	0	0	0	0	0
7. Connecticut CT	N	0	0	0	0	0	0	0	0
8. Delaware DE	N	0	0	0	0	0	0	0	0
9. District of Columbia DC	N	0	0	0	0	0	0	0	0
10. Florida FL	N	0	0	0	0	0	0	0	0
11. Georgia GA	N	0	0	0	0	0	0	0	0
12. Hawaii HI	N	0	0	0	0	0	0	0	0
13. Idaho ID	N	0	0	0	0	0	0	0	0
14. Illinois IL	N	0	0	0	0	0	0	0	0
15. Indiana IN	N	0	0	0	0	0	0	0	0
16. Iowa IA	N	0	0	0	0	0	0	0	0
17. Kansas KS	N	0	0	0	0	0	0	0	0
18. Kentucky KY	N	0	0	0	0	0	0	0	0
19. Louisiana LA	N	0	0	0	0	0	0	0	0
20. Maine ME	N	0	0	0	0	0	0	0	0
21. Maryland MD	N	0	0	0	0	0	0	0	0
22. Massachusetts MA	N	0	0	0	0	0	0	0	0
23. Michigan MI	N	0	0	0	0	0	0	0	0
24. Minnesota MN	N	0	0	0	0	0	0	0	0
25. Mississippi MS	N	0	0	0	0	0	0	0	0
26. Missouri MO	N	0	0	0	0	0	0	0	0
27. Montana MT	N	0	0	0	0	0	0	0	0
28. Nebraska NE	N	0	0	0	0	0	0	0	0
29. Nevada NV	N	0	0	0	0	0	0	0	0
30. New Hampshire NH	N	0	0	0	0	0	0	0	0
31. New Jersey NJ	L	0	0	170,141,599	0	0	0	170,141,599	0
32. New Mexico NM	N	0	0	0	0	0	0	0	0
33. New York NY	N	0	0	0	0	0	0	0	0
34. North Carolina NC	N	0	0	0	0	0	0	0	0
35. North Dakota ND	N	0	0	0	0	0	0	0	0
36. Ohio OH	N	0	0	0	0	0	0	0	0
37. Oklahoma OK	N	0	0	0	0	0	0	0	0
38. Oregon OR	N	0	0	0	0	0	0	0	0
39. Pennsylvania PA	N	0	0	0	0	0	0	0	0
40. Rhode Island RI	N	0	0	0	0	0	0	0	0
41. South Carolina SC	N	0	0	0	0	0	0	0	0
42. South Dakota SD	N	0	0	0	0	0	0	0	0
43. Tennessee TN	N	0	0	0	0	0	0	0	0
44. Texas TX	N	0	0	0	0	0	0	0	0
45. Utah UT	N	0	0	0	0	0	0	0	0
46. Vermont VT	N	0	0	0	0	0	0	0	0
47. Virginia VA	N	0	0	0	0	0	0	0	0
48. Washington WA	N	0	0	0	0	0	0	0	0
49. West Virginia WV	N	0	0	0	0	0	0	0	0
50. Wisconsin WI	N	0	0	0	0	0	0	0	0
51. Wyoming WY	N	0	0	0	0	0	0	0	0
52. American Samoa AS	N	0	0	0	0	0	0	0	0
53. Guam GU	N	0	0	0	0	0	0	0	0
54. Puerto Rico PR	N	0	0	0	0	0	0	0	0
55. U.S. Virgin Islands VI	N	0	0	0	0	0	0	0	0
56. Northern Mariana Islands MP	N	0	0	0	0	0	0	0	0
57. Canada CAN	N	0	0	0	0	0	0	0	0
58. Aggregate other alien OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	0	0	170,141,599	0	0	0	170,141,599	0
60. Reporting entity contributions for Employee Benefit Plans	XXX	0	0	0	0	0	0	0	0
61. Total (Direct Business)	(a) 1	0	0	170,141,599	0	0	0	170,141,599	0
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	0	0	0	0	0	0	0

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

Explanation of basis of allocation by states, premiums by state, etc.

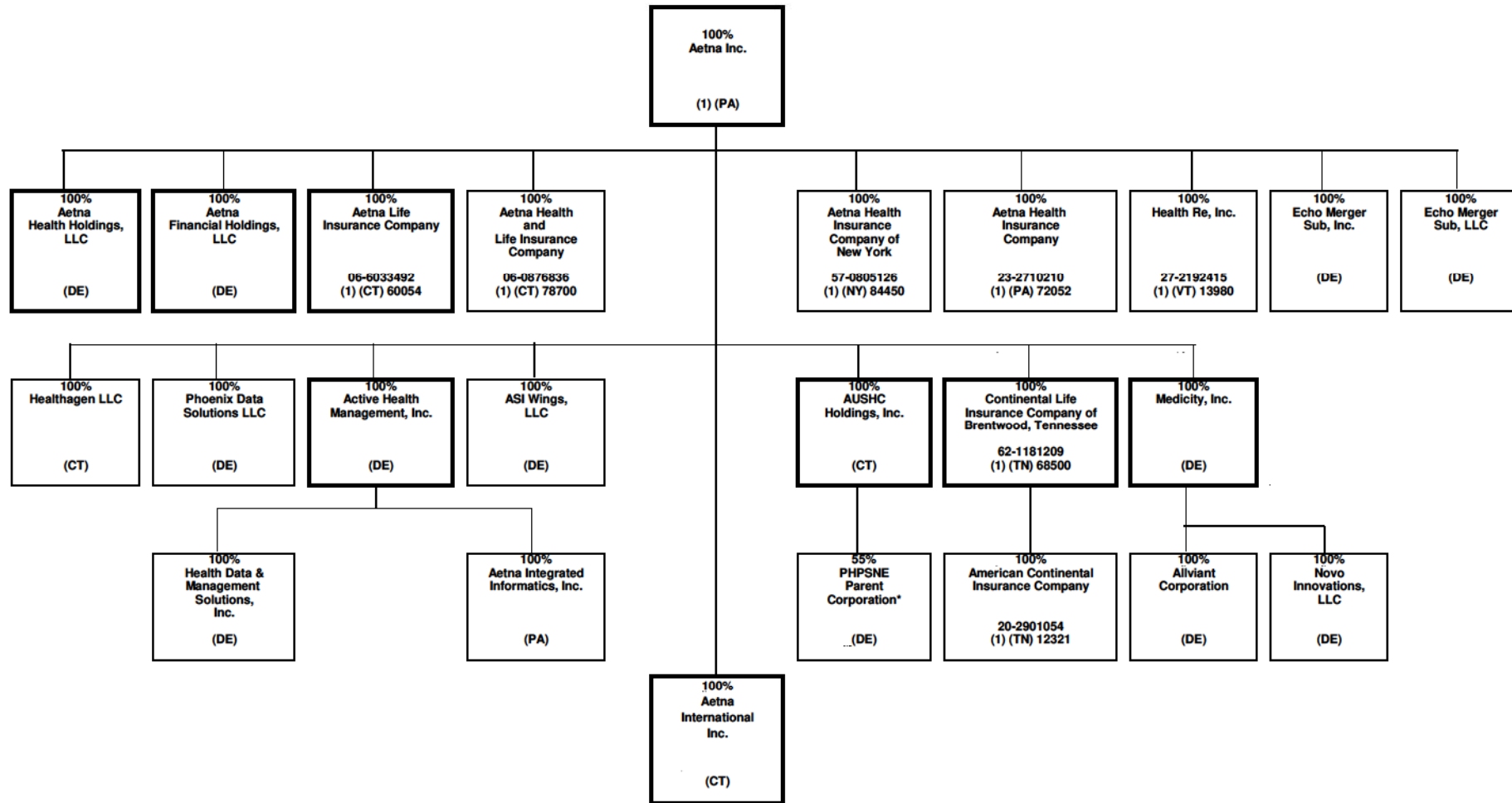
All Premiums are written within the State of New Jersey

(a) Insert the number of L responses except for Canada and Other Alien.

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



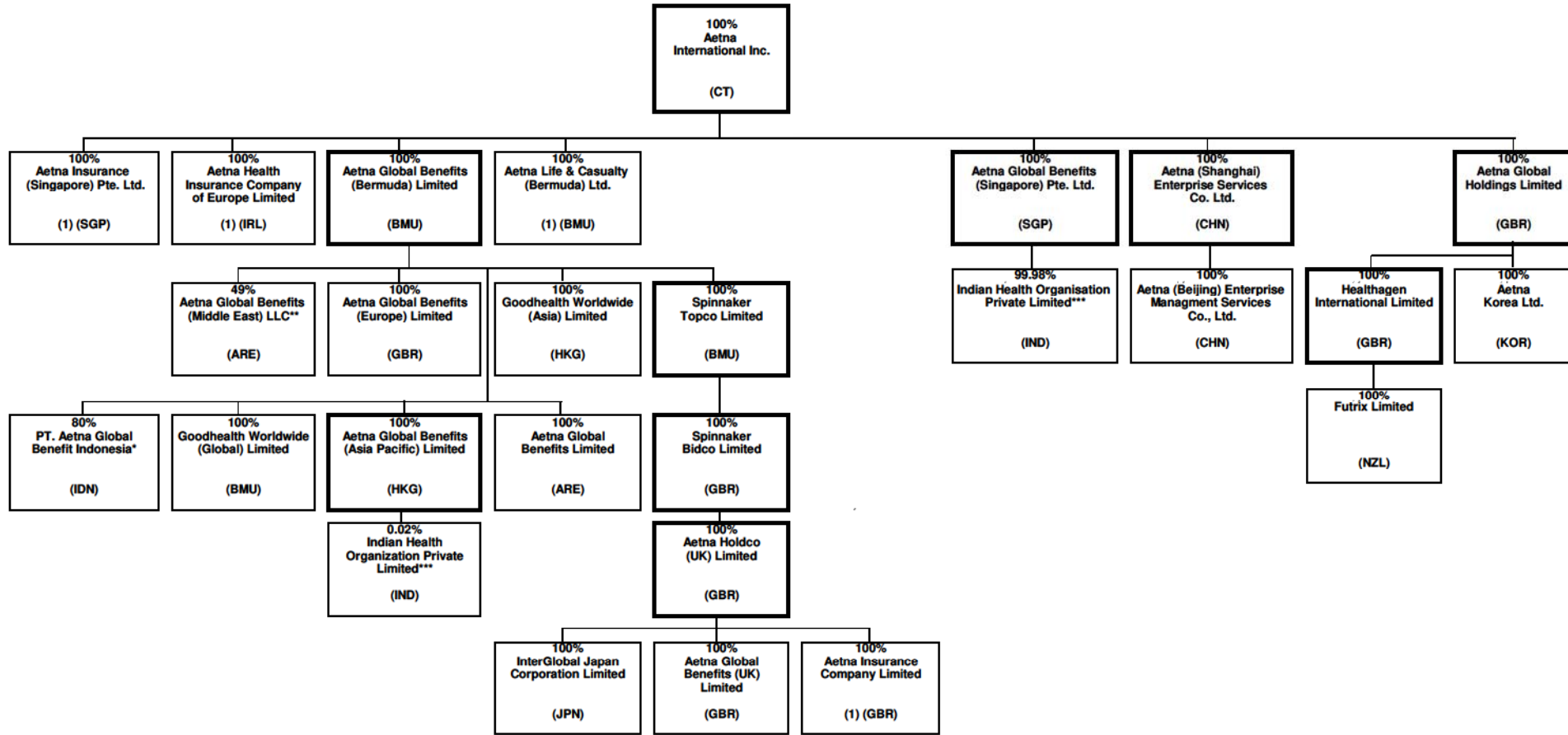
(1) Insurers/HMO's
 Percentages are rounded to the nearest whole percent and based on ownership of voting rights.
 Double borders indicate entity has subsidiaries shown on the same page.
 Bold borders indicate entity has subsidiaries shown on a separate page.

*55% is owned by AUSHC Holdings, Inc. and 45% is owned by third parties.

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

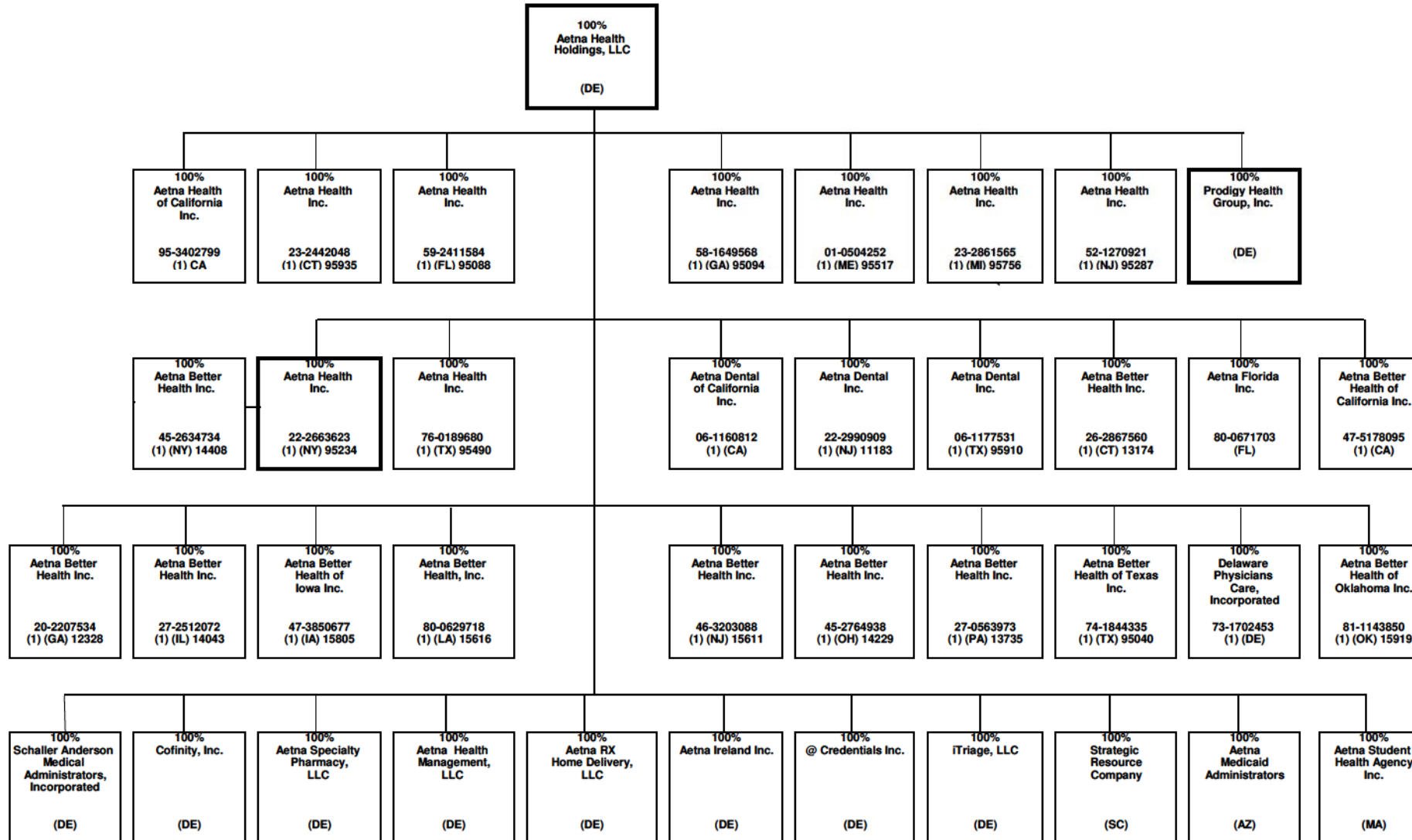


*Aetna Global Benefits (Bermuda) Limited owns 80% and 20% is owned by Suhatsyah Rivai, Aetna's Nominee.
 ** Aetna Global Benefits (Bermuda) Limited owns 49% and 51% is owned by Euro Gulf LLC, Aetna's Nominee.
 *** Aetna Global Benefits (Asia Pacific) Limited owns 0.019857% of Indian Health Organization Private Limited and Aetna Global Benefits (Singapore) Pte. Ltd. owns 99.980143%.

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

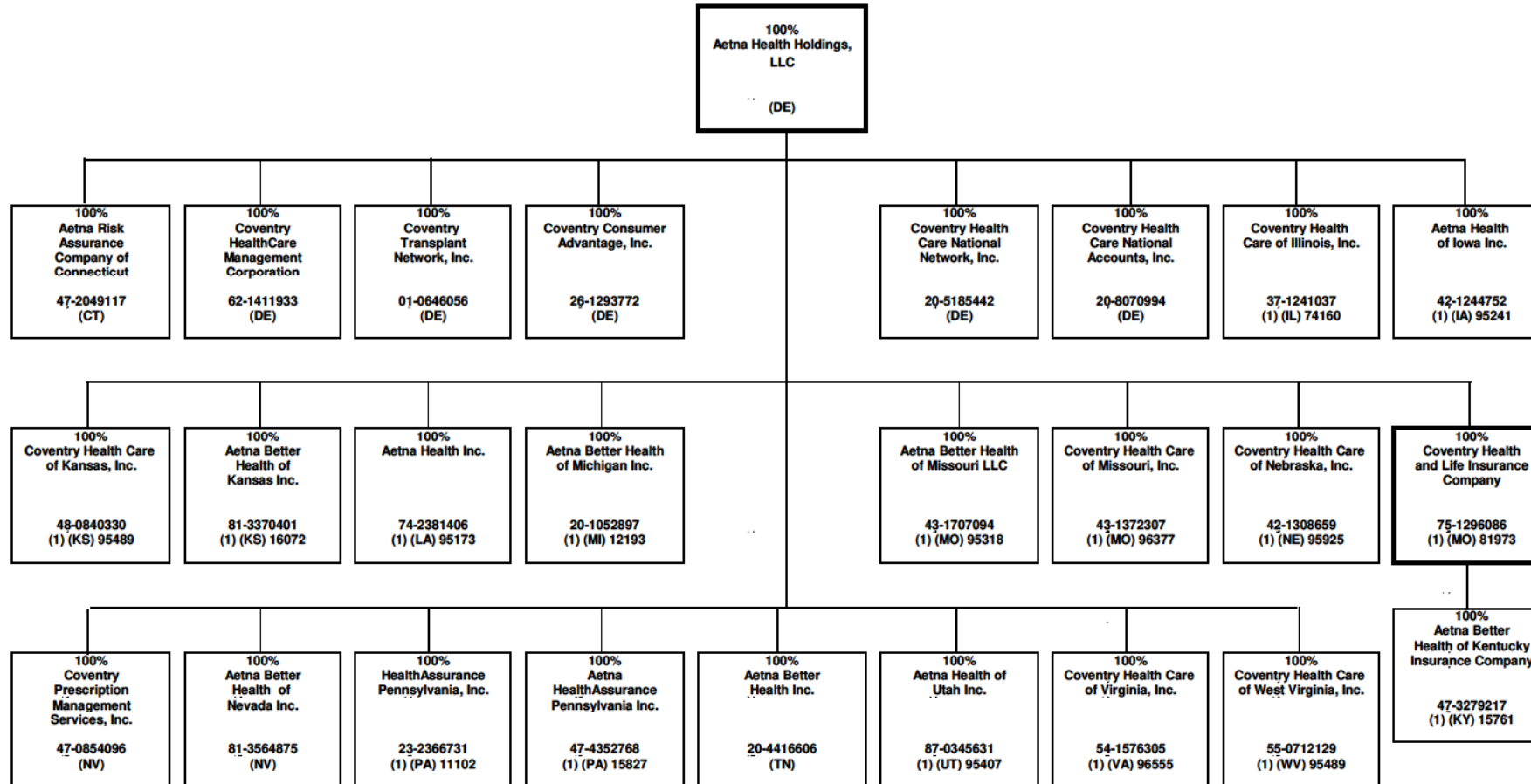
PART 1 - ORGANIZATIONAL CHART



ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

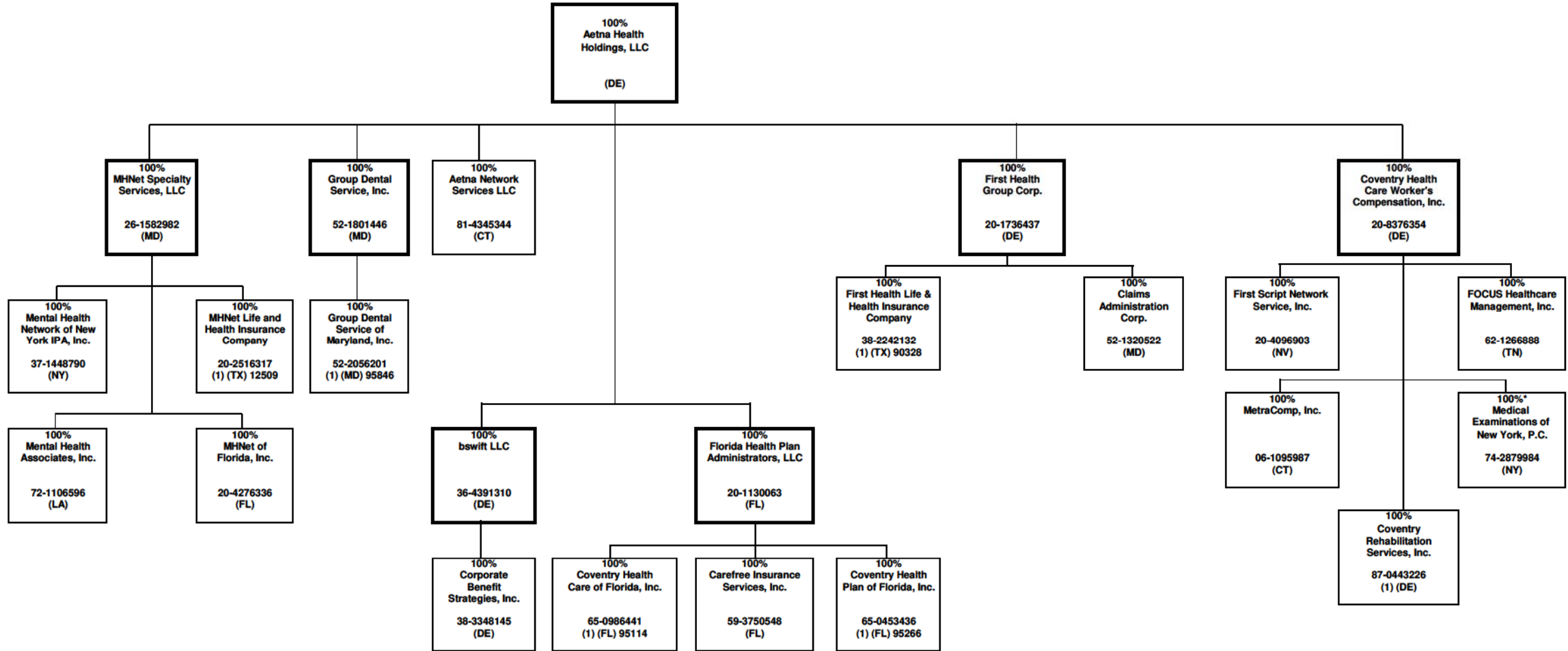
PART 1 - ORGANIZATIONAL CHART



ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

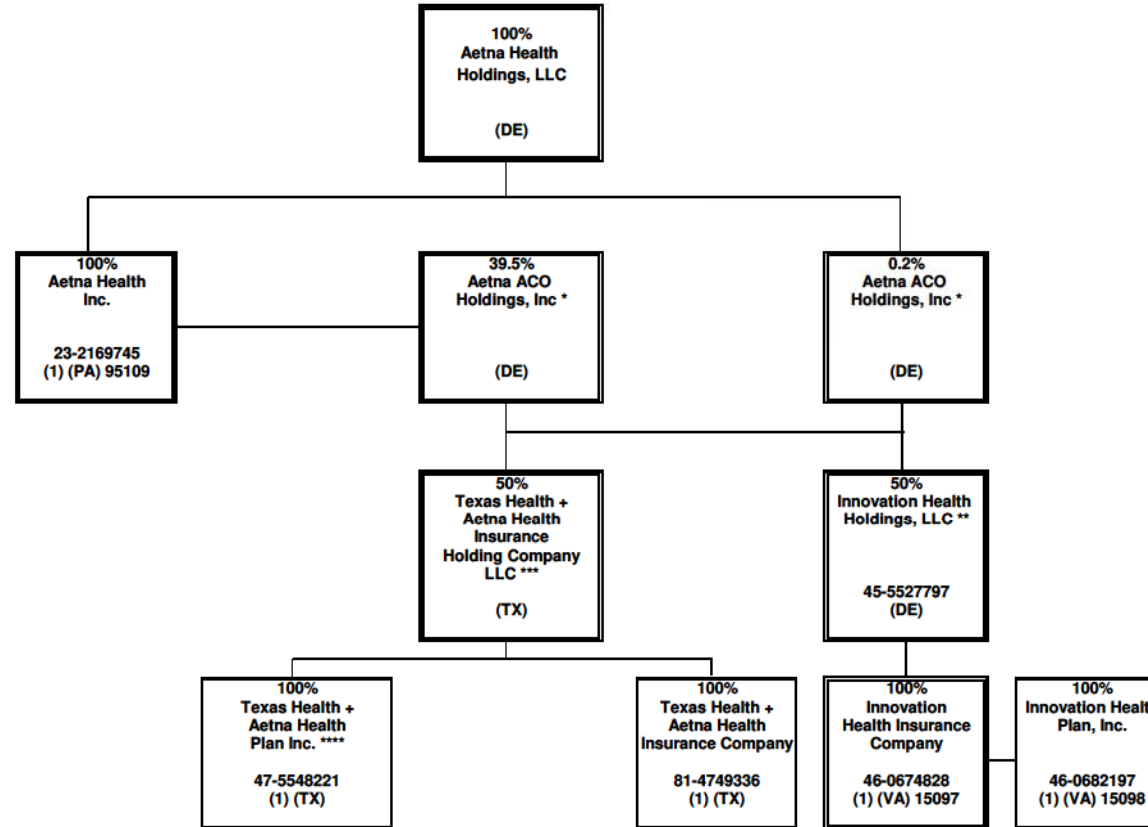


*100% owned through Aetna's nominees

40.4

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



* Aetna ACO Holdings Inc. is owned by Aetna Life Insurance Company (302 shares); Aetna Health Inc. (PA) (198 shares); and Aetna Health Holdings, LLC (1 share).

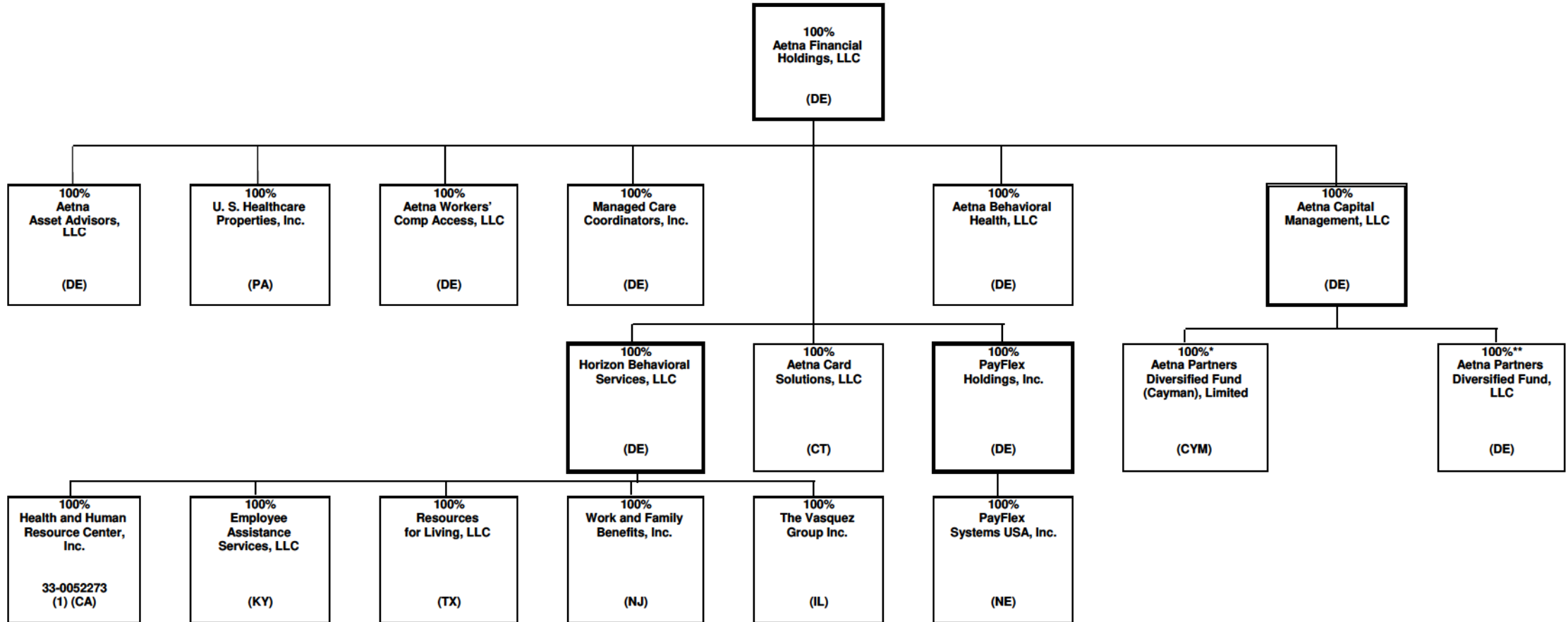
** Innovation Health Holdings, LLC is 50% owned by Aetna ACO Holdings, Inc. and 50% owned by Inova Health System Foundation, an unaffiliated company.

***Texas Health + Aetna Health Insurance Holding Company LLC is 50% owned by Aetna ACO Holdings Inc. and 50% owned by Texas Health Resources, an unaffiliated company.

****Texas Health + Aetna Health Plan Inc. will become a direct subsidiary of Texas Health + Aetna Health Insurance Company in February 2017.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

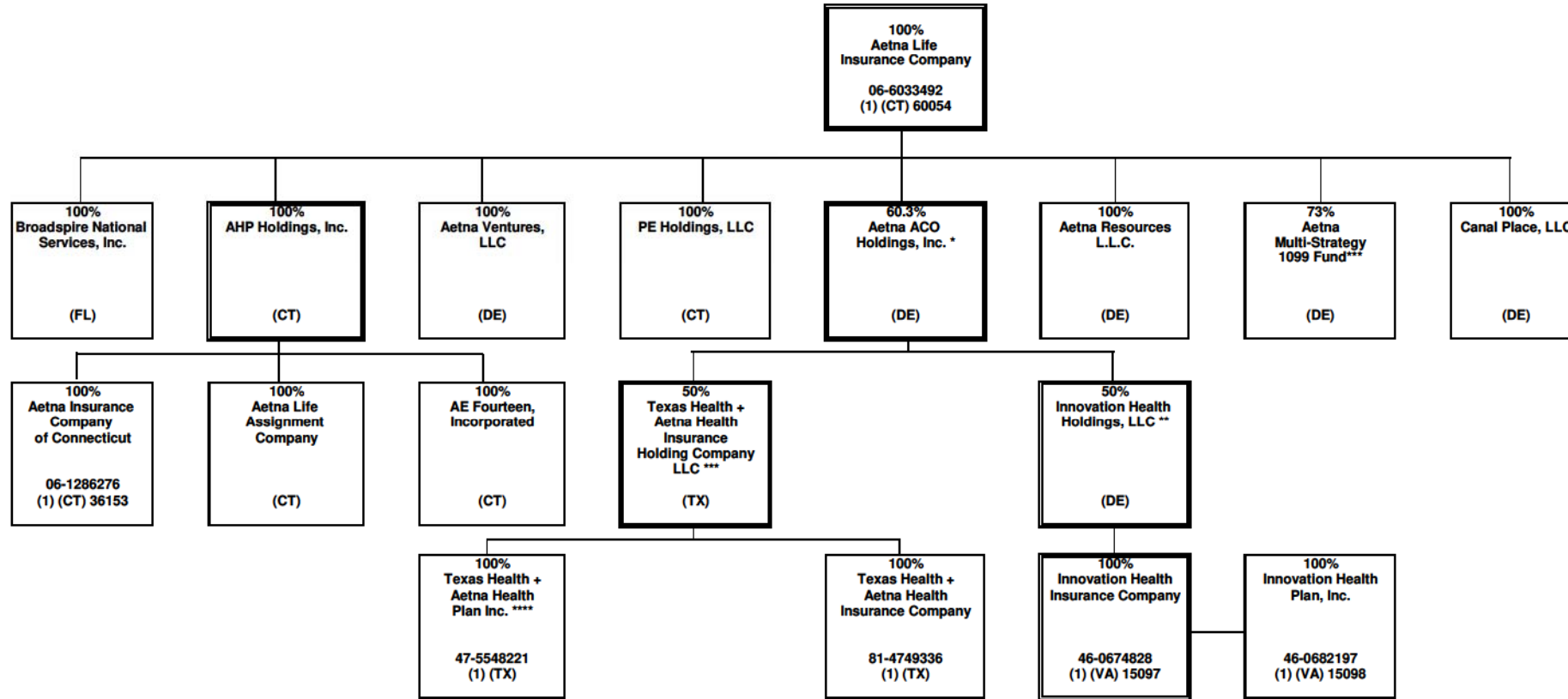


* Aetna Life Insurance Company owns the Class C participating shares of Aetna Partners Diversified Fund (Cayman), Limited.

** Aetna Life Insurance Company and Aetna Health and Life Insurance Company own substantially all of the non-managing member interests of Aetna Partners Diversified Fund, LLC.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



* Aetna ACO Holdings Inc. is owned by Aetna Life Insurance Company (302 shares); Aetna Health Inc. (PA) (198 shares); and Aetna Health Holdings, LLC (1 share).

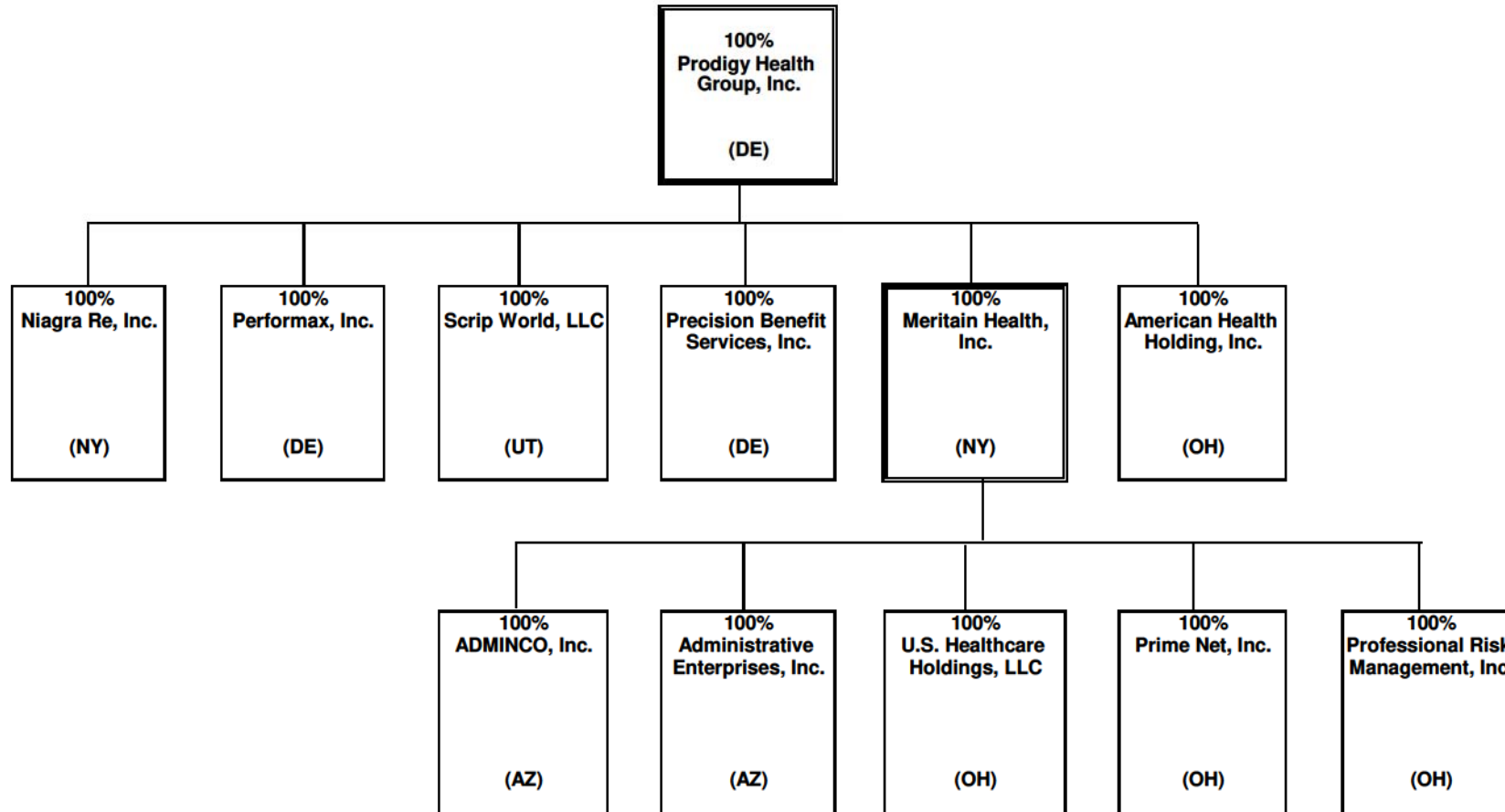
** Innovation Health Holdings, LLC is 50% owned by Aetna ACO Holdings, Inc. and 50% owned by Inova Health System Foundation, an unaffiliated company.

***Texas Health + Aetna Health Insurance Holding Company LLC is 50% owned by Aetna ACO Holdings Inc. and 50% owned by Texas Health Resources, an unaffiliated company.

****Texas Health + Aetna Health Plan Inc. will become a direct subsidiary of Texas Health + Aetna Health Insurance Company in February 2017.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 11

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1104.	0	0	0	0
1105.	0	0	0	0
1197. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0

Additional Write-ins for Assets Line 25

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
2504.	0	0	0	0
2505.	0	0	0	0
2597. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0

Additional Write-ins for Liabilities Line 23

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
2304.	0	0	0	0
2305.	0	0	0	0
2397. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0

Additional Write-ins for Liabilities Line 25

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
2504.	XXX	XXX	0	0
2505.	XXX	XXX	0	0
2597. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0

Additional Write-ins for Liabilities Line 30

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
3004.	XXX	XXX	0	0
3005.	XXX	XXX	0	0
3097. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0

Additional Write-ins for Statement of Revenue and Expenses Line 6

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
0604.	XXX	0	0
0605.	XXX	0	0
0697. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0

Additional Write-ins for Statement of Revenue and Expenses Line 7

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
0704.	XXX	0	0
0705.	XXX	0	0
0797. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0

Additional Write-ins for Statement of Revenue and Expenses Line 14

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1404.	0	0	0
1405.	0	0	0
1497. Summary of remaining write-ins for Line 14 from overflow page	0	0	0

Additional Write-ins for Statement of Revenue and Expenses Line 29

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
2904.	0	0	0
2905.	0	0	0
2997. Summary of remaining write-ins for Line 29 from overflow page	0	0	0

Additional Write-ins for Statement of Revenue and Expenses Line 47

	1 Current Year	2 Prior Year
4704.	0	0
4705.	0	0
4797. Summary of remaining write-ins for Line 47 from overflow page	0	0

Additional Write-ins for Underwriting and Investment Exhibit Part 3 Line 25

	Claim Adjustment Expenses		3	4	5
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
2504.	0	0	0	0	0

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Underwriting and Investment Exhibit Part 3 Line 25

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
2505.	0	0	0	0	0
2597. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0

NONE

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Analysis of Operations Line 5

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
0504.	0	0	0	0	0	0	0	0	0	XXX
0505.	0	0	0	0	0	0	0	0	0	XXX
0597. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX

Additional Write-ins for Analysis of Operations Line 6

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
0604.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0605.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0697. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

Additional Write-ins for Analysis of Operations Line 13

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1304.	0	0	0	0	0	0	0	0	0	XXX
1305.	0	0	0	0	0	0	0	0	0	XXX
1397. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

Analysis of Operations By Lines of Business	7
Assets	2
Cash Flow	6
Exhibit 1 - Enrollment By Product Type for Health Business Only	17
Exhibit 2 - Accident and Health Premiums Due and Unpaid	18
Exhibit 3 - Health Care Receivables	19
Exhibit 3A - Analysis of Health Care Receivables Collected and Accrued	20
Exhibit 4 - Claims Unpaid and Incentive Pool, Withhold and Bonus	21
Exhibit 5 - Amounts Due From Parent, Subsidiaries and Affiliates	22
Exhibit 6 - Amounts Due To Parent, Subsidiaries and Affiliates	23
Exhibit 7 - Part 1 - Summary of Transactions With Providers	24
Exhibit 7 - Part 2 - Summary of Transactions With Intermediaries	24
Exhibit 8 - Furniture, Equipment and Supplies Owned	25
Exhibit of Capital Gains (Losses)	15
Exhibit of Net Investment Income	15
Exhibit of Nonadmitted Assets	16
Exhibit of Premiums, Enrollment and Utilization (State Page)	30
Five-Year Historical Data	29
General Interrogatories	27
Jurat Page	1
Liabilities, Capital and Surplus	3
Notes To Financial Statements	26
Overflow Page For Write-ins	44
Schedule A - Part 1	E01
Schedule A - Part 2	E02
Schedule A - Part 3	E03
Schedule A - Verification Between Years	SI02
Schedule B - Part 1	E04
Schedule B - Part 2	E05
Schedule B - Part 3	E06
Schedule B - Verification Between Years	SI02
Schedule BA - Part 1	E07
Schedule BA - Part 2	E08
Schedule BA - Part 3	E09
Schedule BA - Verification Between Years	SI03
Schedule D - Part 1	E10
Schedule D - Part 1A - Section 1	SI05
Schedule D - Part 1A - Section 2	SI08
Schedule D - Part 2 - Section 1	E11
Schedule D - Part 2 - Section 2	E12
Schedule D - Part 3	E13
Schedule D - Part 4	E14
Schedule D - Part 5	E15
Schedule D - Part 6 - Section 1	E16
Schedule D - Part 6 - Section 2	E16
Schedule D - Summary By Country	SI04
Schedule D - Verification Between Years	SI03
Schedule DA - Part 1	E17
Schedule DA - Verification Between Years	SI10
Schedule DB - Part A - Section 1	E18
Schedule DB - Part A - Section 2	E19
Schedule DB - Part A - Verification Between Years	SI11
Schedule DB - Part B - Section 1	E20
Schedule DB - Part B - Section 2	E21
Schedule DB - Part B - Verification Between Years	SI11
Schedule DB - Part C - Section 1	SI12
Schedule DB - Part C - Section 2	SI13
Schedule DB - Part D - Section 1	E22
Schedule DB - Part D - Section 2	E23
Schedule DB - Verification	SI14
Schedule DL - Part 1	E24
Schedule DL - Part 2	E25
Schedule E - Part 1 - Cash	E26
Schedule E - Part 2 - Cash Equivalents	E27
Schedule E - Part 3 - Special Deposits	E28
Schedule E - Verification Between Years	SI15

ANNUAL STATEMENT BLANK (Continued)

Schedule S - Part 1 - Section 2	31
Schedule S - Part 2	32
Schedule S - Part 3 - Section 2	33
Schedule S - Part 4	34
Schedule S - Part 5	35
Schedule S - Part 6	36
Schedule S - Part 7	37
Schedule T - Part 2 - Interstate Compact	39
Schedule T - Premiums and Other Considerations	38
Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group	40
Schedule Y - Part 1A - Detail of Insurance Holding Company System	41
Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates	42
Statement of Revenue and Expenses	4
Summary Investment Schedule	SI01
Supplemental Exhibits and Schedules Interrogatories	43
Underwriting and Investment Exhibit - Part 1	8
Underwriting and Investment Exhibit - Part 2	9
Underwriting and Investment Exhibit - Part 2A	10
Underwriting and Investment Exhibit - Part 2B	11
Underwriting and Investment Exhibit - Part 2C	12
Underwriting and Investment Exhibit - Part 2D	13
Underwriting and Investment Exhibit - Part 3	14



HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2016
OF THE CONDITION AND AFFAIRS OF THE

Aetna Better Health Inc. (a New Jersey corporation)

NAIC Group Code 0001 0001 NAIC Company Code 15611 Employer's ID Number 46-3203088
(Current) (Prior)

Organized under the Laws of New Jersey, State of Domicile or Port of Entry NJ

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

Is HMO Federally Qualified? Yes [] No [X]

Incorporated/Organized 05/01/2013 Commenced Business 01/01/2015

Statutory Home Office 3 Independence Way, Suite 400 Princeton, NJ, US 08540
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 3 Independence Way, Suite 400
(Street and Number)
Princeton, NJ, US 08540 855-232-3596
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 1425 Union Meeting Road, U23 Blue Bell, PA, US
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 3 Independence Way, Suite 400
(Street and Number)
Princeton, NJ, US 08540 855-232-3596
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.aetna.com

Statutory Statement Contact Steven Matthew Conte 215-775-6508
(Name) (Area Code) (Telephone Number)
Aetna.HMOReporting@aetna.com 860-262-7767
(E-mail Address) (FAX Number)

OFFICERS

Chief Executive Officer and President Laurie Ann Brubaker # Principal Financial Officer and Controller Steven Matthew Conte
Vice President and Secretary Robert Mark Kessler

OTHER

Elaine Rose Cofrancesco, Vice President and Treasurer Kevin James Casey, Senior Investment Officer Gregory Stephen Martino, Vice President
Dawn Marie Schoen, Assistant Controller

DIRECTORS OR TRUSTEES

Debra Jean Bacon Laurie Ann Brubaker # Mary Louise Osborne

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

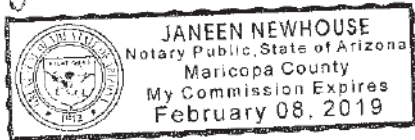
Laurie Ann Brubaker
Laurie Ann Brubaker
Chief Executive Officer and President

Robert Mark Kessler
Robert Mark Kessler
Vice President and Secretary

Steven Matthew Conte
Steven Matthew Conte
Principal Financial Officer and Controller

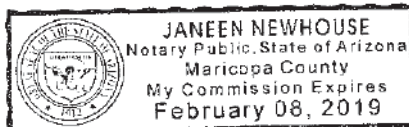
State of..... Arizona
County of..... Maricopa

Subscribed and sworn to before me this
30 day of January 2017
M. Newhouse
NOTARY PUBLIC (Seal)



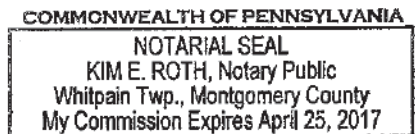
State of..... Arizona
County of..... Maricopa

Subscribed and sworn to before me this
30 day of January 2017
M. Newhouse
NOTARY PUBLIC (Seal)



State of..... Pennsylvania
County of..... Montgomery

Subscribed and sworn to before me this
24th day of February, 2017
K. ROTH
NOTARY PUBLIC (Seal)



- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number
2. Date filed
3. Number of pages attached.....

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage
1. Bonds:						
1.1 U.S. treasury securities	27,306,856	24.619	27,306,856	0	27,306,856	24.619
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies	0	0.000	0	0	0	0.000
1.22 Issued by U.S. government sponsored agencies	4,929,425	4.444	4,929,425	0	4,929,425	4.444
1.3 Non-U.S. government (including Canada, excluding mortgaged-backed securities)	1,996,925	1.800	1,996,925	0	1,996,925	1.800
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:						
1.41 States, territories and possessions general obligations	0	0.000	0	0	0	0.000
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	9,061,257	8.169	9,061,257	0	9,061,257	8.169
1.43 Revenue and assessment obligations	0	0.000	0	0	0	0.000
1.44 Industrial development and similar obligations	0	0.000	0	0	0	0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or guaranteed by GNMA	0	0.000	0	0	0	0.000
1.512 Issued or guaranteed by FNMA and FHLMC	0	0.000	0	0	0	0.000
1.513 All other	1,040,908	0.938	1,040,908	0	1,040,908	0.938
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA	0	0.000	0	0	0	0.000
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521	0	0.000	0	0	0	0.000
1.523 All other	2,499,860	2.254	2,499,860	0	2,499,860	2.254
2. Other debt and other fixed income securities (excluding short-term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	14,376,580	12.962	14,376,580	0	14,376,580	12.962
2.2 Unaffiliated non-U.S. securities (including Canada)	4,497,967	4.055	4,497,967	0	4,497,967	4.055
2.3 Affiliated securities	0	0.000	0	0	0	0.000
3. Equity interests:						
3.1 Investments in mutual funds	0	0.000	0	0	0	0.000
3.2 Preferred stocks:						
3.21 Affiliated	0	0.000	0	0	0	0.000
3.22 Unaffiliated	0	0.000	0	0	0	0.000
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated	0	0.000	0	0	0	0.000
3.32 Unaffiliated	0	0.000	0	0	0	0.000
3.4 Other equity securities:						
3.41 Affiliated	0	0.000	0	0	0	0.000
3.42 Unaffiliated	0	0.000	0	0	0	0.000
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated	0	0.000	0	0	0	0.000
3.52 Unaffiliated	0	0.000	0	0	0	0.000
4. Mortgage loans:						
4.1 Construction and land development	0	0.000	0	0	0	0.000
4.2 Agricultural	0	0.000	0	0	0	0.000
4.3 Single family residential properties	0	0.000	0	0	0	0.000
4.4 Multifamily residential properties	0	0.000	0	0	0	0.000
4.5 Commercial loans	0	0.000	0	0	0	0.000
4.6 Mezzanine real estate loans	0	0.000	0	0	0	0.000
5. Real estate investments:						
5.1 Property occupied by company	0	0.000	0	0	0	0.000
5.2 Property held for production of income (including \$ 0 of property acquired in satisfaction of debt)	0	0.000	0	0	0	0.000
5.3 Property held for sale (including \$ 0 property acquired in satisfaction of debt)	0	0.000	0	0	0	0.000
6. Contract loans	0	0.000	0	0	0	0.000
7. Derivatives	0	0.000	0	0	0	0.000
8. Receivables for securities	0	0.000	0	0	0	0.000
9. Securities Lending (Line 10, Asset Page reinvested collateral)	0	0.000	0	XXX	XXX	XXX
10. Cash, cash equivalents and short-term investments	45,207,315	40.758	45,207,315	0	45,207,315	40.758
11. Other invested assets	0	0.000	0	0	0	0.000
12. Total invested assets	110,917,093	100.000	110,917,093	0	110,917,093	100.000

Schedule A - Verification - Real Estate

NONE

Schedule B - Verification - Mortgage Loans

NONE

SCHEDULE BA - VERIFICATION BETWEEN YEARS

Other Long-Term Invested Assets

1.	Book/adjusted carrying value, December 31 of prior year	
2.	Cost of acquired:	
	2.1 Actual cost at time of acquisition (Part 2, Column 8)	
	2.2 Additional investment made after acquisition (Part 2, Column 9)	
3.	Capitalized deferred interest and other:	
	3.1 Totals, Part 1, Column 16	
	3.2 Totals, Part 3, Column 12	
4.	Accrual of discount	
5.	Unrealized valuation increase (decrease):	
	5.1 Totals, Part 1, Column 13	
	5.2 Totals, Part 3, Column 9	
6.	Total gain (loss) on disposals, Part 3, Column 19	
7.	Deduct amounts received on disposals, Part 3, Column 16	
8.	Deduct amortization of premium and depreciation	
9.	Total foreign exchange change in book/adjusted carrying value:	
	9.1 Totals, Part 1, Column 17	
	9.2 Totals, Part 3, Column 14	
10.	Deduct current year's other than temporary impairment recognized:	
	10.1 Totals, Part 1, Column 15	
	10.2 Totals, Part 3, Column 11	
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	
12.	Deduct total nonadmitted amounts	
13.	Statement value at end of current period (Line 11 minus Line 12)	

NONE

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1.	Book/adjusted carrying value, December 31 of prior year	25,469,047
2.	Cost of bonds and stocks acquired, Part 3, Column 7	73,950,755
3.	Accrual of discount	134,346
4.	Unrealized valuation increase (decrease):	
	4.1. Part 1, Column 12	0
	4.2. Part 2, Section 1, Column 15	0
	4.3. Part 2, Section 2, Column 13	0
	4.4. Part 4, Column 11	0
5.	Total gain (loss) on disposals, Part 4, Column 19	27,968
6.	Deduction consideration for bonds and stocks disposed of, Part 4, Column 7	33,497,631
7.	Deduct amortization of premium	260,194
8.	Total foreign exchange change in book/adjusted carrying value:	
	8.1. Part 1, Column 15	0
	8.2. Part 2, Section 1, Column 19	0
	8.3. Part 2, Section 2, Column 16	0
	8.4. Part 4, Column 15	0
9.	Deduct current year's other than temporary impairment recognized:	
	9.1. Part 1, Column 14	114,513
	9.2. Part 2, Section 1, Column 17	0
	9.3. Part 2, Section 2, Column 14	0
	9.4. Part 4, Column 13	0
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	65,709,778
11.	Deduct total nonadmitted amounts	0
12.	Statement value at end of current period (Line 10 minus Line 11)	65,709,778

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS					
Governments (Including all obligations guaranteed by governments)	1. United States	32,236,281	32,300,317	32,151,630	32,500,000
	2. Canada	0	0	0	0
	3. Other Countries	1,996,925	1,963,182	1,996,600	2,000,000
	4. Totals	34,233,206	34,263,499	34,148,230	34,500,000
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals	0	0	0	0
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals	9,061,257	9,122,413	9,074,002	7,655,000
U.S. Special Revenue and Special Assessment Obligations and all Non- Guaranteed Obligations of Agencies and Authorities of Governments and their Political Subdivisions	7. Totals	0	0	0	0
Industrial and Miscellaneous, SVO Identified Funds and Hybrid Securities (unaffiliated)	8. United States	17,917,348	17,978,123	17,880,096	18,250,000
	9. Canada	0	0	0	0
	10. Other Countries	4,497,967	4,428,923	4,497,795	4,500,000
	11. Totals	22,415,315	22,407,046	22,377,891	22,750,000
Parent, Subsidiaries and Affiliates	12. Totals	0	0	0	0
	13. Total Bonds	65,709,778	65,792,958	65,600,123	64,905,000
PREFERRED STOCKS					
Industrial and Miscellaneous (unaffiliated)	14. United States	0	0	0	0
	15. Canada	0	0	0	0
	16. Other Countries	0	0	0	0
	17. Totals	0	0	0	0
Parent, Subsidiaries and Affiliates	18. Totals	0	0	0	0
	19. Total Preferred Stocks	0	0	0	0
COMMON STOCKS					
Industrial and Miscellaneous (unaffiliated)	20. United States	0	0	0	0
	21. Canada	0	0	0	0
	22. Other Countries	0	0	0	0
	23. Totals	0	0	0	0
Parent, Subsidiaries and Affiliates	24. Totals	0	0	0	0
	25. Total Common Stocks	0	0	0	0
	26. Total Stocks	0	0	0	0
	27. Total Bonds and Stocks	65,709,778	65,792,958	65,600,123	

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 10.7	9 Total from Col. 6 Prior Year	10 % From Col. 7 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
1. U.S. Governments												
1.1 NAIC 1	790	32,236,281	0	0	0	XXX	32,237,071	29.6	24,425,712	54.6	32,237,071	0
1.2 NAIC 2	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.7 Totals	790	32,236,281	0	0	0	XXX	32,237,071	29.6	24,425,712	54.6	32,237,071	0
2. All Other Governments												
2.1 NAIC 1	0	1,996,925	0	0	0	XXX	1,996,925	1.8	0	0.0	1,996,925	0
2.2 NAIC 2	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.7 Totals	0	1,996,925	0	0	0	XXX	1,996,925	1.8	0	0.0	1,996,925	0
3. U.S. States, Territories and Possessions etc., Guaranteed												
3.1 NAIC 1	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.2 NAIC 2	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.7 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed												
4.1 NAIC 1	0	0	9,061,257	0	0	XXX	9,061,257	8.3	0	0.0	9,061,257	0
4.2 NAIC 2	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.7 Totals	0	0	9,061,257	0	0	XXX	9,061,257	8.3	0	0.0	9,061,257	0
5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed												
5.1 NAIC 1	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.2 NAIC 2	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.7 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 10.7	9 Total from Col. 6 Prior Year	10 % From Col. 7 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
6. Industrial & Miscellaneous (Unaffiliated)												
6.1 NAIC 1	44,017,141	10,801,920	4,818,675	0	0	XXX	59,637,736	54.7	20,321,913	45.4	20,978,350	38,659,386
6.2 NAIC 2	0	4,975,988	1,123,388	0	0	XXX	6,099,376	5.6	0	0.0	5,100,547	998,829
6.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
6.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
6.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
6.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
6.7 Totals	44,017,141	15,777,908	5,942,063	0	0	XXX	65,737,112	60.3	20,321,913	45.4	26,078,897	39,658,215
7. Hybrid Securities												
7.1 NAIC 1	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.2 NAIC 2	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.7 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8. Parent, Subsidiaries and Affiliates												
8.1 NAIC 1	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.2 NAIC 2	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.4 NAIC 4	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.5 NAIC 5	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.7 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
9. SVO Identified Funds												
9.1 NAIC 1	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	0	0
9.2 NAIC 2	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	0	0
9.3 NAIC 3	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	0	0
9.4 NAIC 4	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	0	0
9.5 NAIC 5	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	0	0
9.6 NAIC 6	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	0	0
9.7 Totals	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	0	0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 10.7	9 Total from Col. 6 Prior Year	10 % From Col. 7 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
10. Total Bonds Current Year												
10.1 NAIC 1	(d) 44,017,931	45,035,126	13,879,932	0	0	0	102,932,989	94.4	XXX	XXX	64,273,603	38,659,386
10.2 NAIC 2	(d) 0	4,975,988	1,123,388	0	0	0	6,099,376	5.6	XXX	XXX	5,100,547	998,829
10.3 NAIC 3	(d) 0	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.4 NAIC 4	(d) 0	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.5 NAIC 5	(d) 0	0	0	0	0	0	0	0.0	XXX	XXX	0	0
10.6 NAIC 6	(d) 0	0	0	0	0	0	(c) 0	0.0	XXX	XXX	0	0
10.7 Totals	44,017,931	50,011,114	15,003,320	0	0	0	(b) 109,032,365	100.0	XXX	XXX	69,374,150	39,658,215
10.8 Line 10.7 as a % of Col. 7	40.4	45.9	13.8	0.0	0.0	0.0	100.0	XXX	XXX	XXX	63.6	36.4
11. Total Bonds Prior Year												
11.1 NAIC 1	19,923,832	23,778,556	1,045,237	0	0	XXX	XXX	XXX	44,747,625	100.0	25,470,949	19,276,676
11.2 NAIC 2	0	0	0	0	0	XXX	XXX	XXX	0	0.0	0	0
11.3 NAIC 3	0	0	0	0	0	XXX	XXX	XXX	0	0.0	0	0
11.4 NAIC 4	0	0	0	0	0	XXX	XXX	XXX	0	0.0	0	0
11.5 NAIC 5	0	0	0	0	0	XXX	XXX	XXX	(c) 0	0.0	0	0
11.6 NAIC 6	0	0	0	0	0	XXX	XXX	XXX	(c) 0	0.0	0	0
11.7 Totals	19,923,832	23,778,556	1,045,237	0	0	XXX	XXX	XXX	(b) 44,747,625	100.0	25,470,949	19,276,676
11.8 Line 11.7 as a % of Col. 9	44.5	53.1	2.3	0.0	0.0	XXX	XXX	XXX	100.0	XXX	56.9	43.1
12. Total Publicly Traded Bonds												
12.1 NAIC 1	7,858,011	42,535,660	13,879,932	0	0	0	64,273,603	58.9	25,470,949	56.9	64,273,603	XXX
12.2 NAIC 2	0	3,977,159	1,123,388	0	0	0	5,100,547	4.7	0	0.0	5,100,547	XXX
12.3 NAIC 3	0	0	0	0	0	0	0	0.0	0	0.0	0	XXX
12.4 NAIC 4	0	0	0	0	0	0	0	0.0	0	0.0	0	XXX
12.5 NAIC 5	0	0	0	0	0	0	0	0.0	0	0.0	0	XXX
12.6 NAIC 6	0	0	0	0	0	0	0	0.0	0	0.0	0	XXX
12.7 Totals	7,858,011	46,512,819	15,003,320	0	0	0	69,374,150	63.6	25,470,949	56.9	69,374,150	XXX
12.8 Line 12.7 as a % of Col. 7	11.3	67.0	21.6	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
12.9 Line 12.7 as a % of Line 10.7, Col. 7, Section 10	7.2	42.7	13.8	0.0	0.0	0.0	63.6	XXX	XXX	XXX	63.6	XXX
13. Total Privately Placed Bonds												
13.1 NAIC 1	36,159,920	2,499,466	0	0	0	0	38,659,386	35.5	19,276,676	43.1	XXX	38,659,386
13.2 NAIC 2	0	998,829	0	0	0	0	998,829	0.9	0	0.0	XXX	998,829
13.3 NAIC 3	0	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.4 NAIC 4	0	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.5 NAIC 5	0	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.6 NAIC 6	0	0	0	0	0	0	0	0.0	0	0.0	XXX	0
13.7 Totals	36,159,920	3,498,295	0	0	0	0	39,658,215	36.4	19,276,676	43.1	XXX	39,658,215
13.8 Line 13.7 as a % of Col. 7	91.2	8.8	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	XXX	100.0
13.9 Line 13.7 as a % of Line 10.7, Col. 7, Section 10	33.2	3.2	0.0	0.0	0.0	0.0	36.4	XXX	XXX	XXX	XXX	36.4

(a) Includes \$ 36,658,216 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$ 0 current year, \$ 0 prior year of bonds with Z designations and \$ 0, current year \$ 0 prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class are under regulatory review.

(c) Includes \$ 0 current year, \$ 0 prior year of bonds with 5* designations and \$ 0, current year \$ 0 prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the (SVO) in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

(d) Includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ 43,322,587 ; NAIC 2 \$ 0 ; NAIC 3 \$ 0 ; NAIC 4 \$ 0 ; NAIC 5 \$ 0 ; NAIC 6 \$ 0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE D - PART 1A - SECTION 2

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 10.6	9 Total from Col. 6 Prior Year	10 % From Col. 7 Prior Year	11 Total Publicly Traded	12 Total Privately Placed
1. U.S. Governments												
1.1 Issuer Obligations	790	32,236,281	0	0	0	XXX	32,237,071	29.6	24,425,712	54.6	32,237,071	0
1.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.5 Totals	790	32,236,281	0	0	0	XXX	32,237,071	29.6	24,425,712	54.6	32,237,071	0
2. All Other Governments												
2.1 Issuer Obligations	0	1,996,925	0	0	0	XXX	1,996,925	1.8	0	0.0	1,996,925	0
2.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.5 Totals	0	1,996,925	0	0	0	XXX	1,996,925	1.8	0	0.0	1,996,925	0
3. U.S. States, Territories and Possessions, Guaranteed												
3.1 Issuer Obligations	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.5 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed												
4.1 Issuer Obligations	0	0	9,061,257	0	0	XXX	9,061,257	8.3	0	0.0	9,061,257	0
4.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.5 Totals	0	0	9,061,257	0	0	XXX	9,061,257	8.3	0	0.0	9,061,257	0
5. U.S. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed												
5.1 Issuer Obligations	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.5 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
6. Industrial and Miscellaneous												
6.1 Issuer Obligations	43,321,797	13,973,392	4,901,155	0	0	XXX	62,196,344	57.0	19,276,676	43.1	22,538,129	39,658,215
6.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
6.3 Commercial Mortgage-Backed Securities	0	0	1,040,908	0	0	XXX	1,040,908	1.0	1,045,237	2.3	1,040,908	0
6.4 Other Loan-Backed and Structured Securities	695,344	1,804,516	0	0	0	XXX	2,499,860	2.3	0	0.0	2,499,860	0
6.5 Totals	44,017,141	15,777,908	5,942,063	0	0	XXX	65,737,112	60.3	20,321,913	45.4	26,078,897	39,658,215
7. Hybrid Securities												
7.1 Issuer Obligations	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.5 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8. Parent, Subsidiaries and Affiliates												
8.1 Issuer Obligations	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.5 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE D - PART 1A - SECTION 2 (Continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Col. 7 as a % of Line 10.6	9 Total from Col. 6 Prior Year	10 % From Col. 7 Prior Year	11 Total Publicly Traded	12 Total Privately Placed
9. SVO Identified Funds												
9.1 Exchange Traded Funds Identified by the SVO	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	0	0
9.2 Bond Mutual Funds Identified by the SVO	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	0	0
9.3 Totals	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	0	0
10. Total Bonds Current Year												
10.1 Issuer Obligations	43,322,587	48,206,598	13,962,412	0	0	XXX	105,491,597	96.8	XXX	XXX	65,833,382	39,658,215
10.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0
10.3 Commercial Mortgage-Backed Securities	0	0	1,040,908	0	0	XXX	1,040,908	1.0	XXX	XXX	1,040,908	0
10.4 Other Loan-Backed and Structured Securities	695,344	1,804,516	0	0	0	XXX	2,499,860	2.3	XXX	XXX	2,499,860	0
10.5 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	0	0
10.6 Totals	44,017,931	50,011,114	15,003,320	0	0	0	109,032,365	100.0	XXX	XXX	69,374,150	39,658,215
10.7 Line 10.6 as a % of Col. 7	40.4	45.9	13.8	0.0	0.0	0.0	100.0	XXX	XXX	XXX	63.6	36.4
11. Total Bonds Prior Year												
11.1 Issuer Obligations	19,923,832	23,778,556	0	0	0	XXX	XXX	XXX	43,702,388	97.7	24,425,712	19,276,676
11.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	XXX	XXX	0	0.0	0	0
11.3 Commercial Mortgage-Backed Securities	0	0	1,045,237	0	0	XXX	XXX	XXX	1,045,237	2.3	1,045,237	0
11.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	XXX	XXX	0	0.0	0	0
11.5 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
11.6 Totals	19,923,832	23,778,556	1,045,237	0	0	XXX	XXX	XXX	44,747,625	100.0	25,470,949	19,276,676
11.7 Line 11.6 as a % of Col. 9	44.5	53.1	2.3	0.0	0.0	XXX	XXX	XXX	100.0	XXX	56.9	43.1
12. Total Publicly Traded Bonds												
12.1 Issuer Obligations	7,162,667	44,708,303	13,962,412	0	0	XXX	65,833,382	60.4	24,425,712	54.6	65,833,382	XXX
12.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	XXX
12.3 Commercial Mortgage-Backed Securities	0	0	1,040,908	0	0	XXX	1,040,908	1.0	1,045,237	2.3	1,040,908	XXX
12.4 Commercial Mortgage-Backed Securities	695,344	1,804,516	0	0	0	XXX	2,499,860	2.3	0	0.0	2,499,860	XXX
12.5 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	0	XXX
12.6 Totals	7,858,011	46,512,819	15,003,320	0	0	0	69,374,150	63.6	25,470,949	56.9	69,374,150	XXX
12.7 Line 12.6 as a % of Col. 7	11.3	67.0	21.6	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
12.8 Line 12.6 as a % of Line 10.6, Col. 7, Section 10	7.2	42.7	13.8	0.0	0.0	0.0	63.6	XXX	XXX	XXX	63.6	XXX
13. Total Privately Placed Bonds												
13.1 Issuer Obligations	36,159,920	3,498,295	0	0	0	XXX	39,658,215	36.4	19,276,676	43.1	XXX	39,658,215
13.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	XXX	0
13.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	XXX	0
13.4 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	XXX	0
13.5 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	XXX	0
13.6 Totals	36,159,920	3,498,295	0	0	0	0	39,658,215	36.4	19,276,676	43.1	XXX	39,658,215
13.7 Line 13.6 as a % of Col. 7	91.2	8.8	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	XXX	100.0
13.8 Line 13.6 as a % of Line 10.6, Col. 7, Section 10	33.2	3.2	0.0	0.0	0.0	0.0	36.4	XXX	XXX	XXX	XXX	36.4

SCHEDULE DA - VERIFICATION BETWEEN YEARS

Short-Term Investments

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets (a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year	1,902	1,902	.0	.0	.0
2. Cost of short-term investments acquired	254,405	254,405	.0	.0	.0
3. Accrual of discount .....	.0	.0	.0	.0	.0
4. Unrealized valuation increase (decrease) .....	.0	.0	.0	.0	.0
5. Total gain (loss) on disposals .....	.0	.0	.0	.0	.0
6. Deduct consideration received on disposals	255,517	255,517	.0	.0	.0
7. Deduct amortization of premium .....	.0	.0	.0	.0	.0
8. Total foreign exchange change in book/adjusted carrying value .....	.0	.0	.0	.0	.0
9. Deduct current year's other than temporary impairment recognized .....	.0	.0	.0	.0	.0
10. Book adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	790	790	.0	.0	.0
11. Deduct total nonadmitted amounts .....	.0	.0	.0	.0	.0
12. Statement value at end of current period (Line 10 minus Line 11)	790	790	0	0	0

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

NONE

Schedule DB - Part B - Verification - Futures Contracts

NONE

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

NONE

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

NONE

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of
Derivatives

NONE

SCHEDULE E - VERIFICATION BETWEEN YEARS

(Cash Equivalents)

	1	2	3
	Total	Bonds	Other (a)
1. Book/adjusted carrying value, December 31 of prior year	19,276,676	19,276,676	0
2. Cost of cash equivalents acquired	628,673,407	628,673,407	0
3. Accrual of discount	186,393	186,393	0
4. Unrealized valuation increase (decrease)	0	0	0
5. Total gain (loss) on disposals	(44)	(44)	0
6. Deduct consideration received on disposals	604,814,635	604,814,635	0
7. Deduct amortization of premium	0	0	0
8. Total foreign exchange change in book/adjusted carrying value	0	0	0
9. Deduct current year's other than temporary impairment recognized	0	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	43,321,797	43,321,797	0
11. Deduct total nonadmitted amounts	0	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	43,321,797	43,321,797	0

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment:

Schedule A - Part 1 - Real Estate Owned

NONE

Schedule A - Part 2 - Real Estate Acquired and Additions Made

NONE

Schedule A - Part 3 - Real Estate Disposed

NONE

Schedule B - Part 1 - Mortgage Loans Owned

NONE

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made

NONE

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

NONE

Schedule BA - Part 1 - Other Long-Term Invested Assets Owned

NONE

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired and Additions Made

NONE

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

NONE

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE D - PART 1

Showing All Long-Term BONDS Owned December 31 of Current Year

1	2	Codes			6	7	Fair Value		10	11	Change in Book/Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	C o d e	F o r e i g n	Bond Char	NAIC Des.	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization) Accretion	Current Year's Other- Than- Temporary Impairment Recognized	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Rate of	Effective Rate of	When Paid	Admitted Amount Due and Accrued	Amount Received During Year	Acquired	Stated Contractual Maturity Date
8199999. Total - SVO Identified Funds						0	XXX	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0	XXX	XXX
8399999 - Total Bonds						65,600,124	XXX	65,792,959	64,905,000	65,709,778	0	111,615	114,513	0	XXX	XXX	XXX	235,106	475,670	XXX	XXX

Schedule D - Part 2 - Section 1 - Preferred Stocks Owned

NONE

Schedule D - Part 2 - Section 2 - Common Stocks Owned

NONE

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends
313499-KW-6	FED HOME LN MTGE CORP UNSECURED 1.350% 11/26/19		05/11/2016	JEFFRIES		5,000,000	5,000,000	.0
912828-28-5	US TREASURY NOTE/BOND 0.750% 08/15/19		08/31/2016	Evercore Group LLC		3,486,328	3,500,000	1,213
0599999. Subtotal - Bonds - U.S. Governments						8,486,328	8,500,000	1,213
500630-0K-2	KOREA DEV BANK SR UNSECURED 1.375% 09/12/19	D.	09/06/2016	CHASE SECURITIES		1,996,600	2,000,000	.0
1099999. Subtotal - Bonds - All Other Governments						1,996,600	2,000,000	0
283734-WB-3	EL PASO TEX REF SER A 5.000% 08/15/25		11/29/2016	CHASE SECURITIES		1,373,294	1,195,000	17,759
341530-DQ-6	FLORIDA ST BRD OF EDUCATION REF CAPITAL OUTLAY SER C 5.000% 06/01/25		11/28/2016	MERRILL LYNCH-MUNI		7,700,708	6,460,000	.0
2499999. Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						9,074,002	7,655,000	17,759
00507V-AG-4	ACTIVISION BLIZZARD SR UNSECURED 2.300% 09/15/21		09/14/2016	BANC AMERICA		998,780	1,000,000	.0
035242-AJ-5	ANHEUSER-BUSCH INBEV FIN SR UNSECURED 2.650% 02/01/21		01/27/2016	CITIGROUP		1,000,690	1,000,000	442
14042R-BS-9	CAPITAL ONE NA SR UNSECURED 1.850% 09/13/19		09/08/2016	CHASE SECURITIES		999,970	1,000,000	.0
17305E-FW-0	CITIBANK CREDIT CARD ISS TR SER 2016-A1 CLASS A1 1.750% 11/19/21		11/29/2016	CITIGROUP		2,499,866	2,500,000	.0
20826F-AD-8	CONOCOPHILLIPS COMPANY SR UNSECURED 3.350% 11/15/24		02/04/2016	CHASE SECURITIES		1,759,240	2,000,000	15,633
24422E-TJ-8	DEERE JOHN CAP CORP SR UNSECURED 1.250% 10/09/19		09/06/2016	DEUTSCHE BANK		1,496,970	1,500,000	.0
26875P-AL-5	EDG RESOURCES INC SR UNSECURED 2.450% 04/01/20		01/29/2016	WACHOVIA		973,110	1,000,000	8,303
31677Q-BG-3	FIFTH THIRD BANCORP SR UNSECURED 2.250% 06/14/21		06/09/2016	DEUTSCHE BANK		999,250	1,000,000	.0
38145G-AG-5	GOLDMAN SACHS GROUP INC SR UNSECURED 2.350% 11/15/21		09/22/2016	CITIGROUP		1,502,670	1,500,000	.0
637071-AJ-0	NATIONAL OILWELL INC SR UNSECURED 2.600% 12/01/22		02/03/2016	DEUTSCHE BANK		1,106,963	1,250,000	6,049
68389X-BK-0	ORACLE CORP SR UNSECURED 1.900% 09/15/21		06/29/2016	CHASE SECURITIES		998,260	1,000,000	.0
91159H-HL-7	US BANCORP SR UNSECURED 2.350% 01/29/21		01/26/2016	US BANCORP		499,930	500,000	.0
91159H-HM-5	US BANCORP SUBORDINATED 3.100% 04/27/26		04/21/2016	US BANCORP		1,998,460	2,000,000	.0
00913R-AA-4	AIR LIQUIDE FINANCE SR UNSECURED 1.375% 09/27/19	D.	09/23/2016	HSBC SEC INC		1,500,705	1,500,000	57
82481L-AA-7	SHIRE ACQ INV IRELAND DA SR UNSECURED 1.900% 09/23/19	D.	09/19/2016	BARCLAY INVESTMENTS		1,998,380	2,000,000	.0
82620K-AH-6	SIEMENS FINANCIERINGSMAT SR UNSECURED 1.300% 09/13/19	D.	09/06/2016	GOLDMAN SACHS & CO		998,709	1,000,000	.0
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						21,331,953	21,750,000	30,484
8399997. Total - Bonds - Part 3						40,888,883	39,905,000	49,456
8399998. Total - Bonds - Part 5						33,061,872	32,110,000	24,573
8399999. Total - Bonds						73,950,755	72,015,000	74,029
8999997. Total - Preferred Stocks - Part 3						0	XXX	0
8999998. Total - Preferred Stocks - Part 5						0	XXX	0
8999999. Total - Preferred Stocks						0	XXX	0
9799997. Total - Common Stocks - Part 3						0	XXX	0
9799998. Total - Common Stocks - Part 5						0	XXX	0
9799999. Total - Common Stocks						0	XXX	0
9899999. Total - Preferred and Common Stocks						0	XXX	0
9999999 - Totals						73,950,755	XXX	74,029

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE D - PART 4

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ Decrease	Current Year's (Amortization)/ Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in Book/ Adjusted Carrying Value (11+12-13)	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	
912828-06-4	US TREASURY NOTE/BOND 0.500% 08/31/16		08/31/2016	Maturity		650,000	650,000	636,289	645,254	0	4,746	0	4,746	0	650,000	0	0	0	3,250	08/31/2016	
0599999. Subtotal - Bonds - U.S. Governments						650,000	650,000	636,289	645,254	0	4,746	0	4,746	0	650,000	0	0	0	3,250	XXX	
8399997. Total - Bonds - Part 4						650,000	650,000	636,289	645,254	0	4,746	0	4,746	0	650,000	0	0	0	3,250	XXX	
8399998. Total - Bonds - Part 5						32,847,631	32,110,000	33,061,872	0	0	(242,209)	0	(242,209)	0	32,819,663	0	27,968	27,968	402,544	XXX	
8399999. Total - Bonds						33,497,631	32,760,000	33,698,161	645,254	0	(237,463)	0	(237,463)	0	33,469,663	0	27,968	27,968	405,794	XXX	
8999997. Total - Preferred Stocks - Part 4						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
8999998. Total - Preferred Stocks - Part 5						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
8999999. Total - Preferred Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
9799997. Total - Common Stocks - Part 4						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
9799998. Total - Common Stocks - Part 5						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
9799999. Total - Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
9899999. Total - Preferred and Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
9999999 - Totals						33,497,631	XXX	33,698,161	645,254	0	(237,463)	0	(237,463)	0	33,469,663	0	27,968	27,968	405,794	XXX	

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE D - PART 5

Showing All Long-Term Bonds and Stocks ACQUIRED During Year and Fully DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	11	Change in Book/Adjusted Carrying Value				17	18	19	20	21		
											12	13	14	15						16	
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Disposal Date	Name of Purchaser	Par Value (Bonds) or Number of Shares (Stock)	Actual Cost	Consideration	Book/ Adjusted Carrying Value at Disposal	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in Book/ Adjusted Carrying Valu (12 + 13 - 14)	Total Foreign Exchange Change in Book/ Adjusted Carrying Value	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest and Dividends Received During Year	Paid for Accrued Interest and Dividends	
912828-P4-6	US TREASURY NOTE/BOND 1.625% 02/15/26		04/26/2016	Evercore Group LLC	05/11/2016	JEFFRIES	5,000,000	4,871,094	4,954,688	4,871,585	0	491	0	491	0	0	83,103	83,103	19,420	16,071	
0599999. Subtotal - Bonds - U.S. Governments							5,000,000	4,871,094	4,954,688	4,871,585	0	491	0	491	0	0	83,103	83,103	19,420	16,071	
452152-C2-5	ILLINOIS STATE GENERAL OBLIGATION UNLTD 5.000% 06/01/17		06/16/2016	MERRILL LYNCH-MUNI	11/03/2016	Various	22,000,000	22,739,420	22,466,690	22,509,032	0	(230,388)	0	(230,388)	0	0	(42,342)	(42,342)	316,944	0	
1799999. Subtotal - Bonds - U.S. States, Territories and Possessions							22,000,000	22,739,420	22,466,690	22,509,032	0	(230,388)	0	(230,388)	0	0	(42,342)	(42,342)	316,944	0	
46643T-BJ-0	JPMBB COMMERCIAL MORTGAGE SERIES-2014-C26 CLASS A4 3.494% 01/15/48		06/15/2016	CHASE SECURITIES	10/17/2016	CHASE SECURITIES	4,610,000	4,951,428	4,916,853	4,939,119	0	(12,309)	0	(12,309)	0	0	(22,266)	(22,266)	62,198	8,502	
91159H-HL-7	US BANCORP SR UNSECURED 2.350% 01/29/21		01/26/2016	US BANCORP	05/25/2016	BARCLAY INVESTMENTS	500,000	499,930	509,400	499,927	0	(3)	0	(3)	0	0	9,473	9,473	3,982	0	
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)							5,110,000	5,451,358	5,426,253	5,439,046	0	(12,312)	0	(12,312)	0	0	(12,793)	(12,793)	66,180	8,502	
8399998. Total - Bonds							32,110,000	33,061,872	32,847,631	32,819,663	0	(242,209)	0	(242,209)	0	0	27,968	27,968	402,544	24,573	
8999998. Total - Preferred Stocks							0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9799998. Total - Common Stocks							0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9899999. Total - Preferred and Common Stocks							0	0	0	0	0	0	0	0	0	0	0	0	0	0	
9999999 - Totals							33,061,872	32,847,631	32,819,663	32,819,663	0	(242,209)	0	(242,209)	0	0	27,968	27,968	402,544	24,573	

Schedule D-Part 6-Section 1-Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

NONE

Schedule D - Part 6 - Section 2

NONE

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE DA - PART 1

Showing All SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1	2	Codes		5	6	7	8	Change in Book/Adjusted Carrying Value				13	14	Interest					21		
		3	4					9	10	11	12			15	16	17	18	19		20	
CUSIP Identification	Description	Code	Foreign	Date Acquired	Name of Vendor	Maturity Date	Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Foreign Exchange Change in Book/Adjusted Carrying Value	Par Value	Actual Cost	Amount Due and Accrued Dec. 31 of Current Year on Bonds not in Default	Non-Admitted Due and Accrued	Rate of	Effective Rate of	When Paid	Amount Received During Year	Paid for Accrued Interest	
0599999	Total - U.S. Government Bonds						0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
1099999	Total - All Other Government Bonds						0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
1799999	Total - U.S. States, Territories and Possessions Bonds						0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
2499999	Total - U.S. Political Subdivisions Bonds						0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
3199999	Total - U.S. Special Revenues Bonds						0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
3899999	Total - Industrial and Miscellaneous (Unaffiliated) Bonds						0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
4899999	Total - Hybrid Securities						0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
5599999	Total - Parent, Subsidiaries and Affiliates Bonds						0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
6099999	Subtotal - SVO Identified Funds						0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
7799999	Total - Issuer Obligations						0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
7899999	Total - Residential Mortgage-Backed Securities						0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
7999999	Total - Commercial Mortgage-Backed Securities						0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
8099999	Total - Other Loan-Backed and Structured Securities						0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
8199999	Total - SVO Identified Funds						0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
8399999	Total Bonds						0	0	0	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0
8699999	Total - Parent, Subsidiaries and Affiliates						0	0	0	0	0	XXX	0	0	0	0	XXX	XXX	XXX	0	0
60934H-50-0	FEDERATED INVESTORS INC TREASURY OBLIGATION FUND			12/29/2016	Various		790	0	0	0	0	0	790	0	0	0	0.000	0.226		5	0
8899999	Subtotal - Exempt Money Market Mutual Funds - as Identified by the SVO						790	0	0	0	0	XXX	790	0	0	0	XXX	XXX	XXX	5	0
9199999	Totals						790	0	0	0	0	XXX	790	0	0	0	XXX	XXX	XXX	5	0

E17

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open

NONE

Schedule DB - Part A - Section 2 - Options, Caps, Floors, Collars, Swaps and Forwards Terminated

NONE

Schedule DB - Part B - Section 1 - Futures Contracts Open

NONE

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made

NONE

Schedule DB - Part B - Section 2 - Futures Contracts Terminated

NONE

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open

NONE

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By

NONE

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To

NONE

Schedule DL - Part 1 - Reinvested Collateral Assets Owned

NONE

Schedule DL - Part 2 - Reinvested Collateral Assets Owned

NONE

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE E - PART 1 - CASH

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Year	5 Amount of Interest Accrued December 31 of Current Year	6 Balance	7 *
Bank of America New York, NY		0.000	0	0	1,884,728	XXX
0199998 Deposits in ... 0 depositories which do not exceed the allowable limit in any one depository (See instructions) - open depositories	XXX	XXX	0	0	0	XXX
0199999. Totals - Open Depositories	XXX	XXX	0	0	1,884,728	XXX
0299998 Deposits in ... 0 depositories which do not exceed the allowable limit in any one depository (See instructions) - suspended depositories	XXX	XXX	0	0	0	XXX
0299999. Totals - Suspended Depositories	XXX	XXX	0	0	0	XXX
0399999. Total Cash on Deposit	XXX	XXX	0	0	1,884,728	XXX
0499999. Cash in Company's Office	XXX	XXX	XXX	XXX	0	XXX
0599999 Total - Cash	XXX	XXX	0	0	1,884,728	XXX

TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January.....	(1,893,431)	4. April.....	(1,495,807)	7. July.....	551,700	10. October.....	(1,109,744)
2. February.....	(1,844,896)	5. May.....	(1,556,634)	8. August.....	1,798,356	11. November.....	3,455,419
3. March.....	(973,979)	6. June.....	(584,390)	9. September.....	16,503,377	12. December.....	1,884,728

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due and Accrued	8 Amount Received During Year
0599999. Total - U.S. Government Bonds					0	0	0
1099999. Total - All Other Government Bonds					0	0	0
1799999. Total - U.S. States, Territories and Possessions Bonds					0	0	0
2499999. Total - U.S. Political Subdivisions Bonds					0	0	0
3199999. Total - U.S. Special Revenues Bonds					0	0	0
AGL CAPITAL CORP CP 4(2) 144A		12/09/2016	1.030	01/11/2017	1,999,427	0	1,316
AMERICAN WATER CAP CORP CP 4(2) 144A		12/07/2016	0.900	01/10/2017	2,297,483	0	1,436
ARIZONA PUBLIC SERVICE CP 3 (a) 3		12/30/2016	0.820	01/03/2017	1,599,927	0	73
BEMIS CO CP 4(2) 144A		12/30/2016	0.950	01/06/2017	2,499,670	0	132
CBS CORPORATION CP 4 (2) 144A		12/28/2016	1.000	01/24/2017	2,498,403	0	278
CONSOLIDATED EDISON INC CP 4(2) 144A		12/28/2016	0.930	01/17/2017	2,103,130	0	217
CONSUMERS ENERGY CO CP 4(2) 144A		12/19/2016	1.110	01/04/2017	2,500,769	0	1,002
DTE ENERGY COMPANY CP 4(2) 144A		12/28/2016	0.800	01/13/2017	1,999,467	0	178
DOLLAR GENERAL CORP CP 4(2) 144A		12/01/2016	0.950	01/03/2017	815,957	0	668
DOMINION RESOURCES INC CP 4-2		12/30/2016	0.920	01/17/2017	2,499,977	0	128
GENL MILLS INC. CP 4(2) 144A		12/30/2016	0.850	01/20/2017	2,499,878	0	118
HASBRO INC CP 4(2) 144A		12/30/2016	0.850	01/03/2017	2,500,882	0	118
HP ENTERPRISE CORP CP 4(2) 144A		12/21/2016	1.150	01/20/2017	2,499,482	0	878
ITT INC CP 4(2) 144A		12/20/2016	1.130	01/11/2017	2,337,266	0	800
NETAPP INC CP 4(2) 144A		12/13/2016	1.050	01/12/2017	1,999,358	0	1,108
NETAPP INC CP 4(2) 144A		12/14/2016	1.070	01/12/2017	499,836	0	267
NISOURCE FINANCE CORP CP 4(2) 144A		11/17/2016	1.000	01/04/2017	1,106,908	0	1,384
NORTHERN STATES PR CP 4(2) 144A		12/30/2016	0.920	01/06/2017	2,500,680	0	128
ONEOK PARTNERS LP CP 4(2) 144A		12/22/2016	1.250	01/12/2017	1,501,426	0	521
PACIFICORP CP 3(a)3		12/29/2016	0.950	01/12/2017	657,809	0	52
VALSPAR CORP CP 4(2)		12/13/2016	1.100	01/17/2017	1,505,263	0	874
VALSPAR CORP CP 4(2)		12/14/2016	1.100	02/10/2017	898,899	0	494
TYCO INTL HOLDING SARL CP 4(2) 144A		12/30/2016	0.900	01/03/2017	1,999,900	0	100
3299999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations					43,321,797	0	12,350
3899999. Total - Industrial and Miscellaneous (Unaffiliated) Bonds					43,321,797	0	12,350
4899999. Total - Hybrid Securities					0	0	0
5599999. Total - Parent, Subsidiaries and Affiliates Bonds					0	0	0
6099999. Subtotal - SVO Identified Funds					0	0	0
7799999. Total - Issuer Obligations					43,321,797	0	12,350
7899999. Total - Residential Mortgage-Backed Securities					0	0	0
7999999. Total - Commercial Mortgage-Backed Securities					0	0	0
8099999. Total - Other Loan-Backed and Structured Securities					0	0	0
8199999. Total - SVO Identified Funds					0	0	0
8399999. Total Bonds					43,321,797	0	12,350
8699999 - Total Cash Equivalents					43,321,797	0	12,350

SCHEDULE E - PART 3 - SPECIAL DEPOSITS

States, Etc.	1 Type of Deposit	2 Purpose of Deposit	Deposits For the Benefit of All Policyholders		All Other Special Deposits	
			3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
1. Alabama	AL		0	0	0	0
2. Alaska	AK		0	0	0	0
3. Arizona	AZ		0	0	0	0
4. Arkansas	AR		0	0	0	0
5. California	CA		0	0	0	0
6. Colorado	CO		0	0	0	0
7. Connecticut	CT		0	0	0	0
8. Delaware	DE		0	0	0	0
9. District of Columbia	DC		0	0	0	0
10. Florida	FL		0	0	0	0
11. Georgia	GA		0	0	0	0
12. Hawaii	HI		0	0	0	0
13. Idaho	ID		0	0	0	0
14. Illinois	IL		0	0	0	0
15. Indiana	IN		0	0	0	0
16. Iowa	IA		0	0	0	0
17. Kansas	KS		0	0	0	0
18. Kentucky	KY		0	0	0	0
19. Louisiana	LA		0	0	0	0
20. Maine	ME		0	0	0	0
21. Maryland	MD		0	0	0	0
22. Massachusetts	MA		0	0	0	0
23. Michigan	MI		0	0	0	0
24. Minnesota	MN		0	0	0	0
25. Mississippi	MS		0	0	0	0
26. Missouri	MO		0	0	0	0
27. Montana	MT		0	0	0	0
28. Nebraska	NE		0	0	0	0
29. Nevada	NV		0	0	0	0
30. New Hampshire	NH		0	0	0	0
31. New Jersey	NJ	B. RSD by INS CODE NJAC 11:24-11.4	17,545,935	17,591,824	0	0
32. New Mexico	NM		0	0	0	0
33. New York	NY		0	0	0	0
34. North Carolina	NC		0	0	0	0
35. North Dakota	ND		0	0	0	0
36. Ohio	OH		0	0	0	0
37. Oklahoma	OK		0	0	0	0
38. Oregon	OR		0	0	0	0
39. Pennsylvania	PA		0	0	0	0
40. Rhode Island	RI		0	0	0	0
41. South Carolina	SC		0	0	0	0
42. South Dakota	SD		0	0	0	0
43. Tennessee	TN		0	0	0	0
44. Texas	TX		0	0	0	0
45. Utah	UT		0	0	0	0
46. Vermont	VT		0	0	0	0
47. Virginia	VA		0	0	0	0
48. Washington	WA		0	0	0	0
49. West Virginia	WV		0	0	0	0
50. Wisconsin	WI		0	0	0	0
51. Wyoming	WY		0	0	0	0
52. American Samoa	AS		0	0	0	0
53. Guam	GU		0	0	0	0
54. Puerto Rico	PR		0	0	0	0
55. U.S. Virgin Islands	VI		0	0	0	0
56. Northern Mariana Islands	MP		0	0	0	0
57. Canada	CAN		0	0	0	0
58. Aggregate Alien and Other	OT	XXX	0	0	0	0
59. Subtotal	XXX	XXX	17,545,935	17,591,824	0	0
DETAILS OF WRITE-INS						
5801.						
5802.						
5803.						
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	XXX	0	0	0	0
5899. Totals (Lines 5801 thru 5803 plus 5898)(Line 58 above)	XXX	XXX	0	0	0	0

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

Analysis of Operations By Lines of Business	7
Assets	2
Cash Flow	6
Exhibit 1 - Enrollment By Product Type for Health Business Only	17
Exhibit 2 - Accident and Health Premiums Due and Unpaid	18
Exhibit 3 - Health Care Receivables	19
Exhibit 3A - Analysis of Health Care Receivables Collected and Accrued	20
Exhibit 4 - Claims Unpaid and Incentive Pool, Withhold and Bonus	21
Exhibit 5 - Amounts Due From Parent, Subsidiaries and Affiliates	22
Exhibit 6 - Amounts Due To Parent, Subsidiaries and Affiliates	23
Exhibit 7 - Part 1 - Summary of Transactions With Providers	24
Exhibit 7 - Part 2 - Summary of Transactions With Intermediaries	24
Exhibit 8 - Furniture, Equipment and Supplies Owned	25
Exhibit of Capital Gains (Losses)	15
Exhibit of Net Investment Income	15
Exhibit of Nonadmitted Assets	16
Exhibit of Premiums, Enrollment and Utilization (State Page)	30
Five-Year Historical Data	29
General Interrogatories	27
Jurat Page	1
Liabilities, Capital and Surplus	3
Notes To Financial Statements	26
Overflow Page For Write-ins	44
Schedule A - Part 1	E01
Schedule A - Part 2	E02
Schedule A - Part 3	E03
Schedule A - Verification Between Years	SI02
Schedule B - Part 1	E04
Schedule B - Part 2	E05
Schedule B - Part 3	E06
Schedule B - Verification Between Years	SI02
Schedule BA - Part 1	E07
Schedule BA - Part 2	E08
Schedule BA - Part 3	E09
Schedule BA - Verification Between Years	SI03
Schedule D - Part 1	E10
Schedule D - Part 1A - Section 1	SI05
Schedule D - Part 1A - Section 2	SI08
Schedule D - Part 2 - Section 1	E11
Schedule D - Part 2 - Section 2	E12
Schedule D - Part 3	E13
Schedule D - Part 4	E14
Schedule D - Part 5	E15
Schedule D - Part 6 - Section 1	E16
Schedule D - Part 6 - Section 2	E16
Schedule D - Summary By Country	SI04
Schedule D - Verification Between Years	SI03
Schedule DA - Part 1	E17
Schedule DA - Verification Between Years	SI10
Schedule DB - Part A - Section 1	E18
Schedule DB - Part A - Section 2	E19
Schedule DB - Part A - Verification Between Years	SI11
Schedule DB - Part B - Section 1	E20
Schedule DB - Part B - Section 2	E21
Schedule DB - Part B - Verification Between Years	SI11
Schedule DB - Part C - Section 1	SI12
Schedule DB - Part C - Section 2	SI13
Schedule DB - Part D - Section 1	E22
Schedule DB - Part D - Section 2	E23
Schedule DB - Verification	SI14
Schedule DL - Part 1	E24
Schedule DL - Part 2	E25
Schedule E - Part 1 - Cash	E26
Schedule E - Part 2 - Cash Equivalents	E27
Schedule E - Part 3 - Special Deposits	E28
Schedule E - Verification Between Years	SI15

ANNUAL STATEMENT BLANK (Continued)

Schedule S - Part 1 - Section 2	31
Schedule S - Part 2	32
Schedule S - Part 3 - Section 2	33
Schedule S - Part 4	34
Schedule S - Part 5	35
Schedule S - Part 6	36
Schedule S - Part 7	37
Schedule T - Part 2 - Interstate Compact	39
Schedule T - Premiums and Other Considerations	38
Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group	40
Schedule Y - Part 1A - Detail of Insurance Holding Company System	41
Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates	42
Statement of Revenue and Expenses	4
Summary Investment Schedule	SI01
Supplemental Exhibits and Schedules Interrogatories	43
Underwriting and Investment Exhibit - Part 1	8
Underwriting and Investment Exhibit - Part 2	9
Underwriting and Investment Exhibit - Part 2A	10
Underwriting and Investment Exhibit - Part 2B	11
Underwriting and Investment Exhibit - Part 2C	12
Underwriting and Investment Exhibit - Part 2D	13
Underwriting and Investment Exhibit - Part 3	14



HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2016
OF THE CONDITION AND AFFAIRS OF THE

Aetna Better Health Inc. (a New Jersey corporation)

NAIC Group Code 0001 0001 NAIC Company Code 15611 Employer's ID Number 46-3203088
(Current) (Prior)

Organized under the Laws of New Jersey, State of Domicile or Port of Entry NJ

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

Is HMO Federally Qualified? Yes [] No [X]

Incorporated/Organized 05/01/2013 Commenced Business 01/01/2015

Statutory Home Office 3 Independence Way, Suite 400 Princeton, NJ, US 08540
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 3 Independence Way, Suite 400
(Street and Number)
Princeton, NJ, US 08540 855-232-3596
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 1425 Union Meeting Road, U23 Blue Bell, PA, US
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 3 Independence Way, Suite 400
(Street and Number)
Princeton, NJ, US 08540 855-232-3596
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.aetna.com

Statutory Statement Contact Steven Matthew Conte 215-775-6508
(Name) (Area Code) (Telephone Number)
Aetna.HMOReporting@aetna.com 860-262-7767
(E-mail Address) (FAX Number)

OFFICERS

Chief Executive Officer and President Laurie Ann Brubaker # Principal Financial Officer and Controller Steven Matthew Conte
Vice President and Secretary Robert Mark Kessler

OTHER

Elaine Rose Cofrancesco, Vice President and Treasurer Kevin James Casey, Senior Investment Officer Gregory Stephen Martino, Vice President
Dawn Marie Schoen, Assistant Controller

DIRECTORS OR TRUSTEES

Debra Jean Bacon Laurie Ann Brubaker # Mary Louise Osborne

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Laurie Ann Brubaker
Laurie Ann Brubaker
Chief Executive Officer and President

Robert Mark Kessler
Robert Mark Kessler
Vice President and Secretary

Steven Matthew Conte
Steven Matthew Conte
Principal Financial Officer and Controller

State of..... Arizona
County of..... Maricopa

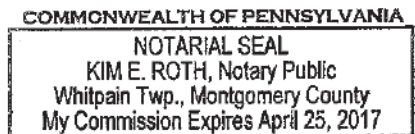
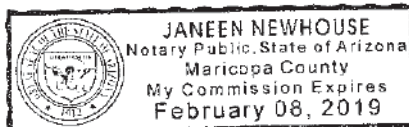
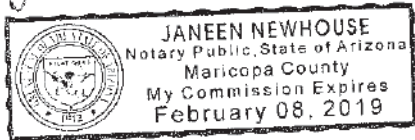
Subscribed and sworn to before me this
30 day of January 2017
Janeen Newhouse
NOTARY PUBLIC (Seal)

State of..... Arizona
County of..... Maricopa

Subscribed and sworn to before me this
30 day of January 2017
Janeen Newhouse
NOTARY PUBLIC (Seal)

State of..... Pennsylvania
County of..... Montgomery

Subscribed and sworn to before me this
24th day of February, 2017
Kim E. Roth
NOTARY PUBLIC (Seal)



- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number
2. Date filed
3. Number of pages attached.....

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

EXHIBIT 3 - HEALTH CARE RECEIVABLES

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
CVS	49,195	(47,445)	30,000	292,446	234,196	90,000
0199998. Aggregate Pharmaceutical Rebate Receivables Not Individually Listed	0	0	0	0	0	0
0199999. Total Pharmaceutical Rebate Receivables	49,195	(47,445)	30,000	292,446	234,196	90,000
Various Providers	284,061	39,202	3,672,365	164,948	164,947	3,995,629
0299998. Aggregate Claim Overpayment Receivables Not Individually Listed	0	0	0	0	0	0
0299999. Total Claim Overpayment Receivables	284,061	39,202	3,672,365	164,948	164,947	3,995,629
0399998. Aggregate Loans and Advances to Providers Not Individually Listed	0	0	0	0	0	0
0399999. Total Loans and Advances to Providers	0	0	0	0	0	0
0499998. Aggregate Capitation Arrangement Receivables Not Individually Listed	0	0	0	0	0	0
0499999. Total Capitation Arrangement Receivables	0	0	0	0	0	0
0599998. Aggregate Risk Sharing Receivables Not Individually Listed	0	0	0	0	0	0
0599999. Total Risk Sharing Receivables	0	0	0	0	0	0
0699998. Aggregate Other Receivables Not Individually Listed	0	0	0	0	0	0
0699999. Total Other Receivables	0	0	0	0	0	0
0799999 Gross health care receivables	333,256	(8,243)	3,702,365	457,394	399,143	4,085,629

EXHIBIT 3A - ANALYSIS OF HEALTH CARE RECEIVABLES COLLECTED AND ACCRUED

Type of Health Care Receivable	Health Care Receivables Collected During the Year		Health Care Receivables Accrued as of December 31 of Current Year		5 Health Care Receivables in Prior Years (Columns 1 + 3)	6 Estimated Health Care Receivables Accrued as of December 31 of Prior Year
	1 On Amounts Accrued Prior to January 1 of Current Year	2 On Amounts Accrued During the Year	3 On Amounts Accrued December 31 of Prior Year	4 On Amounts Accrued During the Year		
1. Pharmaceutical rebate receivables	188,449	60,583	5,404	318,792	193,853	0
2. Claim overpayment receivables	67,637	3,359,223	0	4,160,576	67,637	77,356
3. Loans and advances to providers	0	0	0	0	0	0
4. Capitation arrangement receivables	0	0	0	0	0	0
5. Risk sharing receivables	0	0	0	0	0	0
6. Other health care receivables	0	0	0	0	0	0
7. Totals (Lines 1 through 6)	256,086	3,419,806	5,404	4,479,368	261,490	77,356

Note that the accrued amounts in Columns 3, 4, and 6 are the total health care receivables, not just the admitted portion.

EXHIBIT 4 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims Unpaid (Reported)						
Aging estimated based on claims in process of adjudication as of 12/31/16	0	0	0	0	0	0
0199999. Individually listed claims unpaid	0	0	0	0	0	0
0299999. Aggregate accounts not individually listed- uncovered	571,164	82,060	27,390	305,515	9,173	995,302
0399999. Aggregate accounts not individually listed-covered	2,607,424	138,201	5,238	962,267	53,392	3,766,522
0499999. Subtotals	3,178,588	220,261	32,628	1,267,782	62,565	4,761,824
0599999. Unreported claims and other claim reserves						29,285,261
0699999. Total amounts withheld						0
0799999. Total claims unpaid						34,047,085
0899999 Accrued medical incentive pool and bonus amounts						600,000

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1 Name of Affiliate	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	Admitted	
						7 Current	8 Non-Current
NONE							
0399999 Total gross amounts receivable							

EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

1 Affiliate	2 Description	3 Amount	4 Current	5 Non-Current
Aetna Inc.	See Notes to the Financial Statements	9,320,437	9,320,437	0
Aetna Medicaid Administrators, LLC	See Notes to the Financial Statements	1,460,707	1,460,707	0
Aetna Life Insurance Company	See Notes to the Financial Statements	976,281	976,281	0
0199999. Individually listed payables		11,757,425	11,757,425	0
0299999. Payables not individually listed		0	0	0
0399999 Total gross payables		11,757,425	11,757,425	0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)
EXHIBIT 7 PART 1- SUMMARY OF TRANSACTIONS WITH PROVIDERS

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total Payments	3 Total Members Covered	4 Column 3 as a % of Total Members	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups	3,891,254	4.0	0	0.0	0	3,891,254
2. Intermediaries	0	0.0	0	0.0	0	0
3. All other providers	0	0.0	33,335	100.0	0	0
4. Total capitation payments	3,891,254	4.0	33,335	100.0	0	3,891,254
Other Payments:						
5. Fee-for-service	58,445,882	60.0	XXX	XXX	0	58,445,882
6. Contractual fee payments	34,783,201	35.7	XXX	XXX	0	34,783,201
7. Bonus/withhold arrangements - fee-for-service	0	0.0	XXX	XXX	0	0
8. Bonus/withhold arrangements - contractual fee payments	269,507	0.3	XXX	XXX	0	269,507
9. Non-contingent salaries	0	0.0	XXX	XXX	0	0
10. Aggregate cost arrangements	0	0.0	XXX	XXX	0	0
11. All other payments	0	0.0	XXX	XXX	0	0
12. Total other payments	93,498,590	96.0	XXX	XXX	0	93,498,590
13. TOTAL (Line 4 plus Line 12)	97,389,844	100%	XXX	XXX	0	97,389,844

EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

1 NAIC Code	2 Name of Intermediary	3 Capitation Paid	4 Average Monthly Capitation	5 Intermediary's Total Adjusted Capital	6 Intermediary's Authorized Control Level RBC
NONE					
9999999 Totals					
			XXX	XXX	XXX

Exhibit 8 - Furniture and Equipment Owned

NONE



ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

Aetna Better Health Inc. (a New Jersey corporation)

2. Princeton, NJ

NAIC Group Code	0001	BUSINESS IN THE STATE OF	New Jersey		DURING THE YEAR					(LOCATION)	
			Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
			2	3								2016	NAIC Company Code	15611
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other	
Total Members at end of:											
1. Prior Year	18,578	0	0	0	0	0	0	0	18,578	0	
2. First Quarter	26,500	0	0	0	0	0	0	0	26,500	0	
3. Second Quarter	29,975	0	0	0	0	0	0	0	29,975	0	
4. Third Quarter	32,453	0	0	0	0	0	0	0	32,453	0	
5. Current Year	33,335	0	0	0	0	0	0	0	33,335	0	
6. Current Year Member Months	355,658	0	0	0	0	0	0	0	355,658	0	
Total Member Ambulatory Encounters for Year:											
7. Physician	129,583	0	0	0	0	0	0	0	129,583	0	
8. Non-Physician	167,995	0	0	0	0	0	0	0	167,995	0	
9. Total	297,578	0	0	0	0	0	0	0	297,578	0	
10. Hospital Patient Days Incurred	162,035	0	0	0	0	0	0	0	162,035	0	
11. Number of Inpatient Admissions	7,861	0	0	0	0	0	0	0	7,861	0	
12. Health Premiums Written (b)	170,141,599	0	0	0	0	0	0	0	170,141,599	0	
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0	
14. Property/Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0	
15. Health Premiums Earned	138,217,047	0	0	0	0	0	0	0	138,217,047	0	
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0	
17. Amount Paid for Provision of Health Care Services	97,389,844	0	0	0	0	0	0	0	97,389,844	0	
18. Amount Incurred for Provision of Health Care Services	94,075,723	0	0	0	0	0	0	0	94,075,723	0	

(a) For health business: number of persons insured under PPO managed care products0 and number of persons insured under indemnity only products0 .

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$0

30 NJ



ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

Aetna Better Health Inc. (a New Jersey corporation)

2. Princeton, NJ

(LOCATION)

NAIC Group Code	0001	BUSINESS IN THE STATE OF	Grand Total		DURING THE YEAR					2016		NAIC Company Code		15611
			1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other		
				2 Individual	3 Group									
Total Members at end of:														
1.	Prior Year	18,578	0	0	0	0	0	0	0	0	0	0	18,578	0
2.	First Quarter	26,500	0	0	0	0	0	0	0	0	0	0	26,500	0
3.	Second Quarter	29,975	0	0	0	0	0	0	0	0	0	0	29,975	0
4.	Third Quarter	32,453	0	0	0	0	0	0	0	0	0	0	32,453	0
5.	Current Year	33,335	0	0	0	0	0	0	0	0	0	0	33,335	0
6.	Current Year Member Months	355,658	0	0	0	0	0	0	0	0	0	0	355,658	0
Total Member Ambulatory Encounters for Year:														
7.	Physician	129,583	0	0	0	0	0	0	0	0	0	0	129,583	0
8.	Non-Physician	167,995	0	0	0	0	0	0	0	0	0	0	167,995	0
9.	Total	297,578	0	0	0	0	0	0	0	0	0	0	297,578	0
10.	Hospital Patient Days Incurred	162,035	0	0	0	0	0	0	0	0	0	0	162,035	0
11.	Number of Inpatient Admissions	7,861	0	0	0	0	0	0	0	0	0	0	7,861	0
12.	Health Premiums Written (b)	170,141,599	0	0	0	0	0	0	0	0	0	0	170,141,599	0
13.	Life Premiums Direct	0	0	0	0	0	0	0	0	0	0	0	0	0
14.	Property/Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0	0	0	0
15.	Health Premiums Earned	138,217,047	0	0	0	0	0	0	0	0	0	0	138,217,047	0
16.	Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0	0	0	0
17.	Amount Paid for Provision of Health Care Services	97,389,844	0	0	0	0	0	0	0	0	0	0	97,389,844	0
18.	Amount Incurred for Provision of Health Care Services	94,075,723	0	0	0	0	0	0	0	0	0	0	94,075,723	0

(a) For health business: number of persons insured under PPO managed care products0 and number of persons insured under indemnity only products0 .

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$0

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Schedule S - Part 1 - Section 2

NONE

Schedule S - Part 2

NONE

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE S - PART 3 - SECTION 2

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domi- ciliary Juris- diction	6 Type of Reinsurance Ceded	7 Type of Business Ceded	8 Premiums	9 Unearned Premiums (Estimated)	10 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
										11 Current Year	12 Prior Year		
0399999. Total General Account - Authorized U.S. Affiliates							0	0	0	0	0	0	0
0699999. Total General Account - Authorized Non-U.S. Affiliates							0	0	0	0	0	0	0
0799999. Total General Account - Authorized Affiliates							0	0	0	0	0	0	0
64890	91-6034263	03/01/2015	BERKLEY LIFE & HLTH INS CO	IA	SSL/L/I	MC	233,974	0	0	0	0	0	0
0899999. General Account - Authorized U.S. Non-Affiliates							233,974	0	0	0	0	0	0
1099999. Total General Account - Authorized Non-Affiliates							233,974	0	0	0	0	0	0
1199999. Total General Account Authorized							233,974	0	0	0	0	0	0
1499999. Total General Account - Unauthorized U.S. Affiliates							0	0	0	0	0	0	0
1799999. Total General Account - Unauthorized Non-U.S. Affiliates							0	0	0	0	0	0	0
1899999. Total General Account - Unauthorized Affiliates							0	0	0	0	0	0	0
2199999. Total General Account - Unauthorized Non-Affiliates							0	0	0	0	0	0	0
2299999. Total General Account Unauthorized							0	0	0	0	0	0	0
2599999. Total General Account - Certified U.S. Affiliates							0	0	0	0	0	0	0
2899999. Total General Account - Certified Non-U.S. Affiliates							0	0	0	0	0	0	0
2999999. Total General Account - Certified Affiliates							0	0	0	0	0	0	0
3299999. Total General Account - Certified Non-Affiliates							0	0	0	0	0	0	0
3399999. Total General Account Certified							0	0	0	0	0	0	0
3499999. Total General Account Authorized, Unauthorized and Certified							233,974	0	0	0	0	0	0
3799999. Total Separate Accounts - Authorized U.S. Affiliates							0	0	0	0	0	0	0
4099999. Total Separate Accounts - Authorized Non-U.S. Affiliates							0	0	0	0	0	0	0
4199999. Total Separate Accounts - Authorized Affiliates							0	0	0	0	0	0	0
4499999. Total Separate Accounts - Authorized Non-Affiliates							0	0	0	0	0	0	0
4599999. Total Separate Accounts Authorized							0	0	0	0	0	0	0
4899999. Total Separate Accounts - Unauthorized U.S. Affiliates							0	0	0	0	0	0	0
5199999. Total Separate Accounts - Unauthorized Non-U.S. Affiliates							0	0	0	0	0	0	0
5299999. Total Separate Accounts - Unauthorized Affiliates							0	0	0	0	0	0	0
5599999. Total Separate Accounts - Unauthorized Non-Affiliates							0	0	0	0	0	0	0
5699999. Total Separate Accounts Unauthorized							0	0	0	0	0	0	0
5999999. Total Separate Accounts - Certified U.S. Affiliates							0	0	0	0	0	0	0
6299999. Total Separate Accounts - Certified Non-U.S. Affiliates							0	0	0	0	0	0	0
6399999. Total Separate Accounts - Certified Affiliates							0	0	0	0	0	0	0
6699999. Total Separate Accounts - Certified Non-Affiliates							0	0	0	0	0	0	0
6799999. Total Separate Accounts Certified							0	0	0	0	0	0	0
6899999. Total Separate Accounts Authorized, Unauthorized and Certified							0	0	0	0	0	0	0
6999999. Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)							233,974	0	0	0	0	0	0
7099999. Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2899999, 3199999, 4099999, 4399999, 5199999, 5499999, 6299999 and 6599999)							0	0	0	0	0	0	0
9999999 - Totals							233,974	0	0	0	0	0	0

Schedule S - Part 4

NONE

Schedule S - Part 4 - Bank Footnote

NONE

Schedule S - Part 5

NONE

Schedule S - Part 5 - Bank Footnote

NONE

SCHEDULE S - PART 6

Five Year Exhibit of Reinsurance Ceded Business (000 Omitted)

	1 2016	2 2015	3 2014	4 2013	5 2012
A. OPERATIONS ITEMS					
1. Premiums	0	0	0	0	0
2. Title XVIII - Medicare	0	0	0	0	0
3. Title XIX - Medicaid	234	100	0	0	0
4. Commissions and reinsurance expense allowance	0	0	0	0	0
5. Total hospital and medical expenses	0	0	0	0	0
B. BALANCE SHEET ITEMS					
6. Premiums receivable	0	0	0	0	0
7. Claims payable	0	0	0	0	0
8. Reinsurance recoverable on paid losses	0	0	0	0	0
9. Experience rating refunds due or unpaid	0	0	0	0	0
10. Commissions and reinsurance expense allowances due	0	0	0	0	0
11. Unauthorized reinsurance offset	0	0	0	0	0
12. Offset for reinsurance with Certified Reinsurers	0	0	0	0	0
C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)					
13. Funds deposited by and withheld from (F)	0	0	0	0	0
14. Letters of credit (L)	0	0	0	0	0
15. Trust agreements (T)	0	0	0	0	0
16. Other (O)	0	0	0	0	0
D. REINSURANCE WITH CERTIFIED REINSURERS (DEPOSITS BY AND FUNDS WITHHELD FROM)					
17. Multiple Beneficiary Trust	0	0	0	0	0
18. Funds deposited by and withheld from (F)	0	0	0	0	0
19. Letters of credit (L)	0	0	0	0	0
20. Trust agreements (T)	0	0	0	0	0
21. Other (O)	0	0	0	0	0

SCHEDULE S - PART 7

Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 12)	110,917,093	0	110,917,093
2. Accident and health premiums due and unpaid (Line 15)	3,041,539	0	3,041,539
3. Amounts recoverable from reinsurers (Line 16.1)	0	0	0
4. Net credit for ceded reinsurance	XXX	0	0
5. All other admitted assets (Balance)	5,603,694	0	5,603,694
6. Total assets (Line 28)	119,562,326	0	119,562,326
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7. Claims unpaid (Line 1)	34,047,085	0	34,047,085
8. Accrued medical incentive pool and bonus payments (Line 2)	600,000	0	600,000
9. Premiums received in advance (Line 8)	0	0	0
10. Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19 first inset amount plus second inset amount)	0	0	0
11. Reinsurance in unauthorized companies (Line 20 minus inset amount)	0	0	0
12. Reinsurance with Certified Reinsurers (Line 20 inset amount)	0	0	0
13. Funds held under reinsurance treaties with Certified Reinsurers (Line 19 third inset amount)	0	0	0
14. All other liabilities (Balance)	49,581,493	0	49,581,493
15. Total liabilities (Line 24)	84,228,578	0	84,228,578
16. Total capital and surplus (Line 33)	35,333,748	XXX	35,333,748
17. Total liabilities, capital and surplus (Line 34)	119,562,326	0	119,562,326
NET CREDIT FOR CEDED REINSURANCE			
18. Claims unpaid	0		
19. Accrued medical incentive pool	0		
20. Premiums received in advance	0		
21. Reinsurance recoverable on paid losses	0		
22. Other ceded reinsurance recoverables	0		
23. Total ceded reinsurance recoverables	0		
24. Premiums receivable	0		
25. Funds held under reinsurance treaties with authorized and unauthorized reinsurers	0		
26. Unauthorized reinsurance	0		
27. Reinsurance with Certified Reinsurers	0		
28. Funds held under reinsurance treaties with Certified Reinsurers	0		
29. Other ceded reinsurance payables/offsets	0		
30. Total ceded reinsurance payables/offsets	0		
31. Total net credit for ceded reinsurance	0		

**SCHEDULE T - PART 2
INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN**

Allocated by States and Territories

States, Etc.	Direct Business Only					Totals
	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	
1. Alabama	AL					
2. Alaska	AK					
3. Arizona	AZ					
4. Arkansas	AR					
5. California	CA					
6. Colorado	CO					
7. Connecticut	CT					
8. Delaware	DE					
9. District of Columbia	DC					
10. Florida	FL					
11. Georgia	GA					
12. Hawaii	HI					
13. Idaho	ID					
14. Illinois	IL					
15. Indiana	IN					
16. Iowa	IA					
17. Kansas	KS					
18. Kentucky	KY					
19. Louisiana	LA					
20. Maine	ME					
21. Maryland	MD					
22. Massachusetts	MA					
23. Michigan	MI					
24. Minnesota	MN					
25. Mississippi	MS					
26. Missouri	MO					
27. Montana	MT					
28. Nebraska	NE					
29. Nevada	NV					
30. New Hampshire	NH					
31. New Jersey	NJ					
32. New Mexico	NM					
33. New York	NY					
34. North Carolina	NC					
35. North Dakota	ND					
36. Ohio	OH					
37. Oklahoma	OK					
38. Oregon	OR					
39. Pennsylvania	PA					
40. Rhode Island	RI					
41. South Carolina	SC					
42. South Dakota	SD					
43. Tennessee	TN					
44. Texas	TX					
45. Utah	UT					
46. Vermont	VT					
47. Virginia	VA					
48. Washington	WA					
49. West Virginia	WV					
50. Wisconsin	WI					
51. Wyoming	WY					
52. American Samoa	AS					
53. Guam	GU					
54. Puerto Rico	PR					
55. U.S. Virgin Islands	VI					
56. Northern Mariana Islands	MP					
57. Canada	CAN					
58. Aggregate Other Alien	OT					
59. Total						

NONE

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
.0001	AETNA INC.	.00000		0	0		Goodhealth Worldwide (Asia) Limited	HKG	NIA	Aetna Global Benefits (Bermuda) Limited	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Aetna Global Benefits Limited	AFE	NIA	Aetna Global Benefits (Bermuda) Limited	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		PT. Aetna Global Benefits Indonesia	IDN	NIA	Aetna Global Benefits (Bermuda) Limited	Ownership	80.000	Aetna Inc.	N	5
.0001	AETNA INC.	.00000		0	0		Aetna Global Benefits (Middle East) LLC	AFE	NIA	Aetna Global Benefits (Bermuda) Limited	Ownership	49.000	Aetna Inc.	N	6
.0001	AETNA INC.	.00000		0	0		Aetna Global Benefits (Asia Pacific) Limited	HKG	NIA	Aetna Global Benefits (Bermuda) Limited	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Spinnaker Topco Limited	BMU	NIA	Aetna Global Benefits (Bermuda) Limited	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Spinnaker Bidco Limited	GBR	NIA	Spinnaker Topco Limited	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Aetna Holdco (UK) Limited	GBR	NIA	Spinnaker Bidco Limited	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		InterGlobal Japan Corporation Limited	JPN	NIA	Aetna Holdco (UK) Limited	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Aetna Global Benefits (UK) Limited	GBR	NIA	Aetna Holdco (UK) Limited	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Aetna Insurance Company Limited	GBR	IA	Aetna Holdco (UK) Limited	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Indian Health Organisation Private Limited	IND	NIA	Aetna Global Benefits (Asia Pacific) Limited	Ownership	0.020	Aetna Inc.	N	3
.0001	AETNA INC.	.00000		0	0		Aetna Health Insurance Company of Europe Limited	JRL	IA	Aetna International Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Aetna (Shanghai) Enterprise Services Co. Ltd.	CHN	NIA	Aetna International Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Aetna (Beijing) Enterprise Management Services Co., Ltd.	CHN	NIA	Aetna (Shanghai) Enterprise Services Co. Ltd.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Aetna Global Benefits (Singapore) PTE. LTD.	SGP	NIA	Aetna International Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Indian Health Organisation Private Limited	IND	NIA	Aetna Global Benefits (Singapore) PTE, LTD.	Ownership	99.980	Aetna Inc.	N	3
.0001	AETNA INC.	.00000	22-2578985	0	0		AUSHC Holdings, Inc.	CT	NIA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Aetna Global Holdings Limited	GBR	NIA	Aetna International Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Aetna Korea Ltd.	KOR	NIA	Aetna Global Holdings Limited	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Healthagen International Limited	GBR	NIA	Aetna Global Holdings Limited	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Futrix Limited	NZL	NIA	Healthagen International Limited	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	06-1182176	0	0		PHPSNE Parent Corporation	DE	NIA	AUSHC Holdings, Inc.	Ownership	55.000	Aetna Inc.	N	8
.0001	AETNA INC.	.00000	52-2182411	0	0		Active Health Management, Inc.	DE	NIA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	47-0970432	0	0		Health Data & Management Solutions, Inc.	DE	NIA	Active Health Management, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	23-2604867	0	0		Aetna Integrated Informatics, Inc.	PA	NIA	Active Health Management, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.13980	27-2192415	0	0		Health Re, Inc.	VT	IA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	81-0579372	0	0		Phoenix Data Solutions LLC	DE	NIA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	46-2469464	0	0		Healthagen LLC	CT	NIA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	51-0028326	0	0		ASI Wings, L.L.C.	DE	NIA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	33-0807547	0	0		Medicity, Inc.	DE	NIA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Echo Merger Sub, Inc.	DE	NIA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Echo Merger Sub, LLC	DE	NIA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	27-0258978	0	0		Novo Innovations, LLC	DE	NIA	Medicity Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	27-1170966	0	0		Allivant Corporation	DE	NIA	Medicity Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.81973	75-1296086	0	0		Coventry Health and Life Insurance Company	MO	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.15761	47-3279217	0	0		Aetna Better Health of Kentucky Insurance Company	KY	IA	Coventry Health and Life Insurance Company	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	52-1801446	0	0		Group Dental Service, Inc.	MD	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.95846	52-2056201	0	0		Group Dental Service of Maryland, Inc.	MD	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	81-4345344	0	0		Aetna Network Services LLC	CT	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.95241	42-1244752	0	0		Aetna Health of Iowa Inc.	IA	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.95825	42-1308659	0	0		Coventry Health Care of Nebraska, Inc.	NE	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	47-2049117	0	0		Aetna Risk Assurance Company of Connecticut Inc.	CT	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.95173	74-2381406	0	0		Aetna Health Inc.	LA	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.11102	23-2366731	0	0		HealthAssurance Pennsylvania, Inc.	PA	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE Y
PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
.0001	AETNA INC.	.00000	47-0854096	0	0		Coventry Prescription Management Services, Inc.	NV	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	81-3564875	0	0		Aetna Better Health of Nevada Inc.	NV	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.96555	54-1576305	0	0		Coventry Health Care of Virginia, Inc.	VA	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	01-0646056	0	0		Coventry Transplant Network, Inc.	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.96377	43-1372307	0	0		Coventry Health Care of Missouri, Inc.	MO	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95318	43-1702094	0	0		Aetna Better Health of Missouri LLC	MO	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95408	55-0712129	0	0		Coventry Health Care of West Virginia, Inc.	WV	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	62-1411933	0	0		Coventry HealthCare Management Corporation	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.15827	47-4352768	0	0		Aetna HealthAssurance Pennsylvania, Inc.	PA	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95489	48-0840330	0	0		Coventry Health Care of Kansas, Inc.	KS	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.16072	81-3370401	0	0		Aetna Better Health of Kansas Inc.	KS	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.12193	20-1052897	0	0		Aetna Better Health of Michigan Inc.	MI	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95407	87-0345631	0	0		Aetna Health of Utah Inc.	UT	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	20-4416606	0	0		Aetna Better Health Inc.	TN	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.74160	37-1241037	0	0		Coventry Health Care of Illinois, Inc.	IL	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	20-8070994	0	0		Coventry Health Care National Accounts, Inc.	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	20-5185442	0	0		Coventry Health Care National Network, Inc.	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	26-1293772	0	0		Coventry Consumer Advantage, Inc.	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	20-8376354	0	0		Coventry Health Care Workers' Compensation, Inc.	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	20-4096903	0	0		First Script Network Service, Inc.	NV	NIA	Coventry Health Care Workers' Compensation, Inc.	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	06-1095987	0	0		MetraComp, Inc.	CT	NIA	Coventry Health Care Workers' Compensation, Inc.	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	74-2879984	0	0		Medical Examinations of New York, P.C.	NY	NIA	Coventry Health Care Workers' Compensation, Inc.	Ownership	100.000	Aetna Inc.	N	.10
.0001	AETNA INC.	.00000	62-1266888	0	0		FOCUS Healthcare Management, Inc.	TN	NIA	Coventry Health Care Workers' Compensation, Inc.	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	87-0443226	0	0		Coventry Rehabilitation Services, Inc.	DE	NIA	Coventry Health Care Workers' Compensation, Inc.	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	20-1736437	0	0		First Health Group Corp.	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.90328	38-2242132	0	0		First Health Life & Health Insurance Company	TX	IA	First Health Group Corp.	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	52-1320522	0	0		Claims Administration Corp.	MD	NIA	First Health Group Corp.	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	20-1130063	0	0		Florida Health Plan Administrators, LLC	FL	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95114	65-0986441	0	0		Coventry Health Care of Florida, Inc.	FL	IA	Florida Health Plan Administrators, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95266	65-0453436	0	0		Coventry Health Plan of Florida, Inc.	FL	IA	Florida Health Plan Administrators, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	59-3750548	0	0		Carefree Insurance Services, Inc.	FL	NIA	Florida Health Plan Administrators, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	36-4391310	0	0		bswift LLC	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	38-3348145	0	0		Corporate Benefit Strategies, Inc.	DE	NIA	bswift LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	26-1582982	0	0		MNet Specialty Services, LLC	MD	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	37-1448790	0	0		Mental Health Network of New York IPA, Inc.	NY	NIA	MNet Specialty Services, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.12509	20-2516317	0	0		MNet Life and Health Insurance Company	TX	IA	MNet Specialty Services, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	72-1106596	0	0		Mental Health Associates, Inc.	LA	NIA	MNet Specialty Services, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	20-4276336	0	0		MNet of Florida, Inc.	FL	NIA	MNet Specialty Services, LLC	Ownership	100.000	Aetna Inc.	N	.0

Asterisk	Explanation
1	Aetna Life Insurance Company and Aetna Health and Life Insurance Company own substantially all of the non-managing membership interests.

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

Asterisk	Explanation
2	Aetna Life Insurance Company owns the Class C participating shares.
3	Aetna Global Benefits (Asia Pacific) Limited owns 0.019857% of Indian Health Organization Private Limited and Aetna Global Benefits (Singapore) Pte. Ltd. owns 99.980143%.
4	Aetna ACO Holdings, Inc. is owned by Aetna Life Insurance Company (60.3%), Aetna Health Inc. (PA) (39.5%) and Aetna Health Holdings, LLC (0.2%).
5	Aetna Global Benefits (Bermuda) Limited owns 80% and 20% is owned by Suhatsyah Rivai, Aetna's Nominee.
6	Aetna Global Benefits (Bermuda) Limited owns 49% and 51% is owned by Euro Gulf LLC, Aetna's Nominee.
7	Aetna ACO Holdings Inc. owns 50% and 50% is owned by Innovation Health System Foundation, an unaffiliated company.
8	55% is owned by AUSHC Holdings, Inc. The remaining 45% is owned by thirteen different hospitals (non-affiliates) which are shareholders with varying degrees of ownership.
9	73% is invested and owned by Aetna Life Insurance Company and 25% is invested and owned by external accredited investors.
10	100% owned through Aetna's nominees.
11	Texas Health + Aetna Health Insurance Holding Company LLC is 50% owned by Aetna ACO Holdings Inc. and 50% by Texas Health Resources, an unaffiliated company.
12	Texas Health + Aetna Health Plan Inc. will become a direct subsidiary of Texas Health + Aetna Health Insurance Company in February 2017.

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE Y

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
	52-2182411	Active Health Management, Inc.	.0	.0	.0	.0	111,316,492	.0		.0	111,316,492	.0
		Aetna Behavioral Health, LLC	.0	.0	.0	.0	(368,053)	.0		.0	(368,053)	.0
14408	45-2634734	Aetna Better Health Inc. (a New York corporation)	.0	.0	.0	.0	(23,184,357)	.0		.0	(23,184,357)	.0
14229	45-2764938	Aetna Better Health Inc. (an Ohio corporation)	.0	.0	.0	.0	(73,755,972)	.0		.0	(73,755,972)	.0
	80-0671703	Aetna Better Health Inc. (FL)	.0	.0	.0	.0	(6,121)	.0		.0	(6,121)	.0
12328	20-2207534	Aetna Better Health Inc. (GA)	.0	.0	.0	.0	(1,100)	.0		.0	(1,100)	.0
14043	27-2512072	Aetna Better Health Inc. (IL)	.0	55,000,000	.0	.0	(102,203,207)	.0		.0	(47,203,207)	.0
		Aetna Better Health Inc. (TN)	.0	.0	.0	.0	.0	.0		.0	.0	.0
15805	47-3850677	Aetna Better Health of Iowa Inc.	.0	100,000	.0	.0	.0	.0		.0	100,000	.0
15761	47-3279217	Aetna Better Health of Kentucky Insurance Company	.0	96,760,000	.0	.0	(85,745,505)	.0		.0	11,014,495	.0
12193	20-1052897	Aetna Better Health of Michigan Inc.	.0	.0	.0	.0	(45,783,214)	86,285		.0	(45,696,929)	.0
95318	43-1702094	Aetna Better Health of Missouri LLC	.0	.0	.0	.0	(71,541,383)	8,790,625		.0	(62,750,758)	.0
95040	74-1844335	Aetna Better Health of Texas Inc.	.0	.0	.0	.0	(29,845,213)	.0		.0	(29,845,213)	.0
15616	80-0629718	Aetna Better Health, Inc (LA)	.0	50,000,000	.0	.0	(3,230,480)	.0		.0	46,769,520	.0
15611	46-3203088	Aetna Better Health, Inc (NJ)	.0	6,000,000	.0	.0	(23,168,804)	.0		.0	(17,168,804)	.0
13735	27-0563973	Aetna Better Health, Inc (PA)	(28,100,000)	.0	.0	.0	(121,827,047)	.0		.0	(149,927,047)	.0
13174	26-2867560	Aetna Better Health, Inc. (a Connecticut Corporation)	.0	.0	.0	.0	(44,710)	.0		.0	(44,710)	.0
	38-3704481	Aetna Capital Management, LLC	.0	.0	.0	.0	2,392,209	.0		.0	2,392,209	.0
11183	22-2990909	Aetna Dental Inc. (NJ)	.0	.0	.0	.0	(1,785,218)	.0		.0	(1,785,218)	.0
95910	06-1177531	Aetna Dental Inc. (TX)	(5,400,000)	.0	.0	.0	(7,168,985)	(48,810)		.0	(12,617,795)	.0
	06-1160812	Aetna Dental of California Inc.	(6,000,000)	.0	.0	.0	(7,187,468)	.0		.0	(13,187,468)	.0
78700	06-0876836	Aetna Health and Life Insurance Company	(29,514,236)	.0	(3,667,914)	.0	(5,251,622)	68,041,778		.0	29,608,006	(1,955,850,515)
	30-0123754	Aetna Health Holdings, LLC	604,000,000	(165,100,000)	.0	.0	.0	.0		19,345,107	458,245,107	.0
95935	23-2442048	Aetna Health Inc. (CT)	.0	.0	.0	.0	(25,274,982)	.0		.0	(25,274,982)	.0
95088	59-2411584	Aetna Health Inc. (FL)	.0	.0	.0	.0	(229,429,372)	.0		.0	(229,429,372)	.0
95094	58-1649568	Aetna Health Inc. (GA)	.0	.0	.0	.0	(95,205,636)	.0		.0	(95,205,636)	.0
95241	42-1244752	Aetna Health Inc. (Iowa)	.0	.0	.0	.0	(76,259,269)	.0		.0	(76,259,269)	.0
95173	74-2381406	Aetna Health Inc. (LA)	.0	.0	.0	.0	(2,976,682)	.0		.0	(2,976,682)	.0
95517	01-0504252	Aetna Health Inc. (ME)	.0	.0	.0	.0	(7,818,198)	.0		.0	(7,818,198)	.0
95756	23-2861565	Aetna Health Inc. (MI)	.0	.0	.0	.0	(2,305)	.0		.0	(2,305)	.0
95287	52-1270921	Aetna Health Inc. (NJ)	.0	.0	.0	.0	(107,699,515)	(5,765,829)		.0	(113,465,344)	.0
95234	22-2663623	Aetna Health Inc. (NY)	.0	.0	.0	.0	(27,125,525)	.0		.0	(27,125,525)	.0
95109	23-2169745	Aetna Health Inc. (PA)	(305,400,000)	.0	.0	.0	(551,613,250)	(230,911)		.0	(857,244,161)	28,728
95490	76-0189680	Aetna Health Inc. (TX)	(12,100,000)	.0	.0	.0	(32,336,574)	.0		.0	(44,436,574)	.0
72052	23-2710210	Aetna Health Insurance Company	.0	.0	.0	.0	(464,632)	.0		.0	(464,632)	.0
	75-3270039	Aetna Health Insurance Company of Europe Limited	.0	.0	.0	.0	(863,255)	.0		.0	(863,255)	.0
84450	57-0805126	Aetna Health Insurance Company of New York	.0	.0	.0	.0	50,632	.0		.0	50,632	.0
	13-3670795	Aetna Health Management, LLC	.0	.0	.0	.0	1,823,991,437	.0		.0	1,823,991,437	.0

SCHEDULE Y

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
	95-3402799	Aetna Health of California Inc.	(19,000,000)	.0	.0	.0	(230,222,155)	.0		.0	(249,222,155)	.0
95407	87-0345631	Aetna Health of Utah, Inc.	.0	.0	.0	.0	(72,105,301)	.0		.0	(72,105,301)	.0
15827	47-4352768	Aetna Health Assurance Pennsylvania Inc.	.0	.0	.0	.0	(8,543,162)	.0		.0	(8,543,162)	.0
	23-2229683	Aetna Inc.	1,668,400,000	.0	.0	.0	1,131,473,744	.0		.0	2,799,873,744	.0
		Aetna Insurance (Singapore) Pte. Ltd.	.0	.0	.0	.0	(1,147,421)	.0		.0	(1,147,421)	.0
36153	06-1286276	Aetna Insurance Company of Connecticut	.0	.0	.0	.0	(54,279)	.0		.0	(54,279)	.0
	06-1571642	Aetna International, Inc.	.0	.0	.0	.0	1,356,044	.0		.0	1,356,044	.0
		Aetna Life & Casualty Bermuda Limited	.0	.0	.0	.0	(5,718,968)	.0		.0	(5,718,968)	.0
60054	06-6033492	Aetna Life Insurance Company	(1,478,394,979)	(3,084,917)	(27,539,117)	.0	(451,236,238)	(337,943,086)		.0	(2,298,198,337)	3,182,127,883
	86-0842559	Aetna Medicaid Administrators, LLC	.0	.0	.0	.0	683,215,988	.0		.0	683,215,988	.0
		Aetna Multi Strategy 1099 Fund	(1,590,582)	.0	2,547,508	.0	.0	.0		.0	956,926	.0
		Aetna Partners Diversified Fund (Cayman), Limited	(5,597,291)	.0	6,004,444	.0	.0	.0		.0	407,153	.0
81-0579372		Aetna Partners Diversified Fund, LLC	(16,040,119)	.0	15,140,852	.0	.0	.0		.0	(899,267)	.0
	47-2049117	Aetna Risk Assurance Company of Connecticut	.0	.0	.0	.0	.0	.0		.0	.0	.0
	30-0123760	Aetna RX Home Delivery, LLC	.0	.0	.0	.0	295,387,325	.0		.0	295,387,325	.0
		Aetna Shanghai Enterprises Services Co. Ltd.	.0	.0	.0	.0	2,570	.0		.0	2,570	.0
	57-1209768	Aetna Specialty Pharmacy, LLC	.0	.0	.0	.0	31,995,057	.0		.0	31,995,057	.0
	04-2708160	Aetna Student Health Agency, Inc.	.0	.0	.0	.0	35,090,047	.0		.0	35,090,047	.0
	20-3180700	Aetna Ventures, LLC	(2,262,793)	3,084,917	.0	.0	.0	.0		.0	822,124	.0
12321	20-2901054	American Continental Insurance Company	.0	.0	.0	.0	(111,392,953)	.0		.0	(111,392,953)	.0
		American Health Holding, Inc.	.0	.0	.0	.0	218,000	.0		.0	218,000	.0
	06-1423207	Azalea Mall, LLC	.0	.0	.0	.0	.0	.0		.0	.0	.0
	36-4391310	bswift, LLC	.0	.0	.0	.0	(8,900,000)	.0		.0	(8,900,000)	.0
68500	62-1181209	Continental Life Insurance Company of Brentwood Tennessee	.0	.0	.0	.0	(96,959,356)	.0		.0	(96,959,356)	.0
81973	75-1296086	Coventry Health & Life Insurance Company	.0	(96,760,000)	.0	.0	(571,290,040)	(12,980,134)		.0	(681,030,174)	.0
96460	51-0293139	Coventry Health Care of Delaware, Inc.	.0	.0	.0	.0	.0	.0		.0	.0	.0
95114	65-0986441	Coventry Health Care of Florida, Inc.	.0	.0	.0	.0	(354,061,775)	.0		.0	(354,061,775)	.0
74160	37-1241037	Coventry Health Care of Illinois, Inc.	.0	40,000,000	.0	.0	(101,290,168)	.0		.0	(61,290,168)	.0
95489	48-0840330	Coventry Health Care of Kansas, Inc.	(45,000,000)	.0	.0	.0	(104,446,742)	.0		.0	(149,446,742)	.0
96377	43-1372307	Coventry Health Care of Missouri, Inc.	.0	.0	.0	.0	(67,559,924)	.0		.0	(67,559,924)	.0
95925	42-1308659	Coventry Health Care of Nebraska, Inc.	.0	15,000,000	.0	.0	(111,179,845)	3,850,689		.0	(92,329,156)	.0
95321	20-0229117	Coventry Health Care of the Carolinas, Inc.	.0	.0	.0	.0	.0	.0		.0	.0	.0
96555	54-1576305	Coventry Health Care of Virginia, Inc.	(15,000,000)	.0	.0	.0	(90,134,557)	252,535		.0	(104,882,022)	.0
95408	55-0712129	Coventry Health Care of West Virginia, Inc.	(15,000,000)	.0	.0	.0	(42,414,806)	.0		.0	(57,414,806)	.0
95266	65-0453436	Coventry Health Plan of Florida, Inc.	(72,000,000)	.0	.0	.0	(151,542)	.0		.0	(72,151,542)	.0
	62-1411933	Coventry HealthCare Management Corporation	(8,000,000)	.0	.0	.0	.0	.0		.0	(8,000,000)	.0
	47-0854096	Coventry Prescription Mgmt Services, Inc	(14,000,000)	.0	.0	.0	532,484,753	.0		.0	518,484,753	.0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)

SCHEDULE Y

PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/(Liability)
90328	38-2242132	First Health Life & Health Ins Co.	(50,000,000)	.0	.0	.0	(173,906,484)	.0		(19,345,107)	(243,251,591)	.0
95846	52-2056201	Group Dental Services of Maryland, Inc.	(3,000,000)	.0	.0	.0	(1,125,215)	.0		.0	(4,125,215)	.0
	52-1801446	Group Dental Services, Inc.	(2,000,000)	.0	.0	.0	1,125,215	.0		.0	(874,785)	.0
	33-0052273	Health and Human Resources Center, Inc.	(3,000,000)	.0	.0	.0	(2,334,073)	.0		.0	(5,334,073)	.0
13980	27-2192415	Health Re, Inc.	(135,000,000)	.0	.0	.0	(60,689,352)	261,247,325		.0	65,557,973	(1,226,217,064)
	46-2469464	Healthagen LLC	.0	.0	.0	.0	.0	.0		.0	.0	.0
95060	25-1264318	HealthAmerica Pennsylvania Inc.	.0	.0	.0	.0	.0	.0		.0	.0	.0
11102	23-2366731	HealthAssurance Pennsylvania, Inc.	(25,000,000)	.0	.0	.0	(192,730,793)	.0		.0	(217,730,793)	.0
		Horizon Behavioral Services LLC	3,000,000	.0	.0	.0	.0	.0		.0	3,000,000	.0
	45-5527797	Innovation Health Holdings, LLC	.0	(15,399,999)	.0	.0	1,908,962	.0		.0	(13,491,037)	.0
15097	46-0674828	Innovation Health Insurance Company	.0	4,600,000	.0	.0	(56,931,600)	8,653,983		.0	(43,677,617)	(60,304)
15098	46-0682197	Innovation Health Plan, Inc	.0	10,799,999	.0	.0	(19,494,874)	.0		.0	(8,694,875)	(28,728)
	45-2944270	iTriage, LLC	.0	.0	.0	.0	7,351,127	.0		.0	7,351,127	.0
		Medicity, Inc.	.0	.0	.0	.0	200,000	.0		.0	200,000	.0
	72-1106596	Mental Health Associates, Inc.	.0	.0	.0	.0	1,775,816	.0		.0	1,775,816	.0
12509	20-2516317	MHNet Life and Health Insurance Company	.0	.0	.0	.0	(459,737)	.0		.0	(459,737)	.0
	20-4276336	MHNet of Florida, Inc.	.0	.0	.0	.0	(1,735)	.0		.0	(1,735)	.0
	26-1582982	MHNet Specialty Services, LLC	.0	.0	.0	.0	66,411,914	.0		.0	66,411,914	.0
		PayFlex Systems USA, Inc.	.0	.0	.0	.0	35,832,431	.0		.0	35,832,431	.0
		Coventry Health Care Workers' Compensation, Inc.	(20,000,000)	.0	.0	.0	.0	.0		.0	(20,000,000)	.0
		First Health Group Corp.	50,000,000	.0	.0	.0	.0	.0		.0	50,000,000	.0
		Florida Health Plan Administrators, LLC	(3,000,000)	(5,000,000)	.0	.0	.0	.0		.0	(8,000,000)	.0
		First Script Network Services, Inc.	(6,000,000)	.0	.0	.0	.0	.0		.0	(6,000,000)	.0
		Aetna Better Health Inc. (KS)	.0	2,000,000	.0	.0	.0	.0		.0	2,000,000	.0
		Aetna Better Health Inc. (OK)	.0	2,000,000	.0	.0	.0	.0		.0	2,000,000	.0
		Canal Place, LLC	.0	.0	7,514,227	.0	.0	.0		.0	7,514,227	.0
		Aetna Health Insurance Co of Pennsylvania	.0	.0	.0	.0	.0	6,045,550		.0	6,045,550	.0
		Coventry Health Care Mgmt Corp	.0	.0	.0	.0	(611,594)	.0		.0	(611,594)	.0
		Aetna Health Inc. (Louisiana)	.0	.0	.0	.0	(63,408,991)	.0		.0	(63,408,991)	.0
		Aetna Health Insurance Company (PA)	.0	.0	.0	.0	(3,908,429)	.0		.0	(3,908,429)	.0
			.0	.0	.0	.0	.0	.0		.0	.0	.0
			.0	.0	.0	.0	.0	.0		.0	.0	.0
			.0	.0	.0	.0	.0	.0		.0	.0	.0
9999999	Control Totals		0	0	0	0	0	0	XXX	0	0	0

422

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna Better Health Inc. (a New Jersey corporation)
SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES




The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Responses
MARCH FILING	
1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES
2. Will an actuarial opinion be filed by March 1?	YES
3. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1?.....	YES
4. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1?.....	YES
APRIL FILING	
5. Will Management's Discussion and Analysis be filed by April 1?	YES
6. Will the Supplemental Investment Risks Interrogatories be filed by April 1?	YES
7. Will the Accident and Health Policy Experience Exhibit be filed by April 1?	YES
JUNE FILING	
8. Will an audited financial report be filed by June 1?	YES
9. Will Accountant's Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1?	YES
AUGUST FILING	
10. Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1?	YES

The following supplemental reports are required to be filed as part of your annual statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING	
11. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	NO
12. Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?	NO
13. Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?.....	NO
14. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?.....	NO
15. Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 on Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?.....	NO
16. Will the actuarial opinion on non-guaranteed elements as required in Interrogatory 3 to Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?.....	NO
17. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?.....	NO
18. Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1?	NO
19. Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1?	NO
20. Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?.....	NO
APRIL FILING	
21. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	NO
22. Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?	NO
23. Will the Supplemental Property/Casualty Insurance Expense Exhibit due April 1 be filed with any state that requires it, and, if so, the NAIC?	NO
24. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?	NO
25. Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1?	NO
AUGUST FILING	
26. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?	NO
Explanations:	
11. The data for this supplement is not required to be filed.	
12. The data for this supplement is not required to be filed.	
13. The data for this supplement is not required to be filed.	
14. The data for this supplement is not required to be filed.	
15. The data for this supplement is not required to be filed.	
16. The data for this supplement is not required to be filed.	
17. The data for this supplement is not required to be filed.	
18. NOT APPLICABLE	
19. NOT APPLICABLE	
20. NOT APPLICABLE	
21. The data for this supplement is not required to be filed.	
22. The data for this supplement is not required to be filed.	
23. The data for this supplement is not required to be filed.	
24. The data for this supplement is not required to be filed.	
25. The data for this supplement is not required to be filed.	
26. The data for this supplement is not required to be filed.	

Bar Codes:

11. Medicare Supplement Insurance Experience Exhibit [Document Identifier 360]	
12. Life Supplement [Document Identifier 205]	
13. Property/Casualty Supplement [Document Identifier 207]	
14. SIS Stockholder Information Supplement [Document Identifier 420]	
15. Participating Opinion for Exhibit 5 [Document Identifier 371]	
16. Non-Guaranteed Opinion for Exhibit 5 [Document Identifier 370]	
17. Medicare Part D Coverage Supplement [Document Identifier 365]	
18. Relief from the five-year rotation requirement for lead audit partner [Document Identifier 224]	

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

19. Relief from the one-year cooling off period for independent CPA
[Document Identifier 225]



20. Relief from the Requirements for Audit Committees [Document Identifier 226]



21. Long-Term Care Experience Reporting Forms [Document Identifier 306]



22. Life Supplement [Document Identifier 211]



23. Property/Casualty Supplement Insurance Expense Exhibit
[Document Identifier 213]



24. Supplemental Health Care Exhibit (Parts 1, 2 and 3) [Document Identifier 216]



25. Supplemental Health Care Exhibit's Expense Allocation Report
[Document Identifier 217]



26. Management's Report of Internal Control Over Financial Reporting
[Document Identifier 223]



ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

Analysis of Operations By Lines of Business	7
Assets	2
Cash Flow	6
Exhibit 1 - Enrollment By Product Type for Health Business Only	17
Exhibit 2 - Accident and Health Premiums Due and Unpaid	18
Exhibit 3 - Health Care Receivables	19
Exhibit 3A - Analysis of Health Care Receivables Collected and Accrued	20
Exhibit 4 - Claims Unpaid and Incentive Pool, Withhold and Bonus	21
Exhibit 5 - Amounts Due From Parent, Subsidiaries and Affiliates	22
Exhibit 6 - Amounts Due To Parent, Subsidiaries and Affiliates	23
Exhibit 7 - Part 1 - Summary of Transactions With Providers	24
Exhibit 7 - Part 2 - Summary of Transactions With Intermediaries	24
Exhibit 8 - Furniture, Equipment and Supplies Owned	25
Exhibit of Capital Gains (Losses)	15
Exhibit of Net Investment Income	15
Exhibit of Nonadmitted Assets	16
Exhibit of Premiums, Enrollment and Utilization (State Page)	30
Five-Year Historical Data	29
General Interrogatories	27
Jurat Page	1
Liabilities, Capital and Surplus	3
Notes To Financial Statements	26
Overflow Page For Write-ins	44
Schedule A - Part 1	E01
Schedule A - Part 2	E02
Schedule A - Part 3	E03
Schedule A - Verification Between Years	SI02
Schedule B - Part 1	E04
Schedule B - Part 2	E05
Schedule B - Part 3	E06
Schedule B - Verification Between Years	SI02
Schedule BA - Part 1	E07
Schedule BA - Part 2	E08
Schedule BA - Part 3	E09
Schedule BA - Verification Between Years	SI03
Schedule D - Part 1	E10
Schedule D - Part 1A - Section 1	SI05
Schedule D - Part 1A - Section 2	SI08
Schedule D - Part 2 - Section 1	E11
Schedule D - Part 2 - Section 2	E12
Schedule D - Part 3	E13
Schedule D - Part 4	E14
Schedule D - Part 5	E15
Schedule D - Part 6 - Section 1	E16
Schedule D - Part 6 - Section 2	E16
Schedule D - Summary By Country	SI04
Schedule D - Verification Between Years	SI03
Schedule DA - Part 1	E17
Schedule DA - Verification Between Years	SI10
Schedule DB - Part A - Section 1	E18
Schedule DB - Part A - Section 2	E19
Schedule DB - Part A - Verification Between Years	SI11
Schedule DB - Part B - Section 1	E20
Schedule DB - Part B - Section 2	E21
Schedule DB - Part B - Verification Between Years	SI11
Schedule DB - Part C - Section 1	SI12
Schedule DB - Part C - Section 2	SI13
Schedule DB - Part D - Section 1	E22
Schedule DB - Part D - Section 2	E23
Schedule DB - Verification	SI14
Schedule DL - Part 1	E24
Schedule DL - Part 2	E25
Schedule E - Part 1 - Cash	E26
Schedule E - Part 2 - Cash Equivalents	E27
Schedule E - Part 3 - Special Deposits	E28
Schedule E - Verification Between Years	SI15

ANNUAL STATEMENT BLANK (Continued)

Schedule S - Part 1 - Section 2	31
Schedule S - Part 2	32
Schedule S - Part 3 - Section 2	33
Schedule S - Part 4	34
Schedule S - Part 5	35
Schedule S - Part 6	36
Schedule S - Part 7	37
Schedule T - Part 2 - Interstate Compact	39
Schedule T - Premiums and Other Considerations	38
Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group	40
Schedule Y - Part 1A - Detail of Insurance Holding Company System	41
Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates	42
Statement of Revenue and Expenses	4
Summary Investment Schedule	SI01
Supplemental Exhibits and Schedules Interrogatories	43
Underwriting and Investment Exhibit - Part 1	8
Underwriting and Investment Exhibit - Part 2	9
Underwriting and Investment Exhibit - Part 2A	10
Underwriting and Investment Exhibit - Part 2B	11
Underwriting and Investment Exhibit - Part 2C	12
Underwriting and Investment Exhibit - Part 2D	13
Underwriting and Investment Exhibit - Part 3	14

AETNA BETTER HEALTH INC. (A NEW JERSEY CORPORATION)

STATEMENT OF ACTUARIAL OPINION

TABLE OF KEY INDICATORS

This Opinion is: Unqualified Qualified Adverse Inconclusive

IDENTIFICATION SECTION

Prescribed Wording Only Prescribed Wording with Additional Wording Revised Wording

SCOPE SECTION

Prescribed Wording Only Prescribed Wording with Additional Wording Revised Wording

RELIANCE SECTION

Prescribed Wording Only Prescribed Wording with Additional Wording Revised Wording

OPINION SECTION

Prescribed Wording Only Prescribed Wording with Additional Wording Revised Wording

RELEVANT COMMENTS

Revised Wording – item “C” in the Opinion section – I used: “required by the state in which this statement is filed”, as opposed to the prescribed wording: “required by any state”.

The Actuarial Memorandum includes “Deviation from Standard” wording regarding conformity with an Actuarial Standard of Practice.

IDENTIFICATION SECTION

I, William R. Jones, Vice President and Valuation Actuary, am an employee of Aetna acting in my capacity as the opining actuary for Aetna Better Health Inc. (a New Jersey corporation) and a member of the American Academy of Actuaries. I was appointed on 05/01/2014 in accordance with the requirements of the statement instructions. I meet the Academy qualification standards for rendering this opinion.

SCOPE

I have examined the assumptions and methods used in determining loss reserves, actuarial liabilities and related items listed below, as shown in the annual statement of the organization, as prepared for filing with state regulatory officials, as of December 31, 2016.

A. Claims Unpaid (Page 3, Line 1)	\$34,047,085
B. Accrued Medical Incentive Pool and Bonus Payments (Page 3, Line 2)	\$600,000
C. Unpaid Claims Adjustment Expenses (Page 3, Line 3)	\$550,742
D. Aggregate Health Policy Reserves (Page 3, Line 4)	\$31,924,552
E. Aggregate life policy reserves (Page 3, Line 5)	\$0
F. Property/casualty unearned premium reserves (Pg3, Line6)	\$0
G. Aggregate Health Claim Reserves (Pg 3, Line 7)	\$0
H. Any other loss reserves, actuarial liabilities or related items presented as liabilities in the annual statement	Not Applicable
I. Specified actuarial items presented as assets in the annual statement	Not Applicable

RELIANCE SECTION

In forming my opinion on all reserve amounts listed above, I relied upon Steven M. Conte, Principal Financial Officer and Controller of Aetna Dental Inc. (a New Jersey corporation) as certified in the attached statement. I evaluated that data for reasonableness and consistency. I also reconciled that data to the Underwriting and Investment Exhibit - Part 2B of the company's current annual statement. In other respects, my examination included review of the actuarial assumptions and actuarial methods used and tests of the calculations I considered necessary.

OPINION

In my opinion, the amounts carried in the balance sheet on account of the items identified above:

- A. Are in accordance with accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principles;
- B. Are based on actuarial assumptions relevant to contract provisions and appropriate to the purpose for which the statement was prepared;
- C. Meet the requirements of the laws of the state of New Jersey, and are at least as great as the minimum aggregate amounts required by the state in which this statement is filed;
- D. Make good and sufficient provision in the aggregate for all unpaid claims and other actuarial liabilities of the organization under the terms of its contracts and agreements;
- E. Are computed on the basis of assumptions and methods consistent with those used in computing the corresponding items in the annual statement of the preceding year-end;
- F. Include appropriate provision for all actuarial items that ought to be established.

The Underwriting and Investment Exhibit – Part 2B was reviewed for reasonableness and consistency with the applicable Actuarial Standard of Practice.

The Analysis Of Health Care Receivables Collected and Accrued – Exhibit 3A was reviewed for reasonableness and consistency with the applicable Actuarial Standard of Practice.

Actuarial methods, considerations and analyses used in forming my opinion conform to the relevant Standards of Practice as promulgated from time to time by the Actuarial Standards Board, which standards form the basis of this statement of opinion.



William R. Jones, F.S.A., M.A.A.A.
151 Farmington Avenue
Hartford, CT 06156
(860) 273-6254
February 24, 2017

RELIANCE STATEMENT

I, Steven M. Conte, Principal Financial Officer and Controller of Aetna Dental Inc. (a New Jersey corporation), hereby affirm that the listings and summaries, and analyses relating to data prepared for and submitted to William R. Jones in support of his actuarial opinion for Aetna Dental Inc. (a New Jersey corporation) as of December 31, 2016, were prepared under my direction and, to the best of my knowledge, information and belief, are substantially accurate and complete and the same as, or derived from, the records and other data which form the basis of the annual statement for the year ended December 31, 2016.



Steven M. Conte
1425 Union Meeting Road, U23S
Blue Bell, PA 19422
(215) 775-6508
February 10, 2017



SUPPLEMENTAL COMPENSATION EXHIBIT

For the Year Ended December 31, 2016

(To be filed by March 1)

PART 1 - INTERROGATORIES

PART 1 – INTERROGATORIES

1. The reporting insurer is a member of a group of insurers or other holding company system? Yes No
 If yes, do the amounts below represent
 1) total gross compensation paid to each individual by or on behalf of all companies which are part of the group; or Yes No
 2) allocation to each insurer? Yes No
2. Did any person while an officer, director, or trustee of the reporting entity receive directly or indirectly, during the period covered by this statement any commission on the business transactions of the reporting entity? Yes No
3. Except for retirement plans generally applicable to its staff employees, has the reporting entity any agreement with any person, other than contracts with its agents for the payment of commissions whereby it agrees that for any service rendered or to be rendered, that he/she shall receive directly or indirectly, any salary, compensation or emolument that will extend beyond a period of 12 months from the date of the agreement? Yes No

PART 2 – OFFICERS AND EMPLOYEES COMPENSATION (A)

1 Name and Principal Position	2 Year	3 Salary (B)	4 Bonus (C)	5 Stock Awards (D)	6 Option Awards (E)	7 Sign-on Awards	8 Severance Payments	9 All Other Comp. (F)	10 Totals (G)
1. Mark T. Bertolini Principal Executive Officer – Chairman, Chief Executive Officer and President	2016	\$1,141,762	\$ 1,656,000	\$ 6,510,109	\$8,693,798	\$ 0	\$ 0	\$660,637	\$18,662,306
	2015	1,034,483	1,840,000	5,970,103	8,144,312	0	0	273,981	17,262,879
	2014	996,169	1,680,000	5,070,050	6,908,918	0	0	412,185	15,067,322
2. Shawn M. Guertin Principal Financial Officer - Executive Vice President, Chief Financial Officer and Chief Enterprise Risk Officer	2016	\$ 796,935	\$ 979,000	\$ 1,230,021	\$2,851,587	\$ 0	\$ 0	\$ 28,124	\$5,885,667
	2015	773,946	1,437,503	1,230,040	2,945,460	0	0	27,080	6,414,029
	2014	697,318	913,920	810,035	1,865,430	0	0	165,804	4,452,507
3. Thomas J. Sabatino, Jr. Executive Vice President and General Counsel	2016	\$ 502,874	\$ 822,000	\$ 4,550,128	\$3,765,090	\$600,000	\$ 0	\$ 748,413	\$10,988,505
	2015	0	0	0	0	0	0	0	0
	2014	0	0	0	0	0	0	0	0
4. Karen S. Lynch Executive Vice President, National, Local and Regional Businesses, Government and Specialty Businesses	2016	\$ 919,483	\$ 1,229,000	\$ 1,530,026	\$3,547,079	\$0	\$ 0	\$101,938	\$7,327,526
	2015	919,828	1,728,000	1,500,063	3,541,015	0	0	69,882	7,758,788
	2014	672,414	776,250	825,065	1,899,972	0	0	68,924	4,242,625
5. Gary W. Loveman, Ph.D.* Executive Vice President, Consumer Health and Services	2016	\$ 796,935	\$ 1,057,000	\$ 1,200,020	\$2,782,035	\$ 0	\$ 0	\$ 568,411	\$6,404,401
	2015	137,990	319,550	4,200,104	3,324,828	0	0	23,242	8,005,714
	2014	0	0	0	0	0	0	0	0
6. Francis S. Soistman, Jr.* Executive Vice President, Government Services	2016	\$ 697,893	\$ 774,769	\$ 1,005,017	\$2,329,943	\$ 0	\$ 0	\$ 25,999	\$4,833,621
	2015	675,287	1,500,000	900,078	2,124,628	0	0	19,838	5,219,831
	2014	597,701	845,940	2,140,136	1,243,612	0	0	32,750	4,860,139
7. Margaret M. McCarthy Executive Vice President, Operations & Technology	2016	\$ 649,526	\$ 668,000	\$ 840,014	\$1,947,438	\$ 0	\$ 0	\$ 46,568	\$4,151,546
	2015	652,112	851,007	810,030	1,912,153	0	0	61,646	4,286,948
	2014	627,960	737,880	840,023	1,934,513	0	0	124,189	4,264,565
8. Steven B. Kelmar Executive Vice President, Corporate Affairs	2016	\$ 541,188	\$ 660,000	\$ 600,010	\$1,391,017	\$ 0	\$ 0	\$ 19,216	\$3,211,431
	2015	512,452	750,000	525,012	1,239,350	0	0	17,386	3,044,200
	2014	423,372	750,000	420,047	967,257	0	0	22,870	2,583,546
9. Sheryl A. Burke Vice President, Specialty Businesses	2016	\$ 457,839	\$ 625,000	\$ 343,868	\$ 797,074	\$ 0	\$ 0	\$222,768	\$2,446,549
	2015	447,356	775,000	255,069	601,988	0	0	(2,489)	2,076,924
	2014	413,793	489,375	701,854	0	0	0	293,681	1,898,703
10. Jean C. LaTorre Vice President and Chief Investment Officer	2016	\$ 425,896	\$ 590,100	\$ 219,004	\$ 507,741	\$ 0	\$ 0	\$172,867	\$1,915,608
	2015	432,788	722,197	225,020	531,173	0	0	7,647	1,918,825
	2014	408,745	711,833	751,983	0	0	0	245,675	2,118,236

* Mr. Loveman joined Aetna in October 2015. Mr. Sabatino joined Aetna in April 2016.

PART 3 – DIRECTOR COMPENSATION (H)

1 Name and Principal Position or Occupation and Company (if Outside Director)	Paid or Deferred for Services as Director				6 All Other Compensation Paid or Deferred (K)	7 Totals
	2 Direct Compensation (I)	3 Stock Awards (J)	4 Option Awards	5 Other		
F. Aguirre, Former President and Chief Executive Officer of Chiquita Brands International, Inc.	\$110,000	\$170,054	\$0	\$0	\$15,776	\$295,830
F.M. Clark, Former Non-executive Chairman of BMO Financial Corporation	\$107,500	\$170,054	\$0	\$0	\$54,315	\$331,869
B.Z. Cohen, Former CEO of The Bancorp, Inc.	\$110,250	\$170,054	\$0	\$0	\$54,315	\$334,619
M.J. Coye, M.D., Social Entrepreneur in Residence, Network for Excellence in Healthcare Innovation	\$116,000	\$170,054	\$0	\$0	\$52,893	\$338,947
R.N. Farah, Co-Chief Executive Officer of Tory Burch LLC	\$128,000	\$170,054	\$0	\$0	\$51,795	\$349,849
B.H. Franklin, President and CEO of Barbara Franklin Enterprises*	\$44,791	\$ 0	\$0	\$0	\$52,152	\$96,943
J.E. Garten, Professor in the Practice of Int'l Trade Finance and Business at Yale University	\$106,500	\$170,054	\$0	\$0	\$49,315	\$325,869
E.M. Hancock, Former President of Jazz Technologies, Inc. and Former Chairman and CEO of Exodus Communications, Inc.	\$124,000	\$170,054	\$0	\$0	\$54,315	\$348,369
R.J. Harrington, Chairman of The Cue Ball Group	\$132,000	\$170,054	\$0	\$0	\$17,288	\$319,342
E.J. Ludwig, Former Chairman of Becton, Dickinson and Company	\$159,500	\$170,054	\$0	\$0	\$52,893	\$382,447
J.P. Newhouse, Professor of Health Policy and Management at Harvard University	\$109,000	\$170,054	\$0	\$0	\$54,315	\$333,369
O.J. Snowe, Chairman and CEO of Olympia Snowe, LLC, Former U.S. Senator	\$109,000	\$170,054	\$0	\$0	\$17,288	\$296,342

*Barbara Hackman Franklin retired from Aetna's Board of Directors on May 20, 2016.

SUPPLEMENT FOR THE YEAR 2016
PART 4 - NARRATIVE DESCRIPTION OF MATERIAL FACTORS

Provide a narrative description of any material factors necessary to gain an understanding of the information disclosed in the tables.

A. Disclosure is made for persons who served as officers of Aetna Life Insurance Company and/or will be included in Aetna Inc.'s 2017 Proxy Statement, and/or one or more of its subsidiaries (collectively, the "Company") at December 31, 2016. Includes:

1. All individuals serving as the principal executive officer ("PEO") or acting in a similar capacity during the last completed fiscal year, regardless of compensation level;
2. All individuals serving as the principal financial officer ("PFO") or acting in a similar capacity during the last completed fiscal year, regardless of compensation level;
3. The reporting entity's three most highly compensated executive officers, other than the PEO and PFO, who were serving as executive officers at the end of the last completed fiscal year; and
4. The next five most highly compensated employees whose individual total compensation exceeds \$100,000, based on 2016 W-2 information.

B. Amount includes salary deferred under the Company's deferral programs.

C. Amounts shown in this column represent cash bonus awards for the relevant calendar year under the ABP. For 2016, bonus pool funding under the ABP depended upon Aetna's performance against certain measures discussed under "Annual Performance-based Bonuses" beginning on page 33 of Aetna Inc.'s 2017 Proxy Statement. Mr. Bertolini's 2016 ABP award was paid 40% (\$1,656,000) in cash and 60% (\$2,484,000) in RSUs with a grant date of February 17, 2017, that vest over three years (one-third per year). These RSUs will be included in the 2017 Grants of Plan-Based Awards Table in Aetna's 2018 Proxy Statement.

D. The amounts reported in this column represent the aggregate grant date fair value of the stock awards granted in the relevant year computed in accordance with FASB ASC Topic 718, excluding forfeiture estimates. Refer to pages 130-133 of Aetna's 2016 Annual Report on Form 10-K for all relevant valuation assumptions used to determine the grant date fair value of the stock awards included in this column. Amounts shown in this column for 2016 include the grant date fair value of PSUs and RSUs granted to the NEOs in 2016. The PSU grant date fair values are based upon the probable outcome of the performance conditions associated with these PSUs as of the grant date. Each vested PSU represents one share of Common Stock and will be paid in shares of Common Stock, net of taxes.

The grant date fair value of the PSUs granted to the NEOs on February 19, 2016 assuming the highest level of performance conditions associated with these PSUs occurs is as follows: Mr. Bertolini \$7,500,125; Mr. Guertin \$2,460,041; Mr. Loveman \$2,400,040; and Ms. Lynch \$3,060,051. The PSUs granted on February 19, 2016 will vest, if at all, based on achievement of the three-year Compound Annual Growth Rate of adjusted operating earnings per share target set by the Compensation Committee at the time of the grant. The Compensation Committee will determine the Company's achievement of this performance goal following December 31, 2018. Vesting of the PSUs granted to these NEOs on February 19, 2016 will occur, if at all, on February 19, 2019, and is subject to continued employment of the applicable NEO on February 19, 2019.

Includes \$2,760,046 grant date fair value of RSUs granted to Mr. Bertolini in February 2016 as part of his 2016 ABP award.

Includes sign-on PSUs, PSUs and RSUs granted to Mr. Sabatino on May 10, 2016. The grant date fair value of the sign-on PSUs and PSUs granted to Mr. Sabatino on May 10, 2016 assuming the highest level of performance conditions associated with these PSUs occurs is \$2,000,074 and \$2,200,112, respectively. The sign-on PSUs and PSUs granted on May 10, 2016 will vest, if at all, based on achievement of the three-year Compound Annual Growth Rate of adjusted operating earnings per share target set by the Compensation Committee at the time of the grant. The Compensation Committee will determine the Company's achievement of this performance goal following December 31, 2018. Vesting of the sign-on PSUs granted in May 2016 will occur, if at all, on May 10, 2019, and under certain circumstances is not subject to continued employment of Mr. Sabatino on May 10, 2019. Vesting of the PSUs granted on May 10, 2016 will occur, if at all, on May 10, 2019, and is subject to continued employment of Mr. Sabatino on May 10, 2019. The grant date fair value of the RSUs granted to Mr. Sabatino on May 10, 2016 is \$2,500,035.

E. Grant date fair value of the SARs granted to these NEOs on February 19, 2016. These SARs have an exercise price of \$103.45 (the closing price of the Common Stock on February 19, 2016) and will vest in three substantially equal annual installments beginning on February 19, 2017. The SAR values are calculated using a modified Black-Scholes Model for pricing options. Refer to page 130 of Aetna's 2016 Annual Report on Form 10-K for all relevant valuation assumptions used to determine the grant date fair value of these SARs.

Grant date fair value of the SARs granted to Mr. Sabatino on May 10, 2016. These SARs have an exercise price of \$114.46 (the closing price of the Common Stock on May 10, 2016) and will vest in three equal annual installments beginning on May 10, 2017. The SAR value is calculated using a modified Black-Scholes Model for pricing options. The assumptions used to determine the grant date fair value of these SARs were:

Expected term (in years):	7.37
Volatility:	30.7%
Risk-free interest rate:	1.56%
Dividend yield:	0.90%
Initial price:	\$114.46

F. All Other Compensation for 2016:

2016	Mark T. Bertolini	Shawn M. Guertin	Thomas J. Sabatino, Jr.	Karen S. Lynch	Gary W. Loveman, Ph.D.	Francis S. Soistman, Jr.	Margaret M. McCarthy	Steven B. Kelmar	Sheryl A. Burke	Jean C. LaTorre
Personal Use of Corporate Aircraft ^(a)	\$602,781	\$0	\$4,261	\$55,453	\$537,626	\$0	\$21,769	\$0	\$0	\$0
Personal Use of Corporate Vehicles ^(b)	18,206	0	0	21,111	0	0	28	0	0	0
Professional Association/Club Dues ^(c)	3,671	1,220	700	0	750	99	7,500	0	0	325
Business Entertainment Event ^(d)	1,004	1,004	1,004	1,004	0	0	1,004	1,004	0	0
Relocation Expenses ^(e)	0	0	726,548	0	0	0	0	0	0	0
Financial Planning	10,000	10,000	0	8,470	14,135	10,000	0	2,100	10,560	0
Company Matching Contributions Under Aetna 401(k) Plan ^(f)	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900
Change in Pension ^(g)	9,075	0	0	0	0	0	367	212	196,308	156,642
TOTAL	\$660,637	\$28,124	\$748,413	\$101,938	\$568,411	\$25,999	\$46,568	\$19,216	\$222,768	\$172,867

(a) The calculation of incremental cost for personal use of Company aircraft includes only those variable costs incurred as a result of personal use, such as fuel and allocated maintenance costs, and excludes non-variable costs which the Company would have incurred regardless of whether there was any personal use of the aircraft.

(b) Represents the aggregate incremental cost to the Company of personal use of a Company driver and vehicle.

(c) Represents annual membership dues to professional organizations and clubs.

(d) Represents costs associated with attendance at offsite event with a guest.

(e) Represents reimbursement of certain of Mr. Sabatino's relocation expenses, including \$313,750 of broker commissions, \$232,012 for carrying costs, \$130,305 of moving costs, as well as temporary living expenses, tax assistance, closing costs on sale of a home, executive support, miscellaneous expenses and allowances, and interest.

(f) Represents actual match received under the 401(k) Plan attributable to the 2016 plan year.

(g) Amounts in this column only reflect pension values and do not include earnings on deferred compensation amounts because such earnings are neither above-market nor preferential. Refer to the 2016 Nonqualified Deferred Compensation table and "Deferred Compensation Narrative" beginning on page 47 of the Aetna Inc. 2017 Proxy Statement for a discussion of deferred compensation. The table on page 41 of the Aetna Inc. 2017 Proxy Statement presents the change in present value of accumulated benefits under the Pension Plan and Supplemental Pension Plan from December 31, 2015 through December 31, 2016. See "Pension Plan Narrative" on page 46 of the Aetna Inc. 2017 Proxy Statement for a discussion of pension benefits and the economic assumptions behind the figures in this table. Messrs. Guertin, Loveman, Sabatino and Soistman and Ms. Rohan are not eligible to participate in the Pension Plan because they joined the Company after the Pension Plan was frozen on December 31, 2010. Messrs. Guertin, Loveman, Sabatino and Soistman and Ms. Rohan are not eligible to participate in the Supplemental Pension Plan.

G. For details on 2015 Named Executive Officer compensation, please see pages 41 – 43 of the Aetna Inc. 2016 Proxy Statement. For details on 2014 Named Executive Officer compensation, please see pages 39 - 40 of the Aetna Inc. 2015 Proxy Statement.

H. Disclosure is made for persons who served Aetna Inc. as Directors in 2016.

I. The amounts shown in this column include any cash compensation that was deferred by Directors during 2016 under the Aetna Inc. Non-Employee Director Compensation Plan (the "Director Plan"). See "Additional Director Compensation Information" beginning on page 22 of the Aetna Inc. 2017 Proxy Statement for a discussion of Director compensation deferrals. Amounts in this column consist of one or more of the following:

Activity	2016 Fees Earned or Paid in Cash
Annual Retainer Fee	\$95,000
Lead Director	35,000
Chair of the Audit Committee	25,000
Membership on the Audit Committee	10,000
Chair of the Compensation Committee	25,000
Membership on the Compensation Committee	7,500
Chair of the Nominating Committee	15,000
Membership on the Nominating Committee	5,000
Chair of the Investment and Finance Committee	13,000
Chair of the Medical Affairs Committee	13,000
Committee Membership (except as set forth above) (other than the Chairs)	4,000

J. Amounts shown in this column represent the full grant date fair value for RSUs granted in 2016 computed in accordance with FASB ASC Topic 718, excluding forfeiture estimates. Refer to pages 130-133 of Aetna's 2016 Annual Report on Form 10-K for all relevant valuation assumptions used to determine the grant date fair value of the stock awards included in this column. On May 20, 2016, Aetna granted each nonmanagement Director then in office 1,537 RSUs. The full grant date fair value is calculated by multiplying the number of units granted times the closing price of Aetna's Common Stock on the grant date. See "Additional Director Compensation Information" beginning on page 22 of the Aetna Inc. 2017 Proxy Statement for a discussion of RSU awards and related deferrals.

At December 31, 2016, the number of outstanding RSU awards held by each Director was 1,537. Refer to the Beneficial Ownership Table and related footnotes beginning on page 25 of the Aetna Inc. 2017 Proxy Statement for more information on Director holdings of Common Stock.

K. 2016 All Other Compensation consists of the items in the following table. See "Additional Director Compensation Information" beginning on page 22 of the Aetna Inc. 2017 Proxy Statement for a discussion of certain components of All Other Compensation.

	Group Life Insurance and Business Travel Accident Insurance Premiums	Charitable Award Program ^(a)	Matching Charitable Contributions ^(b)	Total
Fernando Aguirre	\$ 776	\$ 0	\$15,000	\$15,776
Frank M. Clark	3,710	35,605	15,000	54,315
Betsy Z. Cohen	3,710	35,605	15,000	54,315
Molly J. Coye, M.D.	2,288	35,605	15,000	52,893
Roger N. Farah	1,190	35,605	15,000	51,795
Barbara Hackman Franklin	1,547	35,605	15,000	52,152
Jeffrey E. Garten	3,710	35,605	10,000	49,315
Ellen M. Hancock	3,710	35,605	15,000	54,315
Richard J. Harrington	2,288	0	15,000	17,288
Edward J. Ludwig	2,288	35,605	15,000	52,893
Joseph P. Newhouse	3,710	35,605	15,000	54,315
Olympia J. Snowe	2,288	0	15,000	17,288

(a) Refer to "Director Charitable Award Program" on page 23 of the Aetna Inc. 2016 Proxy Statement for information about the Charitable Award Program, which was discontinued for any new Director joining the Board after January 25, 2008. Amounts shown are pre-tax and do not reflect the anticipated tax benefit to the Company from the charitable contributions under the Charitable Award Program. Directors derive no personal financial or tax benefit from this program.

(b) These amounts represent matching contributions made by Aetna Foundation, Inc. pursuant to Aetna's charitable giving programs, which encourage contributions by eligible persons to charitable organizations. Through the 2015 Aetna Foundation Matching Grants Program for Directors, up to \$15,000 in eligible contributions per Director per program year are matched at 100% by Aetna Foundation, Inc. Amounts shown are pre-tax. Directors derive no personal financial or tax benefit from this program.

The reported amount does not include income from any exercise of stock appreciation rights or any vesting of restricted stock units during the year or any imputed income.