



# HEALTH ANNUAL STATEMENT

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

## Aetna Health Inc. (a New Jersey corporation)

NAIC Group Code 0001 0001 NAIC Company Code 95287 Employer's ID Number 52-1270921  
(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 05/18/1982 Commenced Business 03/01/1983

Statutory Home Office 9 Entin Road, Suite 203 Parsippany, NJ, US 07054  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1425 Union Meeting Road  
(Street and Number)  
Blue Bell, PA, US 800-872-3662  
(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 9 Entin Road, Suite 203  
(Street and Number)  
Parsippany, NJ, US 07054 973-244-3500  
(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

President Michael Sebastian Costa Principal Financial Officer and Controller Steven Matthew Conte

Vice President and Secretary Edward Chung-I Lee

### 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

Gerard Vincent Carey Michael Sebastian Costa David Michael Lasaracino

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.

Michael Sebastian Costa  
President

Edward Chung-I Lee  
Vice President and Secretary

Steven Matthew Conte  
Principal Financial Officer and Controller

State of..... New Jersey  
County of..... Morris

State of..... Connecticut  
County of..... Hartford

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

Subscribed and sworn to before me this  
2 day of February, 2017.

Subscribed and sworn to before me this  
2 day of February, 2017.

Subscribed and sworn to before me this  
2/17 day of February, 2017.

ANGELA ROWE  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires 6/21/2018

CAITLIN ROUX-HALLORAN  
Notary Public, State of Connecticut  
My Commission Expires Jan. 31, 2020

COMMONWEALTH OF PENNSYLVANIA  
NOTARIAL SEAL  
KIM E. ROTH, Notary Public  
Whitpain Twp., Montgomery County  
My Commission Expires April 25, 2017

- 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).....	251,920,334	0	251,920,334	278,086,416
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 (\$ .....0, Schedule E - Part 1), cash equivalents (\$ .....942,225, Schedule E - Part 2) and short-term investments (\$ .....981, Schedule DA).....	943,206	0	943,206	1,977,698
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).....	252,863,540	0	252,863,540	280,064,114
13. Title plants less \$ .....0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	2,635,303	0	2,635,303	2,863,043
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	28,395,865	2,761,396	25,634,469	31,534,800
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 (\$ .....1,402,528) and contracts subject to redetermination (\$ .....0).....	1,402,528	0	1,402,528	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.....	1,067,266	0	1,067,266	970,639
18.1 Current federal and foreign income tax recoverable and interest thereon.....	8,470,131	0	8,470,131	11,873,039
18.2 Net deferred tax asset.....	3,927,613	0	3,927,613	5,729,971
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	0
24. Health care (\$ .....1,613,386) and other amounts receivable.....	1,613,386	0	1,613,386	2,516,776
25. Aggregate write-ins for other than invested assets.....	5,316,857	0	5,316,857	4,893,044
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	305,692,489	2,761,396	302,931,093	340,445,426
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. Total (Lines 26 and 27).....	305,692,489	2,761,396	302,931,093	340,445,426
<b>DETAILS OF WRITE-INS</b>				
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. Current State Income Tax Receivable.....	4,362,282	0	4,362,282	4,845,046
2502. Pharmacy Manufacturer's Discount Receivable.....	954,575	0	954,575	3,320
2503. Other Receivable.....	0	0	0	44,678
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).....	5,316,857	0	5,316,857	4,893,044

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ 493,852 reinsurance ceded)	69,923,882	4,508,961	74,432,843	117,925,154
2. Accrued medical incentive pool and bonus amounts	4,282,663	0	4,282,663	3,772,626
3. Unpaid claims adjustment expenses	1,239,106	0	1,239,106	1,858,462
4. Aggregate health policy reserves, including the liability of \$ 0 for medical loss ratio rebate per the Public Health Service Act	13,980,342	0	13,980,342	13,621,373
5. Aggregate life policy reserves	0	0	0	0
6. Property/casualty unearned premium reserves	0	0	0	0
7. Aggregate health claim reserves	409,275	0	409,275	836,172
8. Premiums received in advance	249,387	0	249,387	181,779
9. General expenses due or accrued	989,554	0	989,554	13,119,449
10.1 Current federal and foreign income tax payable and interest thereon (including \$ 0 on realized capital gains (losses))	0	0	0	0
10.2 Net deferred tax liability	0	0	0	0
11. Ceded reinsurance premiums payable	0	0	0	0
12. Amounts withheld or retained for the account of others	203,429	0	203,429	255,760
13. Remittances and items not allocated	0	0	0	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	17,956,795	0	17,956,795	15,430,887
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, \$ 652,829 unauthorized reinsurers and \$ 0 certified reinsurers)	652,829	0	652,829	452,081
20. Reinsurance in unauthorized and certified (\$ 0 ) companies	0	0	0	1,033,965
21. Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
22. Liability for amounts held under uninsured plans	702,186	0	702,186	116,649
23. Aggregate write-ins for other liabilities (including \$ 0 current)	13,987	0	13,987	192,675
24. Total liabilities (Lines 1 to 23)	110,603,435	4,508,961	115,112,396	168,797,032
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	20,650,000
26. Common capital stock	XXX	XXX	200	200
27. Preferred capital stock	XXX	XXX	0	0
28. Gross paid in and contributed surplus	XXX	XXX	68,731,093	68,731,093
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	119,087,404	82,267,101
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	187,818,697	171,648,394
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	302,931,093	340,445,426
<b>DETAILS OF WRITE-INS</b>				
2301. CMS Payable	13,987	0	13,987	109,667
2302. Other Payable	0	0	0	83,008
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)	13,987	0	13,987	192,675
2501. Estimated Health Insurer Fee Accrual	XXX	XXX	0	20,650,000
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	20,650,000
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	1,249,855	1,902,610
2. Net premium income ( including \$ .....0 non-health premium income) .....	XXX	886,266,258	1,123,474,688
3. Change in unearned premium reserves and reserve for rate credits .....	XXX	693,640	34,411
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	886,959,898	1,123,509,099
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....	19,486,256	554,440,363	676,631,793
10. Other professional services .....	0	1,380,857	214,821
11. Outside referrals .....	19,122,908	19,122,908	22,547,906
12. Emergency room and out-of-area .....	2,170,746	31,010,663	34,797,340
13. Prescription drugs .....	3,811,363	131,993,403	189,200,676
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts .....	0	4,091,481	4,232,560
16. Subtotal (Lines 9 to 15) .....	44,591,273	742,039,675	927,625,096
<b>Less:</b>			
17. Net reinsurance recoveries .....	0	6,394,571	5,441,166
18. Total hospital and medical (Lines 16 minus 17) .....	44,591,273	735,645,104	922,183,930
19. Non-health claims (net) .....	0	0	0
20. Claims adjustment expenses, including \$ .....12,263,744 cost containment expenses .....	0	14,878,170	18,490,559
21. General administrative expenses .....	0	121,780,905	168,345,438
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).....	44,591,273	872,304,179	1,109,019,927
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	14,655,719	14,489,172
25. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....	0	7,693,377	8,726,241
26. Net realized capital gains (losses) less capital gains tax of \$ .....378,541 .....	0	839,141	(787,111)
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	8,532,518	7,939,130
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	0	(30,303)
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	23,188,237	22,397,999
31. Federal and foreign income taxes incurred .....	XXX	5,505,229	9,013,822
32. Net income (loss) (Lines 30 minus 31) .....	XXX	17,683,008	13,384,177
<b>DETAILS OF WRITE-INS</b>			
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	0	(30,303)
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	0	(30,303)

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

	1 Current Year	2 Prior Year
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
33. Capital and surplus prior reporting year.....	171,648,394	198,353,477
34. Net income or (loss) from Line 32.....	17,683,008	13,384,177
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 \$ ..... 245,638	456,185	(358,926)
37. Change in net unrealized foreign exchange capital gain or (loss).....	0	0
38. Change in net deferred income tax.....	(1,556,720)	1,153,595
39. Change in nonadmitted assets.....	(1,446,135)	250,036
40. Change in unauthorized and certified reinsurance.....	1,033,965	(1,033,965)
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.....	0	0
45.2 Transferred to capital (Stock Dividend).....	0	0
45.3 Transferred from capital.....	0	0
46. Dividends to stockholders.....	0	(40,100,000)
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0
48. Net change in capital and surplus (Lines 34 to 47).....	16,170,303	(26,705,083)
49. Capital and surplus end of reporting period (Line 33 plus 48)	187,818,697	171,648,394
<b>DETAILS OF WRITE-INS</b>		
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
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	890,438,143	1,130,719,744
2. Net investment income .....	11,009,664	11,613,875
3. Miscellaneous income .....	0	0
4. Total (Lines 1 through 3) .....	901,447,807	1,142,333,619
5. Benefit and loss related payments .....	778,150,885	911,724,576
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	148,436,652	178,358,224
8. Dividends paid to policyholders .....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... 0 tax on capital gains (losses) .....	2,480,862	16,034,642
10. Total (Lines 5 through 9) .....	929,068,399	1,106,117,442
11. Net cash from operations (Line 4 minus Line 10) .....	(27,620,592)	36,216,177
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	135,451,413	105,919,806
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 .....	197	310
12.7 Miscellaneous proceeds .....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	135,451,610	105,920,116
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	110,454,570	92,970,915
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) .....	110,454,570	92,970,915
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) .....	24,997,040	12,949,201
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	0
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	40,100,000
16.6 Other cash provided (applied) .....	1,589,060	(12,708,878)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	1,589,060	(52,808,878)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(1,034,492)	(3,643,500)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	1,977,698	5,621,198
19.2 End of year (Line 18 plus Line 19.1) .....	943,206	1,977,698
<b>Note: Supplemental disclosures of cash flow information for non-cash transactions:</b>		
20.0001. Bond Exchanges .....	11,251,258	3,117,931
20.0002. Bonds Transferred from an Affiliate .....	0	27,904,468

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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	886,266,258	337,324,837	0	0	0	50,707,401	498,234,020	0	0	0
2. Change in unearned premium reserves and reserve for rate credit	693,640	2,065,366	0	0	0	(1,371,726)	0	0	0	0
3. Fee-for-service (net of \$ 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)	886,959,898	339,390,203	0	0	0	49,335,675	498,234,020	0	0	0
8. Hospital/medical benefits	554,440,363	198,668,123	0	0	0	24,313,278	331,458,962	0	0	XXX
9. Other professional services	1,380,857	0	0	0	0	0	1,380,857	0	0	XXX
10. Outside referrals	19,122,908	7,329,387	0	0	0	862,580	10,930,941	0	0	XXX
11. Emergency room and out-of-area	31,010,663	15,093,751	0	0	0	1,456,051	14,460,855	0	0	XXX
12. Prescription drugs	131,993,403	72,915,179	0	0	0	10,370,543	48,707,681	0	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	4,091,481	1,322,667	0	0	0	134,156	2,634,658	0	0	XXX
15. Subtotal (Lines 8 to 14)	742,039,675	295,329,110	0	0	0	37,136,611	409,573,954	0	0	XXX
16. Net reinsurance recoveries	6,394,571	(8,861)	0	0	0	0	6,403,432	0	0	XXX
17. Total medical and hospital (Lines 15 minus 16)	735,645,104	295,337,971	0	0	0	37,136,611	403,170,522	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ cost containment expenses	14,878,170	6,383,186	0	0	0	959,534	7,535,450	0	0	0
20. General administrative expenses	121,780,905	47,968,913	0	0	0	7,976,052	65,835,940	0	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)	872,304,179	349,690,070	0	0	0	46,072,197	476,541,912	0	0	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	14,655,719	(10,299,867)	0	0	0	3,263,478	21,692,108	0	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 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) .....	343,081,805	0	5,756,968	337,324,837
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 .....	50,707,401	0	0	50,707,401
6. Title XVIII - Medicare .....	504,020,502	0	5,786,482	498,234,020
7. Title XIX - Medicaid .....	0	0	0	0
8. Other health .....	0	0	0	0
9. Health subtotal (Lines 1 through 8) .....	897,809,708	0	11,543,450	886,266,258
10. Life .....	0	0	0	0
11. Property/casualty .....	0	0	0	0
12. Totals (Lines 9 to 11)	897,809,708	0	11,543,450	886,266,258

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

**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	780,868,019	337,003,659	.0	.0	.0	38,425,532	405,438,828	.0	.0	.0
1.2 Reinsurance assumed	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
1.3 Reinsurance ceded	6,298,578	.0	.0	.0	.0	.0	6,298,578	.0	.0	.0
1.4 Net	774,569,441	337,003,659	.0	.0	.0	38,425,532	399,140,250	.0	.0	.0
2. Paid medical incentive pools and bonuses	3,581,444	1,638,419	.0	.0	.0	126,207	1,816,818	.0	.0	.0
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	74,926,695	27,043,163	.0	.0	.0	5,935,897	41,947,635	.0	.0	.0
3.2 Reinsurance assumed	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3.3 Reinsurance ceded	493,852	.0	.0	.0	.0	.0	493,852	.0	.0	.0
3.4 Net	74,432,843	27,043,163	.0	.0	.0	5,935,897	41,453,783	.0	.0	.0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	409,275	337,234	.0	.0	.0	72,041	.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	409,275	337,234	.0	.0	.0	72,041	.0	.0	.0	.0
5. Accrued medical incentive pools and bonuses, current year	4,282,663	776,200	.0	.0	.0	92,000	3,414,463	.0	.0	.0
6. Net healthcare receivables (a)	(903,390)	(1,100,818)	.0	.0	.0	(31,813)	229,241	.0	.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	118,323,013	70,721,276	.0	.0	.0	7,383,811	40,217,926	.0	.0	.0
8.2 Reinsurance assumed	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
8.3 Reinsurance ceded	397,859	8,861	.0	.0	.0	.0	388,998	.0	.0	.0
8.4 Net	117,925,154	70,712,415	.0	.0	.0	7,383,811	39,828,928	.0	.0	.0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	836,172	757,156	.0	.0	.0	79,016	.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	836,172	757,156	.0	.0	.0	79,016	.0	.0	.0	.0
10. Accrued medical incentive pools and bonuses, prior year	3,772,626	1,091,952	.0	.0	.0	84,051	2,596,623	.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	737,948,194	294,006,442	.0	.0	.0	37,002,456	406,939,296	.0	.0	.0
12.2 Reinsurance assumed	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
12.3 Reinsurance ceded	6,394,571	(8,861)	.0	.0	.0	.0	6,403,432	.0	.0	.0
12.4 Net	731,553,623	294,015,303	.0	.0	.0	37,002,456	400,535,864	.0	.0	.0
13. Incurred medical incentive pools and bonuses	4,091,481	1,322,667	.0	.0	.0	134,156	2,634,658	.0	.0	.0

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

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

**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
<b>1. Reported in Process of Adjustment:</b>										
1.1 Direct .....	10,533,734	5,445,618	.0	.0	.0	1,288,029	3,800,087	.0	.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 .....	10,533,734	5,445,618	.0	.0	.0	1,288,029	3,800,087	.0	.0	.0
<b>2. Incurred but Unreported:</b>										
2.1 Direct .....	64,392,961	21,597,545	.0	.0	.0	4,647,868	38,147,548	.0	.0	.0
2.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2.3 Reinsurance ceded .....	493,852	.0	.0	.0	.0	.0	493,852	.0	.0	.0
2.4 Net .....	63,899,109	21,597,545	.0	.0	.0	4,647,868	37,653,696	.0	.0	.0
<b>3. Amounts Withheld from Paid Claims and Capitations:</b>										
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
<b>4. TOTALS:</b>										
4.1 Direct .....	74,926,695	27,043,163	.0	.0	.0	5,935,897	41,947,635	.0	.0	.0
4.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.3 Reinsurance ceded .....	493,852	.0	.0	.0	.0	.0	493,852	.0	.0	.0
4.4 Net .....	74,432,843	27,043,163	.0	.0	.0	5,935,897	41,453,783	.0	.0	.0

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

**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) .....	63,189,065	273,814,594	3,544,775	23,835,622	66,733,840	71,469,571
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 .....	5,718,068	32,707,464	210,977	5,796,961	5,929,045	7,462,827
6. Title XVIII - Medicare .....	34,308,249	364,832,001	656,863	40,796,920	34,965,112	39,828,928
7. Title XIX - Medicaid .....	0	0	0	0	0	0
8. Other health .....	0	0	0	0	0	0
9. Health subtotal (Lines 1 to 8) .....	103,215,382	671,354,059	4,412,615	70,429,503	107,627,997	118,761,326
10. Healthcare receivables (a) .....	0	1,613,386	0	0	0	2,516,776
11. Other non-health .....	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts .....	2,385,191	1,196,253	195,196	4,087,467	2,580,387	3,772,626
13. Totals (Lines 9 - 10 + 11 + 12)	105,600,573	670,936,926	4,607,811	74,516,970	110,208,384	120,017,176

(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	87,185	89,897	90,092	89,923	89,921
2.	2012	781,140	859,934	860,411	860,255	859,871
3.	2013	XXX	601,564	662,270	663,008	663,388
4.	2014	XXX	XXX	468,278	526,412	527,492
5.	2015	XXX	XXX	XXX	442,837	506,053
6.	2016	XXX	XXX	XXX	XXX	273,904

**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	122,076	115,449	114,874	89,923	89,922
2.	2012	868,794	862,716	860,958	860,520	859,871
3.	2013	XXX	668,816	664,224	663,426	663,553
4.	2014	XXX	XXX	536,821	530,967	527,776
5.	2015	XXX	XXX	XXX	510,161	509,145
6.	2016	XXX	XXX	XXX	XXX	298,519

**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 (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	1,035,672	859,871	22,596	2.6	882,467	85.2	0	0	882,467	85.2
2. 2013	796,153	663,388	18,868	2.8	682,256	85.7	165	4	682,425	85.7
3. 2014	657,370	527,492	9,994	1.9	537,486	81.8	284	7	537,777	81.8
4. 2015	615,684	506,053	10,443	2.1	516,496	83.9	3,092	26	519,614	84.4
5. 2016	339,390	273,904	5,978	2.2	279,882	82.5	24,615	483	304,980	89.9

**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	<b>NONE</b>				
2. 2012					
3. 2013					
4. 2014					
5. 2015					
6. 2016					

**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	<b>NONE</b>				
2. 2012					
3. 2013					
4. 2014					
5. 2015					
6. 2016					

**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 (Col. 3/2)	4 Percent (Col. 3/4)	5 Claim and Claim Adjustment Expense Payments (Col. 5/3)	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	<b>NONE</b>									
2. 2013										
3. 2014										
4. 2015										
5. 2016										

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	<b>NONE</b>				
2. 2012					
3. 2013					
4. 2014					
5. 2015					
6. 2016					

**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	<b>NONE</b>				
2. 2012					
3. 2013					
4. 2014					
5. 2015					
6. 2016					

**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 (Col. 3/2)	4 Percent (Col. 3/3)	5 Claim and Claim Adjustment Expense Payments (Col. 5/3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Percent (Col. 9/1)
1. 2012	<b>NONE</b>									
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 - Vision Only**

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

**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	<b>NONE</b>				
2. 2012					
3. 2013					
4. 2014					
5. 2015					
6. 2016					

**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 (Col. 3/2)	4 Percent (Col. 3/3)	5 Claim and Claim Adjustment Expense Payments (Col. 5/3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Percent (Col. 9/1)
1. 2012	<b>NONE</b>									
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 - 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	9,122	9,555	9,561	9,555	9,555
2.	2012	79,824	86,661	86,358	86,283	86,226
3.	2013	XXX	73,472	78,062	78,001	78,008
4.	2014	XXX	XXX	59,436	66,919	66,977
5.	2015	XXX	XXX	XXX	48,056	53,866
6.	2016	XXX	XXX	XXX	XXX	32,590

**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	9,435	9,616	9,583	9,555	9,555
2.	2012	88,280	86,821	86,386	86,301	86,226
3.	2013	XXX	81,221	78,244	78,023	78,024
4.	2014	XXX	XXX	67,832	67,336	67,012
5.	2015	XXX	XXX	XXX	55,146	54,029
6.	2016	XXX	XXX	XXX	XXX	38,476

**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. 3/2) 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	107,333	86,226	2,057	2.4	88,283	82.3	0	0	88,283	82.3
2. 2013	87,638	78,008	1,881	2.4	79,889	91.2	16	0	79,905	91.2
3. 2014	78,070	66,977	1,294	1.9	68,271	87.4	35	0	68,306	87.5
4. 2015	66,890	53,866	1,126	2.1	54,992	82.2	163	0	55,155	82.5
5. 2016	49,336	32,590	847	2.6	33,437	67.8	5,886	0	39,323	79.7

## 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	34,240	34,693	34,405	34,161	34,161
2.	2012	392,693	424,838	424,614	424,221	423,849
3.	2013	XXX	405,650	438,956	435,606	435,180
4.	2014	XXX	XXX	342,516	366,071	365,643
5.	2015	XXX	XXX	XXX	332,859	369,578
6.	2016	XXX	XXX	XXX	XXX	364,442

**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	35,506	35,145	34,606	34,161	34,161
2.	2012	430,260	425,615	424,899	424,416	423,849
3.	2013	XXX	444,237	439,497	435,890	435,279
4.	2014	XXX	XXX	373,270	366,942	365,755
5.	2015	XXX	XXX	XXX	373,934	370,219
6.	2016	XXX	XXX	XXX	XXX	408,458

**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	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	498,961	423,849	8,052	1.9	431,901	86.6	0	0	431,901	86.6
2. 2013	483,381	435,180	8,827	2.0	444,007	91.9	99	2	444,108	91.9
3. 2014	435,951	365,643	6,168	1.7	371,811	85.3	112	2	371,925	85.3
4. 2015	440,935	369,578	7,139	1.9	376,717	85.4	641	3	377,361	85.6
5. 2016	498,234	364,442	6,794	1.9	371,236	74.5	44,016	712	415,964	83.5

**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	<b>NONE</b>				
2. 2012					
3. 2013					
4. 2014					
5. 2015					
6. 2016					

**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	<b>NONE</b>				
2. 2012					
3. 2013					
4. 2014					
5. 2015					
6. 2016					

**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 (Col. 3/2)	4 Percent (Col. 3/3)	5 Claim and Claim Adjustment Expense Payments (Col. 5/3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Percent (Col. 9/1)
1. 2012	<b>NONE</b>									
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 - Other**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	<b>NONE</b>				
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	<b>NONE</b>				
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 (Col. 3/2)	4 Percent (Col. 3/3)	5 Claim and Claim Adjustment Expense Payments (Col. 5/3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Percent (Col. 9/1)
1. 2012	<b>NONE</b>									
2. 2013										
3. 2014										
4. 2015										
5. 2016										

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

**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	130,547	134,145	134,058	133,639	133,637
2.	2012	1,253,657	1,371,433	1,371,383	1,370,759	1,369,946
3.	2013	XXX	1,080,686	1,179,288	1,176,615	1,176,576
4.	2014	XXX	XXX	870,230	959,402	960,112
5.	2015	XXX	XXX	XXX	823,752	929,497
6.	2016	XXX	XXX	XXX	XXX	670,936

**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	167,017	160,210	159,063	133,639	133,638
2.	2012	1,387,334	1,375,152	1,372,243	1,371,237	1,369,946
3.	2013	XXX	1,194,274	1,181,965	1,177,339	1,176,856
4.	2014	XXX	XXX	977,923	965,245	960,543
5.	2015	XXX	XXX	XXX	939,241	933,393
6.	2016	XXX	XXX	XXX	XXX	745,453

**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	1,641,966	1,369,946	32,705	2.4	1,402,651	85.4	0	0	1,402,651	85.4
2. 2013	1,367,172	1,176,576	29,576	2.5	1,206,152	88.2	280	6	1,206,438	88.2
3. 2014	1,171,391	960,112	17,456	1.8	977,568	83.5	431	9	978,008	83.5
4. 2015	1,123,509	929,497	18,708	2.0	948,205	84.4	3,896	29	952,130	84.7
5. 2016	886,960	670,936	13,619	2.0	684,555	77.2	74,517	1,195	760,267	85.7

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**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 .....	88,465	88,465	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 .....	13,891,877	11,205,658	0	0	0	2,551,880	134,339	0	0
5. Aggregate write-ins for other policy reserves .....	0	0	0	0	0	0	0	0	0
6. Totals (gross) .....	13,980,342	11,294,123	0	0	0	2,551,880	134,339	0	0
7. Reinsurance ceded .....	0	0	0	0	0	0	0	0	0
8. Totals (Net)(Page 3, Line 4) .....	13,980,342	11,294,123	0	0	0	2,551,880	134,339	0	0
9. Present value of amounts not yet due on claims .....	409,275	337,234	0	0	0	72,041	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) .....	409,275	337,234	0	0	0	72,041	0	0	0
13. Reinsurance ceded .....	0	0	0	0	0	0	0	0	0
14. Totals (Net)(Page 3, Line 7) .....	409,275	337,234	0	0	0	72,041	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).....	326,093	145,571	64,551	1,990	538,205
2. Salary, wages and other benefits .....	7,923,604	1,498,878	34,096,163	161,493	43,680,138
3. Commissions (less \$ .....0 ceded plus \$ .....0 assumed).....	0	0	14,528,596	0	14,528,596
4. Legal fees and expenses .....	16,679	0	(493,454)	686	(476,089)
5. Certifications and accreditation fees .....	0	0	0	0	0
6. Auditing, actuarial and other consulting services .....	269,067	10,928	9,848,400	0	10,128,395
7. Traveling expenses .....	48,687	4,392	1,058,230	4,124	1,115,433
8. Marketing and advertising .....	18,518	48,471	1,341,223	0	1,408,212
9. Postage, express and telephone .....	196,097	107,610	1,954,904	8,381	2,266,992
10. Printing and office supplies .....	21,584	3,739	1,250,324	4,734	1,280,381
11. Occupancy, depreciation and amortization .....	0	0	0	0	0
12. Equipment .....	34,338	14,222	2,179,514	8,268	2,236,342
13. Cost or depreciation of EDP equipment and software .....	409,119	92,315	2,398,068	0	2,899,502
14. Outsourced services including EDP, claims, and other services .....	2,968,930	683,672	7,456,327	41,224	11,150,153
15. Boards, bureaus and association fees .....	(981)	78	63,024	231	62,352
16. Insurance, except on real estate .....	21,094	5,412	933,863	0	960,369
17. Collection and bank service charges .....	368	2,876	471,413	1,758	476,415
18. Group service and administration fees .....	8,585	(3,529)	(4,643)	0	413
19. Reimbursements by uninsured plans .....	0	0	0	0	0
20. Reimbursements from fiscal intermediaries .....	0	0	0	0	0
21. Real estate expenses .....	2,698	131	1,185,691	4,410	1,192,930
22. Real estate taxes .....	0	0	150,635	0	150,635
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes .....	0	0	1,982,764	0	1,982,764
23.2 State premium taxes .....	0	0	0	0	0
23.3 Regulatory authority licenses and fees .....	0	0	12,150,729	0	12,150,729
23.4 Payroll taxes .....	0	0	3,569,002	13,244	3,582,246
23.5 Other (excluding federal income and real estate taxes) .....	0	0	22,011,260	0	22,011,260
24. Investment expenses not included elsewhere .....	0	0	0	0	0
25. Aggregate write-ins for expenses .....	(736)	(340)	3,584,321	0	3,583,245
26. Total expenses incurred (Lines 1 to 25) .....	12,263,744	2,614,426	121,780,905	250,543	(a) 136,909,618
27. Less expenses unpaid December 31, current year .....	1,021,367	217,739	989,554	0	2,228,660
28. Add expenses unpaid December 31, prior year .....	1,340,329	518,133	13,119,449	0	14,977,911
29. Amounts receivable relating to uninsured plans, prior year .....	0	0	970,639	0	970,639
30. Amounts receivable relating to uninsured plans, current year .....	0	0	1,067,266	0	1,067,266
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30) .....	12,582,706	2,914,820	134,007,427	250,543	149,755,496
<b>DETAILS OF WRITE-INS</b>					
2501. Pharmacy Rebate Expense .....	0	0	2,155,090	0	2,155,090
2502. Miscellaneous Expense .....	(368)	0	1,525,425	0	1,525,057
2503. Interest Expense .....	0	0	37,688	0	37,688
2598. Summary of remaining write-ins for Line 25 from overflow page .....	(368)	(340)	(133,882)	0	(134,590)
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	(736)	(340)	3,584,321	0	3,583,245

(a) Includes management fees of \$ 99,415,480 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) 210,393	182,891
1.1 Bonds exempt from U.S. tax	(a) 0	0
1.2 Other bonds (unaffiliated)	(a) 7,740,684	7,540,446
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) 106,757	106,757
7. Derivative instruments	(f) 0	0
8. Other invested assets	0	0
9. Aggregate write-ins for investment income	113,826	113,826
10. Total gross investment income	8,171,660	7,943,920
11. Investment expenses		(g) 237,299
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 13,244
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)		250,543
17. Net investment income (Line 10 minus Line 16)		7,693,377
<b>DETAILS OF WRITE-INS</b>		
0901. Intercompany Interest Income	100,107	100,107
0902. Miscellaneous Interest Income	13,719	13,719
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)	113,826	113,826
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 \$ 389,126 accrual of discount less \$ 3,477,589 amortization of premium and less \$ 757,518 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 \$ 106,744 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	(197,733)	0	(197,733)	0	0
1.1 Bonds exempt from U.S. tax	0	0	0	0	0
1.2 Other bonds (unaffiliated)	1,480,691	(65,473)	1,415,218	701,823	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	197	0	197	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)	1,283,155	(65,473)	1,217,682	701,823	0
<b>DETAILS OF WRITE-INS</b>					
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.....	2,761,396	1,315,261	(1,446,135)
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.....	0	0	0
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).....	2,761,396	1,315,261	(1,446,135)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27).....	2,761,396	1,315,261	(1,446,135)
<b>DETAILS OF WRITE-INS</b>			
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. Unbilled Claim Overpayment Recovery.....	0	0	0
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 .....	113,723	93,517	76,732	62,595	52,846	913,067
2. Provider Service Organizations .....	0	0	0	0	0	0
3. Preferred Provider Organizations .....	0	0	0	0	0	0
4. Point of Service .....	41,165	32,208	28,349	24,616	22,034	336,788
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	154,888	125,725	105,081	87,211	74,880	1,249,855
<b>DETAILS OF WRITE-INS</b>						
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 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 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					
(1) The Company's state basis	XXX	XXX	XXX	\$17,683,008	\$13,384,177
(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>\$17,683,008</u>	<u>\$13,384,177</u>
Surplus					
(5) The Company's state basis	XXX	XXX	XXX	\$187,818,697	\$171,648,394
(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>\$187,818,697</u>	<u>\$171,648,394</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 and 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 are recorded by the Company that have not been earned as of the statement date. The UEP balances of \$88,465 and \$2,153,831 were included in aggregate health policy reserves in the Statutory Statements of Liabilities, Capital and Surplus at December 31, 2016 and 2015, respectively.

The Company is required to make premium rebate payments to customers that are enrolled under certain health insurance policies if specific minimum annual medical loss ratios ("MLR") are not met in the prior year. The Company had no accrued minimum MLR rebates at December 31, 2016 and 2015.

The Company reported liabilities associated with contracts subject to redetermination as aggregate health policy reserves in accordance with SSAP No. 54 – *Individual and Group and Accident Health Contracts* ("SSAP No. 54") and SSAP No. 107 - *Risk-Sharing Provisions of the Affordable Care Act* ("SSAP No. 107"). The Company reported Federal Contingency Reserves of \$2,551,881 and \$1,414,158 in aggregate policy reserves at December 31, 2016 and 2015, respectively. The Company reported Affordable Care Act ("ACA") Risk Adjustment Payables of \$11,205,658 and \$9,014,965 in aggregate health policy reserves at December 31, 2016 and 2015, respectively.

Additional amounts of \$134,339 and \$1,042,940 were included in aggregate policy reserves at December 31, 2016 and 2015, respectively.

(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 incurral 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 not in accordance with SSAP No. 84 – *Health Care and Government Insured Plan Receivables* or are over 90 days past due are nonadmitted. All rebates are processed and settled with an affiliated entity. The pharmaceutical rebate receivables are more fully discussed in Note 28.

(14) Premiums and amounts due and unpaid

Premium revenue for prepaid health or dental care products is recognized as income in the month in which enrollees are entitled to health or dental care services. Premiums collected before the effective period are reported as premiums received in advance. Premiums related to unexpired contractual coverage periods are reported as unearned premiums in the Statutory Statements of Liabilities, Capital and Surplus (refer to discussion of aggregate health policy reserves and related expenses below).

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. In addition, for any customer for which the premiums due and unpaid greater than 90 days past due is more than a de minimus portion of the entire balance of premiums due and unpaid for that customer, the entire balance of premiums due and unpaid for that customer is nonadmitted. Management also performs a specific review of accounts and based on the results of the review, additional amounts may be nonadmitted. Uncollectible amounts are generally written-off and charged to revenue in the period in which the customer reconciliations are completed and agreed to by the customer (retroactivity) or when the account is determined to be uncollectible by the Company.

(15) Assessments

The Company is subject to certain assessments and surcharges by the State of New Jersey. These assessments apply to health insurance carriers operating in the State of New Jersey that write individual and small group health business. Additionally, the Company is subject to a surcharge on any contract written to a New Jersey Board of Education that is not a participant in the State Health Benefits Program.

The Company establishes liabilities for assessments and surcharges based on applicable laws and regulations. The ultimate amounts to be paid by the Company are dependent upon the Company's experience and the ultimate liability is not known at the Statutory Statements of Assets and Liabilities, Capital and Surplus date. While the ultimate amount of the assessment is dependent upon the experience of the Company, the Company believes it has adequate reserves to cover such assessments.

All of these assessments and surcharge expenses, except for those related to the small group health business, were recorded as an increase in hospital and medical expenses. The assessment and surcharge balances are held as a component of claims unpaid in the Statutory Statements of Liabilities, Capital and Surplus. Assessments related to the small group health business are recorded against premium income. The assessment balance is recorded as a component of aggregate health policy reserves in the Statutory Statements of Liabilities, Capital and Surplus.

The State of New Jersey also requires surcharges under the State Health Benefit Program. The surcharge applies to any insurance company, including health maintenance organizations, that provides insurance coverage to employees of the New Jersey school board and their dependents who are not participants in the State Health Benefits Program. The surcharge is calculated by applying a percentage to all claims paid by the Company for school board members and their dependents for the time period between July 1 through the following June 30. The Company did not incur any expenses relative to this surcharge in 2016. The Company incurred recoveries relative to this surcharge of \$203,150 for the year ended December 31, 2015 which was recorded as a component of hospital and medical expenses in the Statutory Statements of Revenue and Expenses. The Company had no liabilities related to this assessment at December 31, 2016 and 2015.

The Company is subject to an assessment levied on health maintenance organizations by the State of New Jersey in the amount of 2% of earned commercial premium revenue. For the years ended December 31, 2016 and 2015, the Company incurred expenses relative to this assessment of \$12,024,343 and \$12,061,226, respectively. These expenses were recorded in general administrative expenses in the Statutory Statements of Revenue and Expenses.

(16) Aggregate health claim reserves

The reserve for future contingent benefits includes the estimated cost of services that will continue to be incurred after the Statutory Statements of Liabilities, Capital and Surplus date if the Company is obligated to pay for such services in accordance with contract provisions or regulatory requirements. These balances are recorded in aggregate health claim reserves in the Statutory Statements of Liabilities, Capital and Surplus and are estimated using a percentage of current hospital and medical costs, which is based on the Company's historical cost experience.

(17) 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.

(18) 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.

(19) 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.

(20) 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 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.

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.

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. See Note 24.E. for disclosure of amounts related to the 3Rs for the Company for the periods ending December 31, 2016 and 2015.

(21) 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 \$1,982,764 and \$3,765,510, respectively. The Company's state income tax receivable of \$4,362,282 and \$4,845,046 at December 31, 2016 and 2015, respectively, were included as an aggregate write-in in the Statutory Statements of Assets.

(22) 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 Notes 10 and 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 years ending December 31, 2016 and 2015.

4. Discontinued operations

The Company did not have any discontinued operations in the years ending December 31, 2016 and 2015.

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* ("SSAP No. 43R").

(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 the reporting date 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	\$(153,031)
2. 12 months or longer	-

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

1. Less than 12 months	\$10,047,091
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	\$150,784,774	\$149,061,885	\$1,722,889	-	\$150,784,774	49.326%	49.775%
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	\$150,784,774	\$149,061,885	\$1,722,889	-	\$150,784,774	49.326%	49.775%

(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	\$4,786,378	\$87,351	\$4,873,729
(b) Statutory valuation allowance adjustment	-	-	-
(c) Adjusted gross DTAs	4,786,378	87,351	4,873,729
(d) DTAs nonadmitted	-	-	-
(e) Subtotal net admitted DTAs	4,786,378	87,351	4,873,729
(f) DTLs	(659,569)	(286,547)	(946,116)
(g) Net admitted DTAs/(DTLs)	\$4,126,809	\$(199,196)	\$3,927,613
	December 31, 2015		
	Ordinary	Capital	Total
(a) Gross DTAs	\$6,704,633	\$357,854	\$7,062,487
(b) Statutory valuation allowance adjustment	-	-	-
(c) Adjusted gross DTAs	6,704,633	357,854	7,062,487
(d) DTAs nonadmitted	-	-	-
(e) Subtotal net admitted DTAs	6,704,633	357,854	7,062,487
(f) DTLs	(953,363)	(379,153)	(1,332,516)
(g) Net admitted DTAs/(DTLs)	\$5,751,270	\$(21,299)	\$5,729,971
	Change		
	Ordinary	Capital	Total
(a) Gross DTAs	\$(1,918,255)	\$(270,503)	\$(2,188,758)
(b) Statutory valuation allowance adjustment	-	-	-
(c) Adjusted gross DTAs	(1,918,255)	(270,503)	(2,188,758)
(d) DTAs nonadmitted	-	-	-
(e) Subtotal net admitted DTAs	(1,918,255)	(270,503)	(2,188,758)
(f) DTLs	293,794	92,606	386,400
(g) Net admitted DTAs/(DTLs)	\$(1,624,461)	\$(177,897)	\$(1,802,358)

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	\$4,138,175	\$56,874	\$4,195,049
(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)	426,964	-	426,964
1. Adjusted gross DTAs expected to realized following the balance sheet date	426,964	-	426,964
2. Adjusted gross DTAs allowed per limitation threshold	XXX	XXX	27,583,663
(c) Adjusted gross DTAs (excluding the amount of DTAs from 2(a) and 2(b) above) offset by gross DTLs	221,239	30,477	251,716
(d) DTAs admitted as the result of application of SSAP No. 101	\$4,786,378	\$87,351	\$4,873,729

	December 31, 2015		
	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$5,819,824	\$52,093	\$5,871,917
(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)	483,560	-	483,560
1. Adjusted gross DTAs expected to realized following the balance sheet date	483,560	-	483,560
2. Adjusted gross DTAs allowed per limitation threshold	XXX	XXX	24,887,763
(c) Adjusted gross DTAs (excluding the amount of DTAs from 2(a) and 2(b) above) offset by gross DTLs	401,249	305,761	707,010
(d) DTAs admitted as the result of application of SSAP No. 101	\$6,704,633	\$357,854	\$7,062,487

	Change		
	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$(1,681,649)	\$4,781	\$(1,676,868)
(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)	(56,596)	-	(56,596)
1. Adjusted gross DTAs expected to realized following the balance sheet date	(56,596)	-	(56,596)
2. Adjusted gross DTAs allowed per limitation threshold	XXX	XXX	2,695,900
(c) Adjusted gross DTAs (excluding the amount of DTAs from 2(a) and 2(b) above) offset by gross DTLs	(180,010)	(275,284)	(455,294)
(d) DTAs admitted as the result of application of SSAP No. 101	\$(1,918,255)	\$(270,503)	\$(2,188,758)

3.

	2016	2015
(a) Ratio percentage used to determine recovery period and threshold limitation amount	624%	460%
(b) Amount of adjusted capital and surplus used to determine recovery period threshold limitation in 2(b)2 above	\$183,891,084	\$165,916,423

## 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)	\$4,786,378	\$87,351	\$4,873,729
2. Percentage of adjusted DTAs by tax character attributable to the impact of tax planning strategies	0%	0%	0%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$4,786,378	\$87,351	\$4,873,729
4. Percentage of net admitted adjusted DTAs by tax character admitted because of the impact of tax planning strategies	0%	0%	0%

	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)	\$6,704,633	\$357,854	\$7,062,487
2. Percentage of adjusted DTAs by tax character attributable to the impact of tax planning strategies	0%	0%	0%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$6,704,633	\$357,854	\$7,062,487
4. Percentage of net admitted adjusted DTAs by tax character admitted because of the impact of tax planning strategies	0%	0%	0%

	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)	\$(1,918,255)	\$(270,503)	\$(2,188,758)
2. Percentage of adjusted DTAs by tax character attributable to the impact of tax planning strategies	0%	0%	0%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$(1,918,255)	\$(270,503)	\$(2,188,758)
4. Percentage of net admitted adjusted DTAs by tax character admitted because of the impact of tax planning strategies	0%	0%	0%

(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	\$5,505,229	\$9,013,822	\$(3,508,593)
(b) Foreign	-	-	-
(c) Subtotal	5,505,229	9,013,822	(3,508,593)
(d) Federal income tax on net capital gains	378,541	(69,375)	447,916
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	\$5,883,770	\$8,944,447	\$(3,060,677)

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

	December 31,		Change
	2016	2015	
2. DTAs:			
(a) Ordinary			
Claims unpaid	\$2,425,721	\$3,712,521	\$(1,286,800)
Unearned premium reserve	23,649	163,492	(139,843)
Nonadmitted assets	966,489	460,341	506,148
New Jersey provider accrual	861,344	1,208,900	(347,556)
New Jersey Guaranty Fund	-	17,500	(17,500)
Patient-Centered Outcomes Research Institute fee	96,119	262,163	(166,044)
Physicians lawsuit	-	14,834	(14,834)
CMS risk share	-	369,926	(369,926)
Federal Contingency Reserve - OPM	413,056	494,956	(81,900)
Total ordinary DTAs	4,786,378	6,704,633	(1,918,255)
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted ordinary DTAs	-	-	-
(d) Admitted ordinary DTAs	4,786,378	6,704,633	(1,918,255)
(e) Capital			
Investments	73,879	98,744	(24,865)
Unrealized gain/loss	13,472	259,110	(245,638)
Total capital DTAs	87,351	357,854	(270,503)
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted capital DTAs	-	-	-
(h) Admitted capital DTAs	87,351	357,854	(270,503)
(i) Admitted DTAs	4,873,729	7,062,487	(2,188,758)
3. DTLs:			
(a) Ordinary			
Allowance for billing adjustment	659,569	953,363	(293,794)
Ordinary DTLs	659,569	953,363	(293,794)
(b) Capital			
Investments	286,547	379,153	(92,606)
Capital DTLs	286,547	379,153	(92,606)
(c) Total DTLs	946,116	1,332,516	(386,400)
4. Net admitted DTAs	\$3,927,613	\$5,729,971	\$(1,802,358)

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

	December 31,		Change
	2016	2015	
Total DTAs	\$4,873,729	\$7,062,487	\$(2,188,758)
Total DTLs	(946,116)	(1,332,516)	386,400
Net DTAs/(DTLs)	\$3,927,613	\$5,729,971	(1,802,358)
Tax effect of unrealized gains (losses)			245,638
Change in net deferred income tax			\$(1,556,720)

The valuation allowance adjustment to gross DTAs was \$0 for both December 31, 2016 and 2015.

- D. The 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
Provision computed at statutory rate	\$8,248,373	35.0%	\$7,815,017	35.0%
Health Insurer Fee	7,083,280	30.1%	7,946,435	35.6%
Transfer pricing adjustment	(5,521,696)	(23.4)%	(5,142,181)	(23.0)%
Tax exempt interest	(1,567,472)	(6.7)%	(1,932,953)	(8.7)%
Change in nonadmitted assets	(506,148)	(2.1)%	87,513	0.4%
Prior year true-up	(295,847)	(1.3)%	(993,615)	(4.4)%
Other	-	0.0%	10,636	0.0%
<b>Total</b>	<b>\$7,440,490</b>	<b>31.6%</b>	<b>\$7,790,852</b>	<b>24.9%</b>
Federal and foreign income tax expense incurred	\$5,883,770	25.0%	\$8,944,447	40.1%
Change in net deferred income taxes	1,556,720	6.6%	(1,153,595)	(5.2)%
<b>Total statutory income taxes</b>	<b>\$7,440,490</b>	<b>31.6%</b>	<b>\$7,790,852</b>	<b>34.9%</b>

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, 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 \$5,881,254 and \$9,288,024 for the years ended December 31, 2016 and 2015, respectively.
- 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.
Aetna Florida Inc. (fka Aetna Better Health Inc. (Florida))	First Health Life and Health Insurance Company
	First Script Network Services, Inc.
	Florida Health Plan Administrators, LLC

<p>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 &amp; 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>FOCUS Healthcare Management, Inc.  Futrix Inc.  Group Dental Service of Maryland, Inc.  Group Dental Service, Inc.  Health and Human Resource Center, Inc.  Health Data &amp; 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. The Company paid \$8,100,000 and \$32,000,000 as ordinary dividends to its parent on December 14 and September 17, 2015, respectively. The New Jersey Department approved these distributions on November 30 and August 26, 2015. The Company did not receive any capital contributions in 2016 or 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 Health Management, LLC ("AHM"), indirectly a wholly-owned subsidiary of Aetna.

At December 31, 2016 and 2015, the Company had \$17,956,795 and \$15,430,887, respectively, due to AHM, which exclude amounts related to pharmacy rebate transactions as discussed more fully in Note 28 and the Company's reinsurance agreement as discussed more fully in Note 10. At December 31, 2016 and 2015, the Company had no amounts due from affiliates.

The terms of settlement require that these amounts be settled with 45 days after the end of the calendar quarter.

- E. At December 31, 2016, the Company has a guarantor agreement with Aetna. The agreement provides that in the event of the Company's insolvency, Aetna will pay all expenses and claims incurred by the Company during insolvency pursuant to the obligation with employer groups and subscribers until the end of the subscription contract period for which premiums have been received.
- 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 AHM are parties to an administrative services agreement, under which AHM provides certain administrative services, including accounting and processing of premiums and claims. Under this agreement, the Company remits a percentage of its earned commercial, Medicaid and Medicare premium revenue, as applicable, to AHM as a fee, subject to an annual true-up mechanism as defined in the

agreement. Under the agreement, this true-up is due to be settled with the affiliate by April 15<sup>th</sup> of the following contract year (which is January 1 to December 31 annually). For these services, the Company was charged the following:

	2016	2015
Administrative service fee	\$99,164,935	\$128,202,981
Current year estimated accrued true-up	-	802,663
Total administrative service fee	\$99,164,935	\$129,005,644

The agreement also provides for interest on all intercompany balances. Interest earned on amounts due from affiliates was \$100,107 in 2016 and \$112,034 in 2015. Interest incurred on amounts due to affiliates was \$37,688 in 2016 and \$9,638 in 2015.

The Company is a party to an agreement that enables the Company to receive manufacturers' pharmacy rebates from AHM under which the Company remits a percentage of its earned pharmaceutical rebates to AHM as a fee. The Company earned pharmaceutical rebates of \$23,558,467 and \$30,127,377, which were recorded as a reduction of hospital and medical costs, in 2016 and 2015, respectively. The Company incurred pharmaceutical rebate fees, which were recorded as administrative expense, of \$2,155,091 in 2016 and \$2,881,255 in 2015. At December 31, 2016 and 2015, the Company reported \$1,613,386 and \$2,516,776, respectively, as amounts due from AHM related to pharmaceutical rebates that were reflected in health care and other amounts receivable. The terms of settlement require that these amounts be settled within 45 days after the end of the calendar quarter.

The amounts reported on the Underwriting and Investment Exhibit, Part 3 represent the expenses incurred under the terms of the administrative agreement, allocated to the Company in accordance SSAP No. 70 - *Allocation of Expenses* ("SSAP No. 70"). SSAP No. 70 states "shared expenses, including expenses under the terms of a management contract, shall be apportioned to the entities incurring the expense as if the expense had been paid solely by the incurring entity. The apportionment shall be completed based upon specific identification to the entity incurring the expense. Where specific identification is not feasible, apportionment shall be based upon pertinent factors or ratios." The Company allocates these expenses based upon a percentage calculated using actual general and administrative expenses incurred by AHM.

The Company has a \$3,000,000 unsecured line of credit at 10% interest from Aetna, none of which was used during 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.

The Company is a party to a reinsurance agreement with AHIC, whereby AHIC assumes 100% of the premium revenue and medical expense related to the non-referral portion of the New Jersey Small Group Quality Point of Service product. The Company had no accrued ceded reinsurance recoveries at December 31, 2016 related to this agreement. At December 31, 2015, the Company had accrued ceded reinsurance recoveries of \$8,861 which was reported as contra-claims unpaid in the Statutory Statements of Liabilities, Capital and Surplus. The Company paid reinsurance premiums of \$5,756,968 in 2016 and \$7,504,482 in 2015. The Company realized net reinsurance recoveries of \$(8,861) and \$145,577 in 2016 and 2015, respectively, which were recorded as a reduction of hospital and medical expenses in the Statutory Statements of Revenue and Expenses..

- 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 hold any investments in any affiliate and 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 200 shares of common stock with \$1 par value authorized, 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 or 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 31<sup>st</sup> day of December next preceding, or (b) the net income, not including realized gains, for the 12 month period ending the 31<sup>st</sup> 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. The Company paid \$8,100,000 and \$32,000,000 as ordinary dividends to its parent on December 14 and September 17, 2015, respectively.  
(5) At December 31, 2016 and 2015, the portion of the Company's profits that may be paid as ordinary dividends to stockholders was \$18,692,728 and \$17,164,839, respectively.  
(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 \$701,823 and \$(552,194), respectively, of unassigned funds (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 reports items related to its Medicare product offerings due from (to) the Centers for Medicare & Medicaid Services ("CMS") as amounts receivable relating to uninsured plans or liability for amounts held under uninsured plans in the Statutory Statements of Assets, Liabilities, Capital and Surplus, as per SSAP No. 47 - *Uninsured Plans*. At December 31, 2016, the Company had reinsurance payment receivables of \$1,067,266 and CMS coverage discount and low-income subsidy (cost sharing portion) payables of \$702,186. At December 31, 2015, the Company had reinsurance payment and CMS coverage gap discount receivables of \$970,639 and \$116,649.

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	\$258,063,932	\$252,863,540	\$12,239,604	\$245,824,328	-	-
Total	\$258,063,932	\$252,863,540	\$12,239,604	\$245,824,328	-	-

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	\$288,080,613	\$280,064,114	\$14,216,885	\$273,863,728	-	-
Total	\$288,080,613	\$280,064,114	\$14,216,885	\$273,863,728	-	-

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 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) Medicare

The Company's Medicare Advantage and Standalone Prescription Drug Plan ("PDP") products are heavily regulated by CMS. The regulations and contractual requirements applicable to the Company and other private participants in Medicare programs are complex, expensive to comply with and subject to change. For example, in the second quarter of 2014, CMS issued a final rule implementing the Health Care Reform requirements that Medicare Advantage and PDP plans report and refund to CMS overpayments that those plans receive from CMS. The precise interpretation, impact and legality of this rule are not clear and are subject to pending litigation. The Company has invested significant resources to comply with Medicare standards, and the Company's Medicare compliance efforts will continue to require significant resources. CMS may seek premium and other refunds, prohibit the Company from continuing to market and/or enroll members in or refuse to passively enroll members in one or more of the Company's Medicare or Medicare-Medicaid demonstration (historically known as "dual eligible") plans, exclude the Company from participating in one or more Medicare or dual eligible programs and/or institute other sanctions against the Company if the Company fails to comply with CMS regulations or the Company's Medicare contractual requirements.

(4) Federal Employees Health Benefits Program

The Company contracts with the Office of Personnel Management (“OPM”) to provide managed health care services under the Federal Employees Health Benefits (“FEHB”) program in its service areas. These contracts with the OPM and applicable government regulations establish premium rating arrangements for this program. OPM regulations require that community-rated FEHB plans meet a FEHB program-specific MLR by plan code and market. Managing to these rules is complicated by the simultaneous application of the minimum MLR standards and associated premium rebate requirements of Health Care Reform. The OPM conducts periodic audits of its contractors to, among other things, verify that plans meet their applicable FEHB program-specific MLR and the premiums established under its insured contracts and costs allocated pursuant to its cost-based contracts are in compliance with the requirements of the applicable FEHB program. The OPM may seek premium refunds or institute other sanctions against the Company if the Company fails to comply with the FEHB program requirements.

- 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 subsequentA. 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	-	\$20,650,000
C. ACA fee assessment paid	\$20,237,943	\$22,704,100
D. Premium written subject to ACA 9010 assessment	-	\$1,135,306,963
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

Effective April 1, 2014, the Company entered into a quota share reinsurance agreement with Fresenius Medical Care Reinsurance Company (Cayman) LTD (“Fresenius”), an affiliate of Fresenius Medical Care Holdings, Inc., covering Medicare Advantage Plans. Under this agreement, the Company will cede to Fresenius and Fresenius shall reinsure 100% of eligible expenses incurred per program participant per agreement year. The Company paid reinsurance premiums of \$5,786,482 and \$4,327,794 in 2016 and 2015, respectively, related to this agreement. The Company realized net reinsurance recoveries of \$6,403,432 and \$5,295,589 in 2016 and 2015, respectively, related to this agreement.

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 (X) No ( )  
If yes, give full details.

Fresenius is located in the Cayman Islands and is an affiliate of Fresenius Medicare Care Holdings, Inc. (not primarily engaged in the insurance business).

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.
- C. The Company did not have any commutation of ceded reinsurance at December 31, 2016.
- D. The Company's certified reinsurer's rating has not been downgraded or its status subject to revocation at December 31, 2016.

24. Retrospectively rated contracts and contracts subject to redetermination

- A. Through annual contracts with CMS, the Company offers HMO plans for Medicare-eligible individuals through the Medicare Advantage program. Members typically receive enhanced benefits over standard Medicare fee-for-service coverage, including reduced cost-sharing for preventative care, vision and other non-Medicare services. Members also typically receive coverage for certain prescription drugs, usually subject to a deductible, co-insurance and/or co-payment. The revenues ultimately received by the Company for each member are based on that member's health status and demographic characteristics, as determined via the CMS risk adjustment process, under which the Company regularly submits risk adjustment data to CMS. As such, at December 31, 2016 the Company records a receivable for future revenues that it expects to receive from CMS in the third quarter of 2017, after the final reconciliation of risk adjustment data for contract year 2016 is complete. The Company estimates this receivable by taking into account risk adjustment data for contract year 2016 submitted to CMS prior to December 31, 2017, as well as its estimate of the impact of risk adjustment data for contract year 2016 that will be submitted prior to the appropriate regulatory deadline in early 2017. These amounts are recognized in 2016 as premiums under contracts subject to redetermination. In addition, the Company's Medicare Advantage contracts are subject to retrospective rating provisions under which the Company and CMS share in amounts above and below agreed-upon target medical benefit ratios.
- B. The Company had net premiums written of \$498,234,020 and \$440,934,907 related to its agreements with CMS for the years ended December 31, 2016 and 2015, respectively, representing 56% for 2016 and 39% for 2015 of total premium revenue. The Company had net premiums receivable of \$13,765,883 and \$13,873,663 related to its agreements with CMS at December 31, 2016 and 2015, respectively, representing 54% in 2016 and 44% in 2015 of total premiums receivable.

C. Contracts subject to redetermination

The Company accrues amounts payable to or receivable from the federal government related to its contracts with the OPM to provide or arrange health services under the FEHB program for federal employees, annuitants and their dependents. These contracts with the OPM and applicable government regulations establish premium rating requirements for the FEHB program. At December 31, 2016 and 2015, the Company had written premiums related to its contracts with the OPM of \$50,707,401 and \$66,890,470, respectively, representing 6% of the Company's total premiums for both 2016 and 2015.

The OPM conducts periodic audits of its contractors to, among other things, verify that the premiums established under its contracts are in compliance with the requirements under the FEHB program. These audits often result in findings for which the Company establishes a specific reserve. For those years under contract that have not been audited by the OPM, the Company establishes a general audit liability which is the result of a historical study of average audit payments. In addition, for all years under contract, the Company annually performs rate reconciliations which may result in amounts owed to or receivable from the OPM.

Audit findings, historical study of audit payments, and rate reconciliations have resulted in reserves of \$2,551,881 and \$1,414,158 which were recorded as aggregate health policy reserves in the Statutory Statements of Liabilities, Capital and Surplus at December 31, 2016 and 2015, respectively.

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

The Company is required to make premium rebate payments to customers that are enrolled under certain health insurance policies if specific minimum annual MLR are not met in the prior year. The Company had no accrued minimum MLR rebates at December 31, 2016 or 2015. The Company made no payments for minimum MLR rebates in 2016 or 2015 for the year 2015 or 2014.

	Individual	Small group employer	Large group employer	Other categories with rebates	Total
Prior reporting year					
(1) Medical loss ratio rebates incurred	-	-	\$(4,502)	-	\$(4,502)
(2) Medical loss ratio rebates paid	-	-	-	-	-
(3) Medical loss ratio rebates unpaid	-	-	-	-	-
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	-
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	-
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	-
Current reporting year-to-date					
(7) Medical loss ratio rebates incurred	-	-	-	-	-
(8) Medical loss ratio rebates paid	-	-	-	-	-
(9) Medical loss ratio rebates unpaid	-	-	-	-	-
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	-
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	-
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	-

E. Risk Sharing Provisions of the Affordable Care Act

- (1) Did the reporting entity write accident and health insurance premium which is subject to the ACA risk sharing provisions (YES/NO)? Yes

Line items below where the amount is zero are due to no activity as of the reporting date.

- (2) Impact of Risk Sharing Provisions of the ACA on Admitted Assets, Liabilities and Revenue and Expenses for the Current Year:

	Amount
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment	-
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$59,084
3. Premium adjustments payable due to ACA Risk Adjustment	\$11,205,658
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$(20,300,080)
5. Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	(58,661)
b. Transitional ACA Reinsurance Program	
Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	-
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability)	-
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	-
Liabilities	
4. Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium	\$389,286
5. Ceded reinsurance premiums payable due to ACA Reinsurance	-
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	-

	Amount
Operations (Revenue & Expense)	
7. Ceded reinsurance premiums due to ACA Reinsurance	-
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	-
9. ACA Reinsurance contributions - not reported as ceded premium	\$(1,946,428)
 c. Temporary ACA Risk Corridors Program	
Assets	
1. Accrued retrospective premium due to ACA Risk Corridors	-
Liabilities	
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	-
Operations (Revenue & Expense)	
3. Effect of ACA Risk Corridors on net premium income (paid/received)	-
4. Effect of ACA Risk Corridors on change in reserves for rate credits	-
 (3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance.	

	Accrued during the prior year on business written before December 31 of the prior year		Received or paid as of the current year on business written before December 31 of the prior year	
	1	2	3	4
	Receivable	(Payable)	Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program				
1. Premium adjustments receivable	-	-	-	-
2. Premium adjustments (payable)	-	\$9,014,965	-	\$18,109,387
3. Subtotal ACA Permanent Risk Adjustment Program	-	\$9,014,965	-	\$18,109,387
b. Transitional ACA Reinsurance Program				
1. Amounts recoverable for claims paid	-	-	-	-
2. Amounts recoverable for claims unpaid (contra liability)	-	-	-	-
3. Amounts receivable relating to uninsured plans	-	-	-	-
4. Liabilities for contributions payable due to ACA reinsurance - not reported as ceded premium	-	1,343,624	-	1,343,624
5. Ceded reinsurance premiums payable	-	-	-	-
6. Liability for amounts held under uninsured plans	-	-	-	-
7. Subtotal ACA Transitional Reinsurance Program	-	1,343,624	-	1,343,624
c. Temporary ACA Risk Corridors Program				
1. Accrued retrospective premium	-	-	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-
3. Subtotal ACA Risk Corridors Program	-	-	-	-
d. Total for ACA Risk Sharing Provisions	-	\$10,358,589	-	\$19,453,011

Differences		Adjustments		Ref
Prior year accrued less payments (Col 1 - 3)	Prior year accrued less payments (Col 2 - 4)	To prior year balances	To prior year balances	
5	6	7	8	
Receivable	(Payable)	Receivable	(Payable)	

Permanent ACA Risk Adjustment Program					
a.	1. Premium adjustments receivable	-	-	-	N/A
	2. Premium adjustments (payable)	-	\$(9,094,422)	-	A
	3. Subtotal ACA Permanent Risk Adjustment Program	-	\$(9,094,422)	-	\$9,094,422
Transitional ACA Reinsurance Program					
b.	1. Amounts recoverable for claims paid	-	-	-	N/A
	2. Amounts recoverable for claims unpaid (contra liability)	-	-	-	N/A
	3. Amounts receivable relating to uninsured plans	-	-	-	N/A
	4. Liabilities for contributions payable due to ACA reinsurance - not reported as ceded premium	-	-	-	N/A
	5. Ceded reinsurance premiums payable	-	-	-	N/A
	6. Liability for amounts held under uninsured plans	-	-	-	N/A
	7. Subtotal ACA Transitional Reinsurance Program	-	-	-	
Temporary ACA Risk Corridors Program					
c.	1. Accrued retrospective premium	-	-	-	N/A
	2. Reserve for rate credits or policy experience rating refunds	-	-	-	N/A
	3. Subtotal ACA Risk Corridors Program	-	-	-	
d.	Total for ACA Risk Sharing Provisions	-	\$(9,094,422)	-	\$9,094,422

Unsettled balances as of the reporting date	
Cumulative balance from prior years (col 1 - 3 + 7)	Cumulative balance from prior years (col 2 - 4 + 8)
9	10
Receivable	(Payable)

a.	1. Premium adjustments receivable	-	-
	2. Premium adjustments (payable)	-	-
	3. Subtotal ACA Permanent Risk Adjustment Program	-	-
b. Transitional ACA Reinsurance Program			
	1. Amounts recoverable for claims paid	-	-
	2. Amounts recoverable for claims unpaid (contra liability)	-	-
	3. Amounts receivable relating to uninsured plans	-	-
	4. Liabilities for contributions payable due to ACA reinsurance - not reported as ceded premium	-	-
	5. Ceded reinsurance premiums payable	-	-
	6. Liability for amounts held under uninsured plans	-	-
	7. Subtotal ACA Transitional Reinsurance Program	-	-
c. Temporary ACA Risk Corridors Program			
	1. Accrued retrospective premium	-	-
	2. Reserve for rate credits or policy experience rating refunds	-	-
	3. Subtotal ACA Risk Corridors Program	-	-
d.	Total for ACA Risk Sharing Provisions	-	-

(4) Roll-forward of Risk Corridor asset and liability balances by program benefit year.

Accrued during the prior year on business written before December 31 of the prior year		Received or paid as of the current year on business written before December 31 of the prior year	
1	2	3	4
Receivable	Payable	Receivable	Payable

a.	2014				
	1. Accrued retrospective premium	-	-	-	-
	2. Reserve for rate credits for policy experience rating refunds	-	-	-	-
b.	2015				
	1. Accrued retrospective premium	-	-	-	-
	2. Reserve for rate credits for policy experience rating refunds	-	-	-	-
c.	2016				
	1. Accrued retrospective premium	-	-	-	-
	2. Reserve for rate credits for policy experience rating refunds	-	-	-	-
d.	Total for Risk Corridors	-	-	-	-

Differences		Adjustments		Ref
Prior year accrued less payments (Col 1 - 3)	Prior year accrued less payments (Col 2 - 4)	To prior year balances	To prior year balances	
5	6	7	8	
Receivable	Payable	Receivable	Payable	

a.	2014					
	1. Accrued retrospective premium	-	-	-	-	N/A
	2. Reserve for rate credits for policy experience rating refunds	-	-	-	-	N/A
b.	2015					
	1. Accrued retrospective premium	-	-	-	-	N/A
	2. Reserve for rate credits for policy experience rating refunds	-	-	-	-	N/A
c.	2016					
	1. Accrued retrospective premium	-	-	-	-	N/A
	2. Reserve for rate credits for policy experience rating refunds	-	-	-	-	N/A
d.	Total for Risk Corridors	-	-	-	-	

Unsettled balances as of the reporting date	
Cumulative balance from prior years (col 1 - 3 + 7)	Cumulative balance from prior years (col 2 - 4 + 8)
9	10
Receivable	Payable

a.	2014		
	1. Accrued retrospective premium	-	-
	2. Reserve for rate credits for policy experience rating refunds	-	-
b.	2015		
	1. Accrued retrospective premium	-	-
	2. Reserve for rate credits for policy experience rating refunds	-	-
c.	2016		
	1. Accrued retrospective premium	-	-
	2. Reserve for rate credits for policy experience rating refunds	-	-
d.	Total for Risk Corridors	-	-

Explanations of adjustments

A. Due to updates to the data available to the Company to calculate the risk adjustment.

(5) ACA Risk Corridors Receivable as of reporting date.

		1	2	3
	Risk Corridors program year	Estimated amount to be filed or final amount filed with CMS	Non-accrued amounts for impairment or other reasons	Amounts received from CMS
a.	2014	-	-	-
b.	2015	-	-	-
c.	2016	-	-	-
d.	Total (a+b+c)	-	-	-

		4	5	6
	Risk Corridors program year	Asset balance (gross of non-admissions) (1-2-3)	Non-admitted amount	Net admitted asset (4-5)
a.	2014	-	-	-
b.	2015	-	-	-
c.	2016	-	-	-
d.	Total (a+b+c)	-	-	-

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	\$124,392,414	\$113,600,542
Health care receivable	2,516,776	(2,265,352)
Balance, January 1, net of health care receivable	121,875,638	111,335,190
Incurred related to:		
Current year	760,015,245	957,676,138
Prior years	(9,491,971)	(17,001,649)
Total incurred	750,523,274	940,674,489
Paid related to:		
Current year	685,944,714	842,952,664
Prior years	107,703,697	87,181,377
Total paid	793,648,411	930,134,041
Balance, December 31, net of health care receivable	78,750,501	121,875,638
Health care receivable	1,613,386	2,516,776
Balance, December 31	\$80,363,887	\$124,392,414

In 2016, reserves for incurred claims and claim adjustment expenses attributable to insured events of prior years decreased by \$9,491,971 from \$124,392,414 in 2015 to \$114,900,443 2016. In 2015, reserves for incurred claims and claim adjustment expenses attributable to insured events of prior years decreased by \$17,001,649 from \$113,600,542 in 2014 to \$96,598,893 in 2015. The lower than anticipated health care cost trend rates observed in 2016 and 2015 for claims incurred in 2015 and 2014 were due to moderating outpatient and physician trends and faster than expected claim payment speed. 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. The Company experienced approximately \$5,062,178 of favorable prior year claim development on retrospectively rated policies, which is included in the net 2016 decrease. However, the business to which it relates is subject to premium adjustments. The Company excluded the impact of the change in health care receivables related to pharmacy rebates from the above roll-forward to conform to NAIC Annual Statement presentation.

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 receives pharmaceutical rebates through an agreement with AHM. AHM has contractual agreements with pharmaceutical companies for rebates, which cover the Company's membership as well as the membership of other Aetna affiliates. The Company receives those rebates from AHM that relate to the Company's membership. The Company estimates pharmaceutical rebate receivables based upon the historical payment trends, actual utilization and other variables. Actual rebates collected are applied to the collection periods below, using a first in, first out methodology. At December 31, 2016 and 2015, the Company had pharmaceutical rebate receivables of \$1,613,386 and \$2,516,776, respectively (refer to the Company's accounting practices related to pharmaceutical rebate receivables in Note 1).

The following table discloses the quarterly revenue and subsequent cash collections relating to the pharmaceutical rebates discussed in Note 10.

Quarter	Estimated pharmacy rebates as reported on financial statements	Pharmacy rebates as invoiced/ confirmed	Actual rebates collected within 90 days of invoicing/ confirmation	Actual rebates collected within 91 to 180 days of invoicing/ confirmation	Actual rebates collected more than 180 days after invoicing/ confirmation
12/31/2016	\$4,829,073	-	\$3,215,687 <sup>1</sup>	-	-
9/30/2016	\$5,296,082	\$5,220,505	\$5,220,505	-	-
6/30/2016	\$6,851,465	\$6,322,933	\$6,322,933	-	-
3/31/2016	\$7,072,168	\$7,023,074	\$7,023,074	-	-
12/31/2015	\$7,549,358	\$7,712,241	\$7,712,241	-	-
9/30/2015	\$7,785,478	\$7,727,831	\$7,727,831	-	-
6/30/2015	\$7,479,218	\$7,632,309	\$7,632,309	-	-
3/31/2015	\$7,034,318	\$7,096,458	\$7,096,458	-	-
12/31/2014	\$6,388,159	\$6,509,577	\$6,509,577	-	-
9/30/2014	\$5,903,237	\$5,975,166	\$5,975,166	-	-
6/30/2014	\$5,191,607	\$5,363,237	\$5,363,237	-	-
3/31/2014	\$5,212,440	\$4,891,136	\$4,891,136	-	-

<sup>1</sup> Represents a portion of the estimated rebates for the quarter ending December 31, 2016, which were paid by AHM to the Company prior to December 31, 2016 and invoicing in 2017.

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?	Yes

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. .... 12/31/2011
- 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). .... 06/20/2013
- 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<br>Name of Entity | 2<br>NAIC Company Code | 3<br>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 [ ]
- 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
- 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
011075150	Sovereign Bank	Provider has insufficient or unavailable funds to pay Providers subcontracted providers or any other providers; Provider has engaged in a pattern of failure to pay its providers or any other providers, when due, that are undisputed in good faith; Provider is insolvent; or Provider has ceased to conduct business; or Provider has failed to pay Aetna any amount due to Aetna when due.	831,767

**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  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  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  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
- 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
- 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
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$ 447,899
  - 22.22 Amount paid as expenses \$ 9,027,252
  - 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
- 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  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
- 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
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes  No  N/A
- 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

**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 [ X ] 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.....	\$ .....	150,784,774
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 [ X ]

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

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 [ X ] 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 02111-29000.....

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 [ X ]

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 .....	252,863,540	258,063,932	5,200,392
30.2 Preferred stocks .....	0	0	0
30.3 Totals	252,863,540	258,063,932	5,200,392

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? .....\$ .....50,670

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
Council for Affordable Quality Healthcare .....	25,517

34.1 Amount of payments for legal expenses, if any? .....\$ .....(476,089)

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	2	
	Current Year	Prior Year	
2.1 Premium Numerator .....	886,266,258	1,123,474,688	
2.2 Premium Denominator .....	886,266,258	1,123,474,688	
2.3 Premium Ratio (2.1/2.2) .....	1.000	1.000	
2.4 Reserve Numerator .....	93,105,123	136,155,325	
2.5 Reserve Denominator .....	93,105,123	136,155,325	
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:  
N/A

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 [ ] No [ X ]

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

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

5.2 If no, explain:  
The Company does not have stop loss insurance.

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical ..... \$ 0

5.32 Medical Only ..... \$ 0

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:  
Provider contracts contain hold harmless and continuity of care provisions. In addition, the HMO maintains an insolvency protection agreement with an affiliate of the HMO. ....

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 ..... 35,122

8.2 Number of providers at end of reporting year ..... 37,114

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

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months ..... \$ 89,156,512

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

10.2 If yes:

10.21 Maximum amount payable bonuses.....\$ .....0

10.22 Amount actually paid for year bonuses.....\$ .....3,581,444

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

11.13 An Individual Practice Association (IPA), or, ..... Yes  No

11.14 A Mixed Model (combination of above)? ..... Yes  No

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? ..... Yes  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. .... \$ 58,920,462

11.5 Is this amount included as part of a contingency reserve in stockholder's equity? ..... Yes  No

11.6 If the amount is calculated, show the calculation  
See Notes to Financial Statement - Note 21, Other Items, C., Other Disclosures.

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

1 Name of Service Area
Atlantic, Bergen, Burlington, Camden, Cape May, Cumberland, Essex, Gloucester, Hudson, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Salem, Somerset, Sussex, Union, Warren .....

13.1 Do you act as a custodian for health savings accounts? ..... Yes  No

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

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  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 Lives .....0

*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
<b>Balance Sheet</b> (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	302,931,093	340,445,426	323,686,813	341,292,560	368,040,379
2. Total liabilities (Page 3, Line 24)	115,112,396	168,797,032	125,333,336	192,127,095	216,978,373
3. Statutory minimum capital and surplus requirement	58,920,462	72,045,424	74,874,660	92,147,300	108,335,904
4. Total capital and surplus (Page 3, Line 33)	187,818,697	171,648,394	198,353,477	149,165,465	151,062,006
<b>Income Statement</b> (Page 4)					
5. Total revenues (Line 8)	886,959,898	1,123,509,099	1,171,390,639	1,355,108,082	1,627,929,146
6. Total medical and hospital expenses (Line 18)	735,645,104	922,183,930	963,012,647	1,181,044,409	1,384,492,878
7. Claims adjustment expenses (Line 20)	14,878,170	18,490,559	17,219,362	30,652,354	32,807,653
8. Total administrative expenses (Line 21)	121,780,905	168,345,438	149,320,937	150,570,579	168,980,541
9. Net underwriting gain (loss) (Line 24)	14,655,719	14,489,172	47,976,224	(4,794,202)	41,472,871
10. Net investment gain (loss) (Line 27)	8,532,518	7,939,130	8,463,162	11,417,368	13,462,533
11. Total other income (Lines 28 plus 29)	0	(30,303)	0	(283,333)	0
12. Net income or (loss) (Line 32)	17,683,008	13,384,177	40,162,673	21,731,218	47,193,230
<b>Cash Flow</b> (Page 6)					
13. Net cash from operations (Line 11)	(27,620,592)	36,216,177	45,764,449	(18,459,919)	36,809,562
<b>Risk-Based Capital Analysis</b>					
14. Total adjusted capital	187,818,697	171,648,394	198,353,477	149,165,465	151,062,006
15. Authorized control level risk-based capital	29,460,231	36,049,952	37,316,974	44,688,814	52,114,748
<b>Enrollment</b> (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	74,880	154,888	170,146	175,350	246,212
17. Total members months (Column 6, Line 7)	1,249,855	1,902,610	1,966,742	2,434,427	3,096,962
<b>Operating Percentage</b> (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)	82.9	82.1	82.2	87.2	85.0
20. Cost containment expenses	1.4	1.2	1.1	1.5	1.3
21. Other claims adjustment expenses	0.3	0.5	0.4	0.7	0.7
22. Total underwriting deductions (Line 23)	98.3	98.7	95.9	100.4	97.5
23. Total underwriting gain (loss) (Line 24)	1.7	1.3	4.1	(0.4)	2.5
<b>Unpaid Claims Analysis</b> (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	110,208,384	92,501,168	102,594,494	126,558,182	139,139,990
25. Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]	120,017,176	109,557,822	117,505,061	139,787,817	141,981,080
<b>Investments In Parent, Subsidiaries and Affiliates</b>					
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**

	1	Direct Business Only							
		2	3	4	5	6	7	8	9
States, etc.	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property/Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
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	343,081,805	504,020,502	0	50,707,401	0	0	897,809,708	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	343,081,805	504,020,502	0	50,707,401	0	0	897,809,708	0
60. Reporting entity contributions for Employee Benefit Plans	XXX	0	0	0	0	0	0	0	0
61. Total (Direct Business)	(a) 1	343,081,805	504,020,502	0	50,707,401	0	0	897,809,708	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.

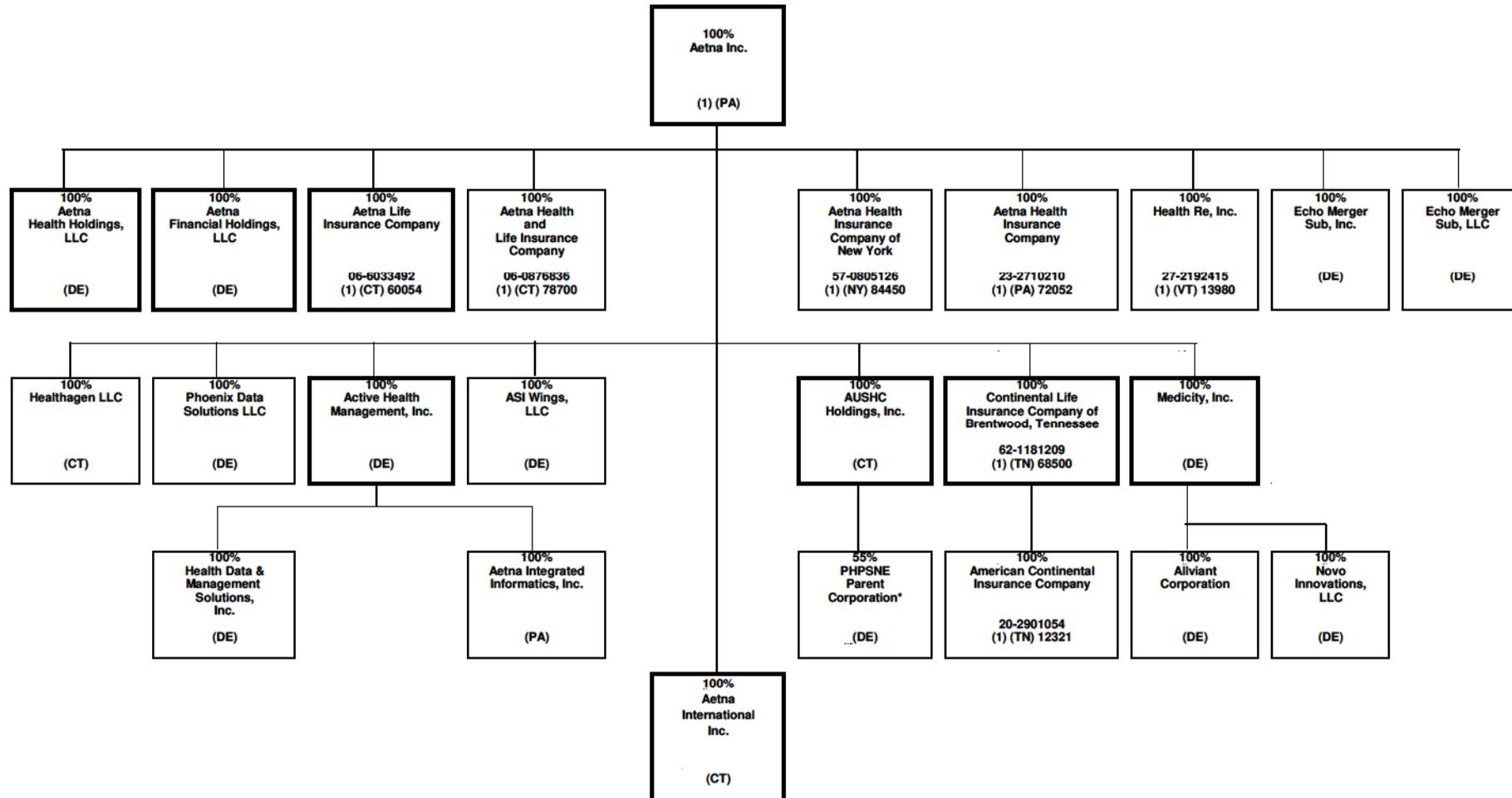
Explanation of basis of allocation by states, premiums by state, etc.

All premiums 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 Health Inc. (a New Jersey corporation)

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

PART 1 - ORGANIZATIONAL CHART

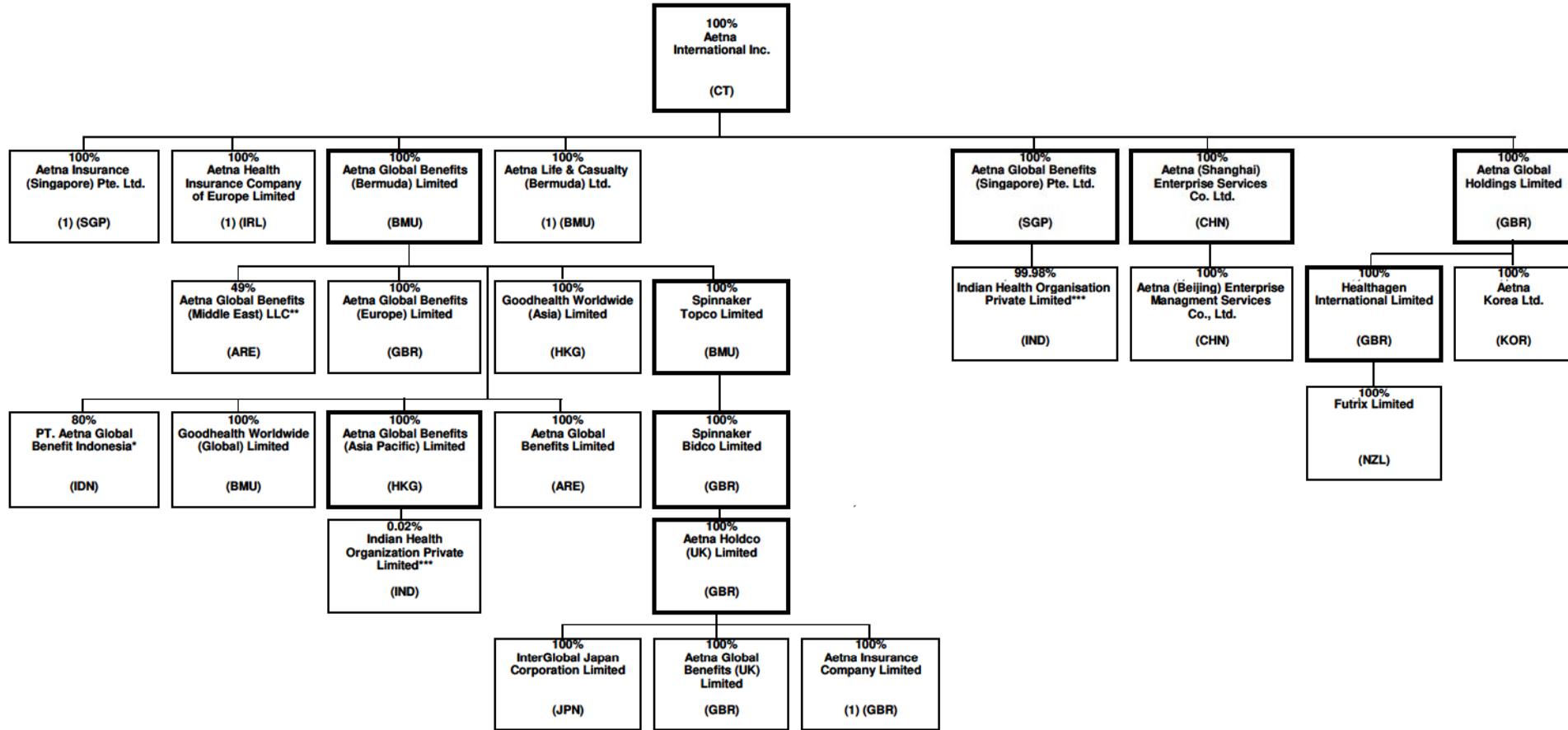


(1) Insurers/HMO's  
 Percentages are rounded to the nearest whole percent and based on ownership of voting rights.  
 Double borders indicate entity has subsidiaries shown on the same page.  
 Bold borders indicate entity has subsidiaries shown on a separate page.

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

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

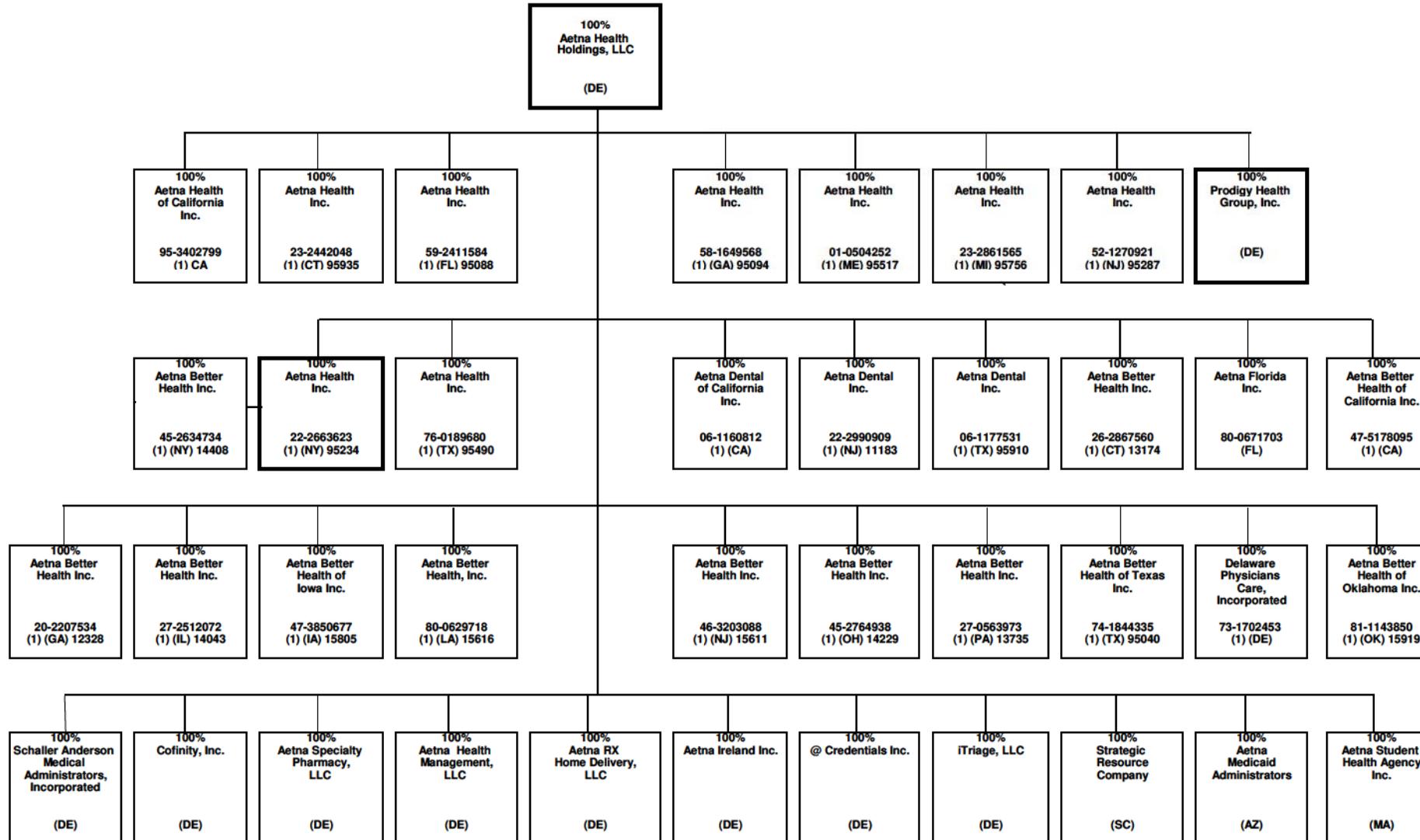
PART 1 - ORGANIZATIONAL CHART



\*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%.

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

PART 1 - ORGANIZATIONAL CHART

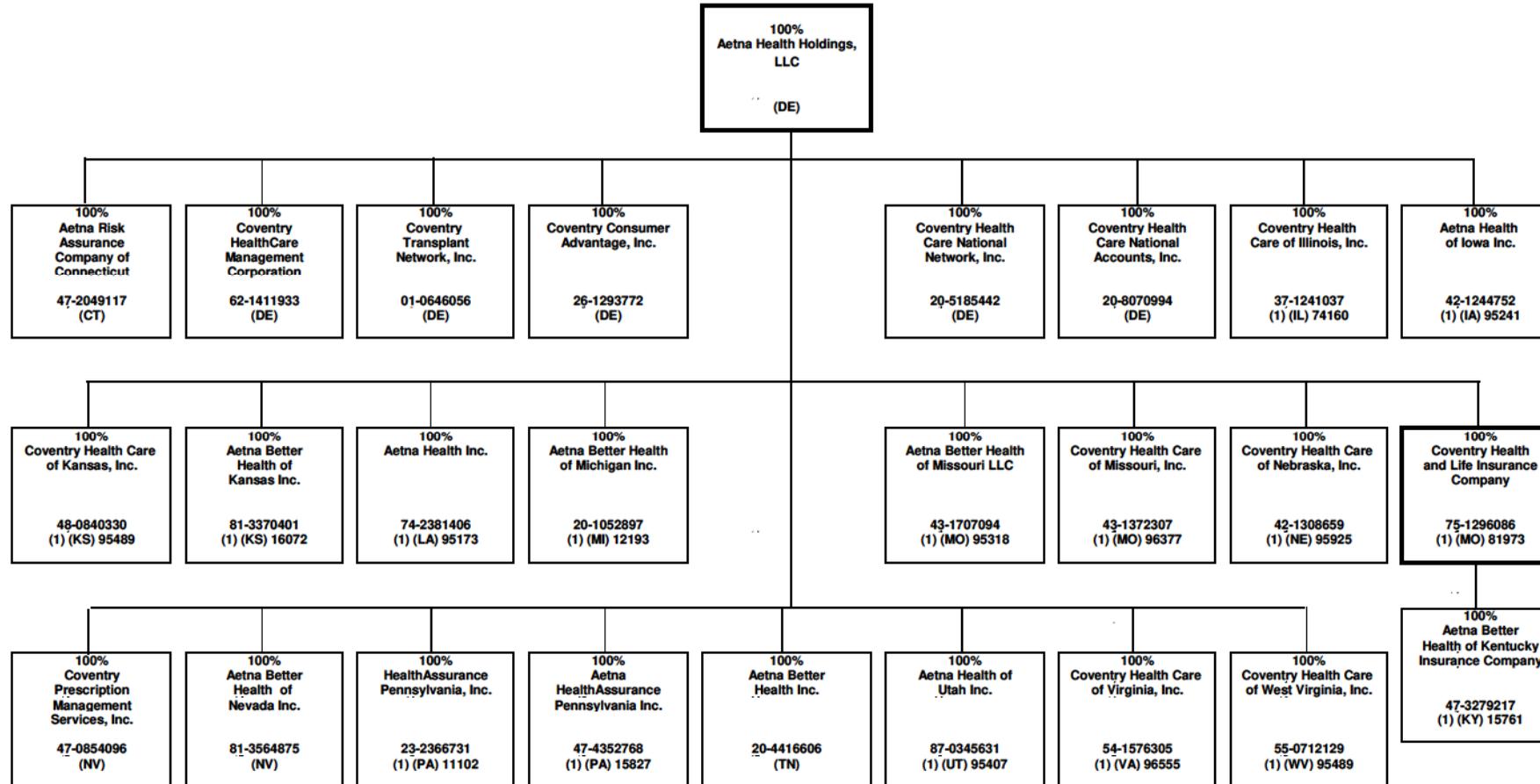


40.2

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

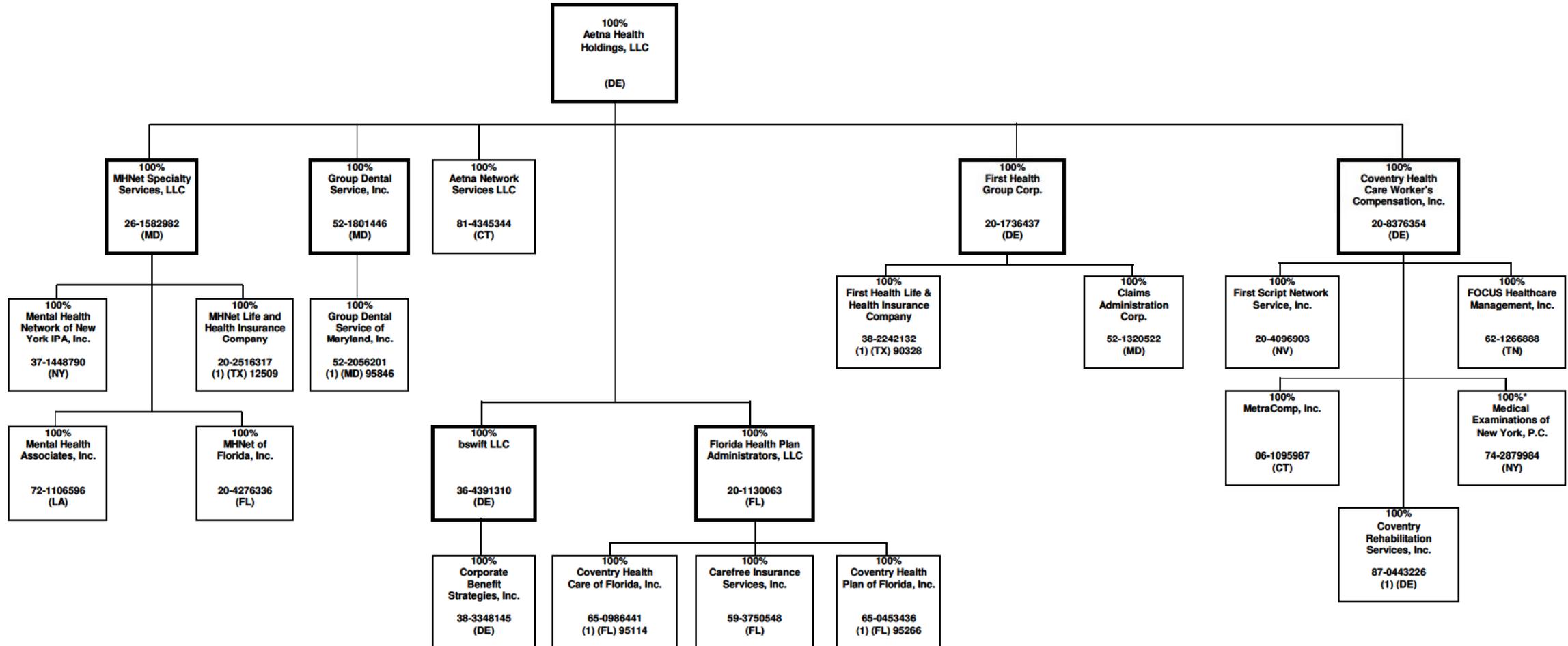
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



40.3

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 - ORGANIZATIONAL CHART**

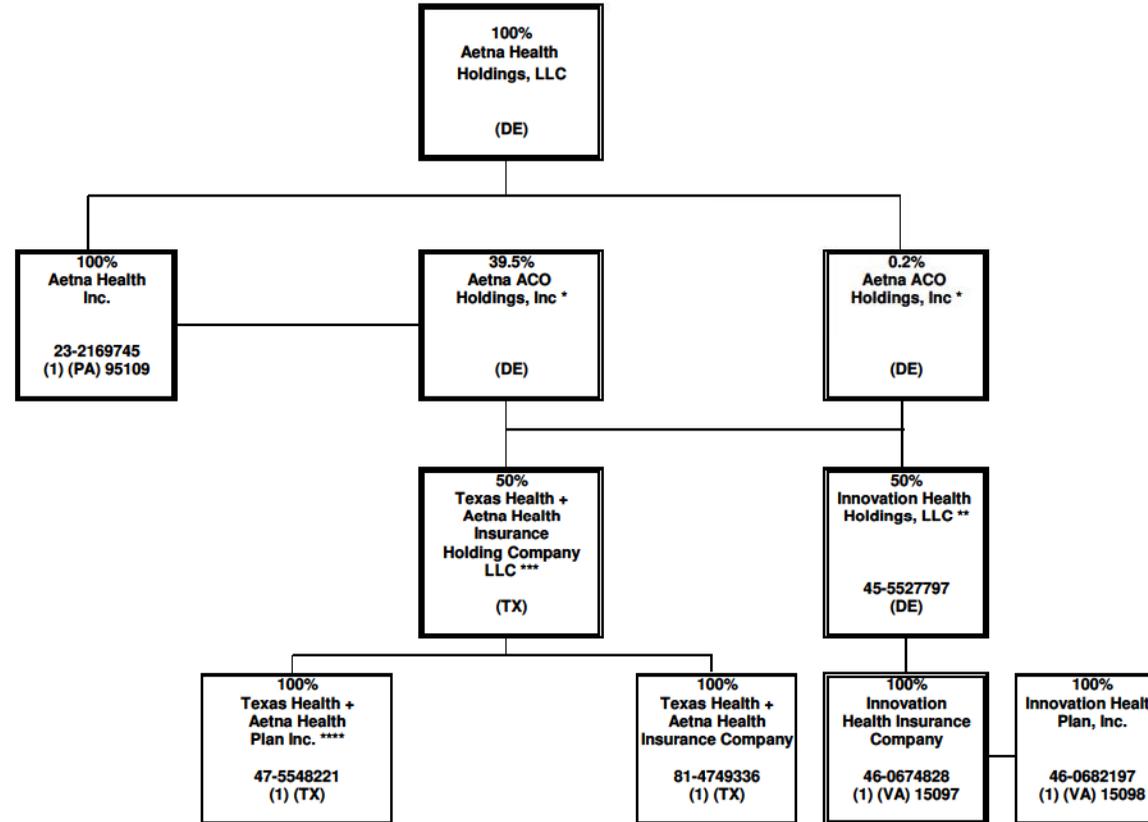


\*100% owned through Aetna's nominees

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).

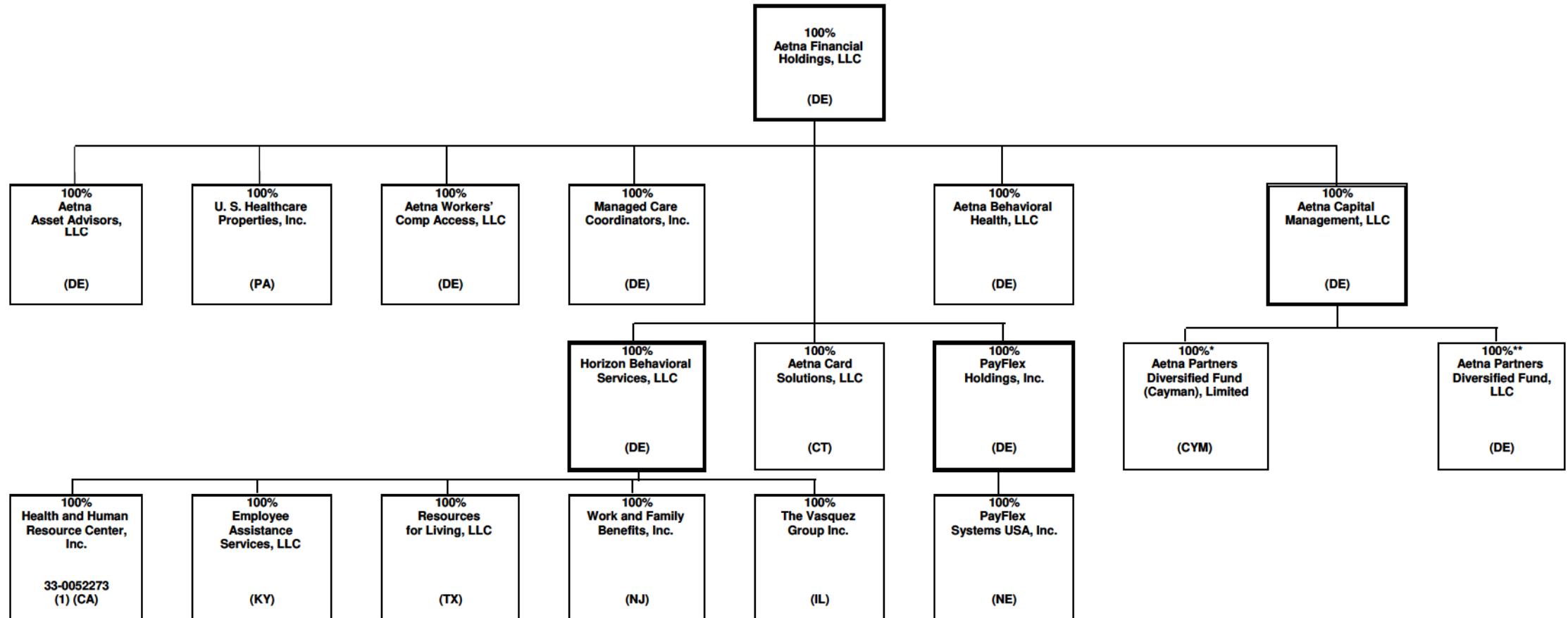
\*\* Innovation Health Holdings, LLC is 50% owned by Aetna ACO Holdings, Inc. and 50% owned by Inova Health System Foundation, an unaffiliated company.

\*\*\*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**

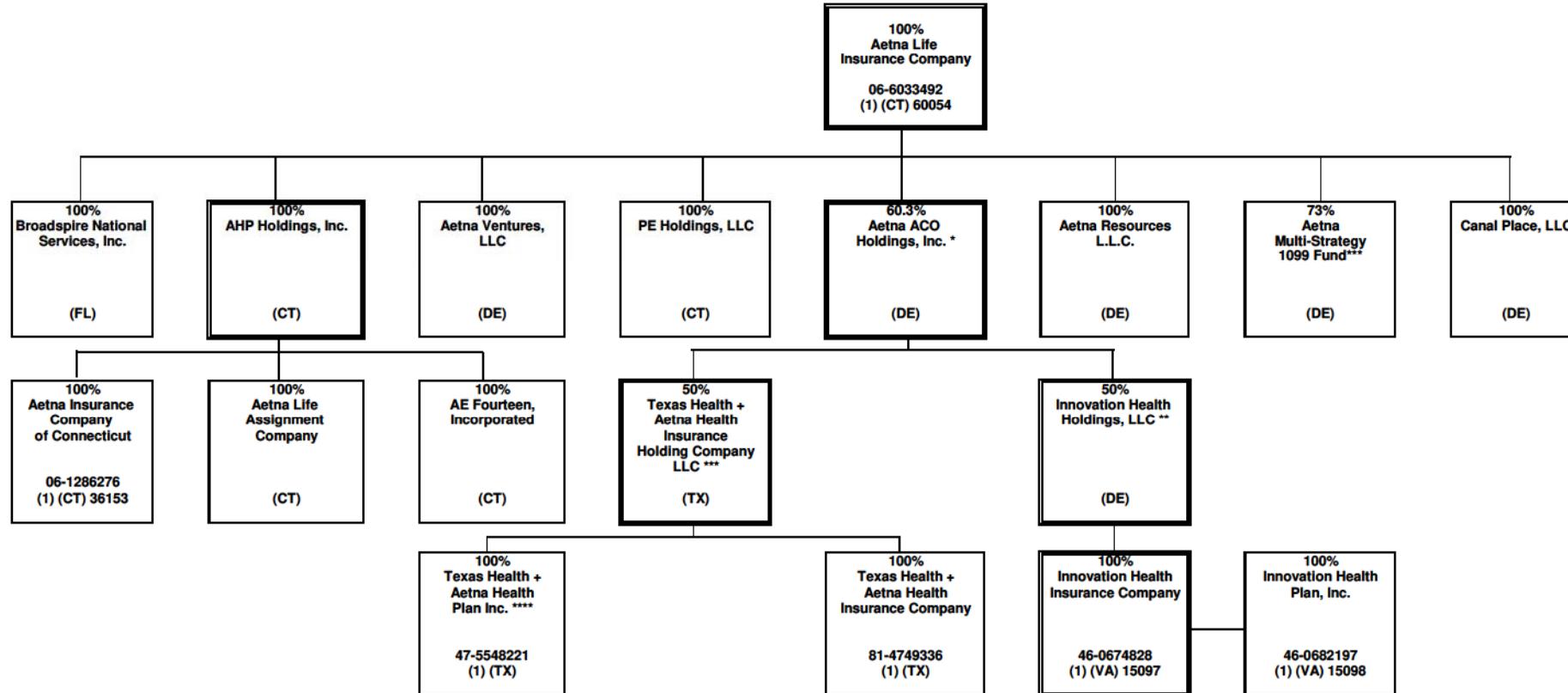


\* Aetna Life Insurance Company owns the Class C participating shares of Aetna Partners Diversified Fund (Cayman), Limited.

\*\* 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).

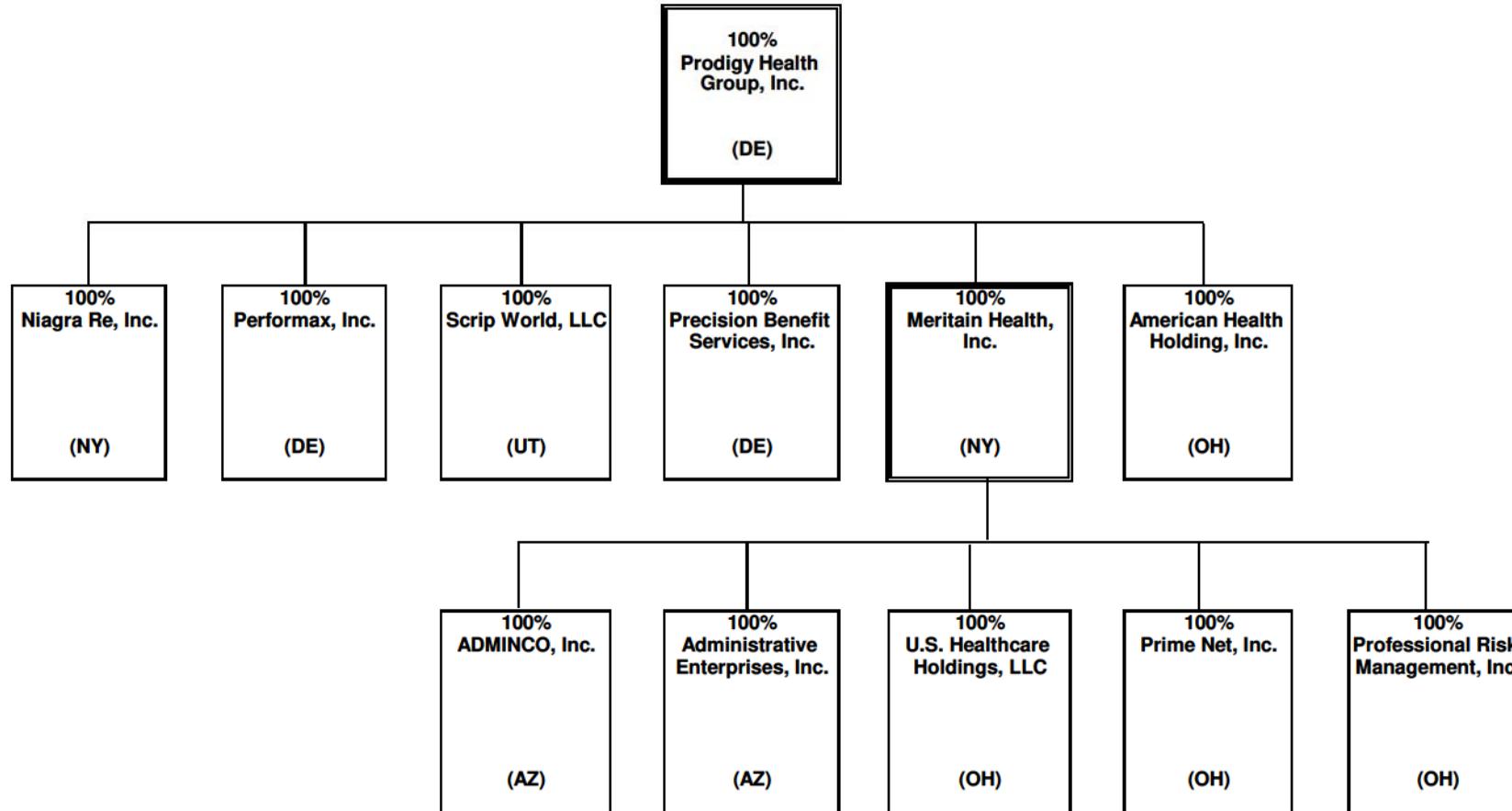
\*\* Innovation Health Holdings, LLC is 50% owned by Aetna ACO Holdings, Inc. and 50% owned by Inova Health System Foundation, an unaffiliated company.

\*\*\*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 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
2504. CVS Caremark Recovery .....	(368)	(340)	(133,882)	0	(134,590)
2597. Summary of remaining write-ins for Line 25 from overflow page	(368)	(340)	(133,882)	0	(134,590)

**OVERFLOW PAGE FOR WRITE-INS**

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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

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# HEALTH ANNUAL STATEMENT

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

## Aetna Health Inc. (a New Jersey corporation)

NAIC Group Code 0001 0001 NAIC Company Code 95287 Employer's ID Number 52-1270921  
(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 05/18/1982 Commenced Business 03/01/1983

Statutory Home Office 9 Entin Road, Suite 203 Parsippany, NJ, US 07054  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1425 Union Meeting Road  
(Street and Number)  
Blue Bell, PA, US 800-872-3662  
(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 9 Entin Road, Suite 203  
(Street and Number)  
Parsippany, NJ, US 07054 973-244-3500  
(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

President Michael Sebastian Costa Principal Financial Officer and Controller Steven Matthew Conte

Vice President and Secretary Edward Chung-I Lee

### 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

Gerard Vincent Carey Michael Sebastian Costa David Michael Lasaracino

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.

Michael Sebastian Costa  
President

Edward Chung-I Lee  
Vice President and Secretary

Steven Matthew Conte  
Principal Financial Officer and Controller

State of..... New Jersey  
County of..... Morris

State of..... Connecticut  
County of..... Hartford

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

Subscribed and sworn to before me this  
2 day of February, 2017.

Subscribed and sworn to before me this  
2 day of February, 2017.

Subscribed and sworn to before me this  
2/17 day of February, 2017.

ANGELA ROWE  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires 6/21/2018

CAITLIN ROUX-HALLORAN  
Notary Public, State of Connecticut  
My Commission Expires Jan. 31, 2020

COMMONWEALTH OF PENNSYLVANIA  
NOTARIAL SEAL  
KIM E. ROTH, Notary Public  
Whitpain Twp., Montgomery County  
My Commission Expires April 25, 2017

- 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	12,036,338	4.760	12,036,338	0	12,036,338	4.760
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	0	0.000	0	0	0	0.000
1.3 Non-U.S. government (including Canada, excluding mortgaged-backed securities)	0	0.000	0	0	0	0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S. :						
1.41 States, territories and possessions general obligations	42,993,416	17.003	42,993,416	0	42,993,416	17.003
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	38,002,467	15.029	38,002,467	0	38,002,467	15.029
1.43 Revenue and assessment obligations	82,088,345	32.463	82,088,345	0	82,088,345	32.463
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	121,410	0.048	121,410	0	121,410	0.048
1.512 Issued or guaranteed by FNMA and FHLMC	3,660,068	1.447	3,660,068	0	3,660,068	1.447
1.513 All other	8,104,628	3.205	8,104,628	0	8,104,628	3.205
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	7,225,756	2.858	7,225,756	0	7,225,756	2.858
2. Other debt and other fixed income securities (excluding short-term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	46,409,546	18.354	46,409,546	0	46,409,546	18.354
2.2 Unaffiliated non-U.S. securities (including Canada)	11,278,360	4.460	11,278,360	0	11,278,360	4.460
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	943,206	0.373	943,206	0	943,206	0.373
11. Other invested assets	0	0.000	0	0	0	0.000
12. Total invested assets	252,863,540	100.000	252,863,540	0	252,863,540	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 .....		278,086,416
2.	Cost of bonds and stocks acquired, Part 3, Column 7 .....		121,705,744
3.	Accrual of discount .....		389,126
4.	Unrealized valuation increase (decrease):		
4.1.	Part 1, Column 12 .....	265,485	
4.2.	Part 2, Section 1, Column 15 .....	0	
4.3.	Part 2, Section 2, Column 13 .....	0	
4.4.	Part 4, Column 11 .....	436,338	701,823
5.	Total gain (loss) on disposals, Part 4, Column 19 .....		1,282,958
6.	Deduction consideration for bonds and stocks disposed of, Part 4, Column 7 .....		146,702,671
7.	Deduct amortization of premium .....		3,477,589
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	0
9.	Deduct current year's other than temporary impairment recognized:		
9.1.	Part 1, Column 14 .....	0	
9.2.	Part 2, Section 1, Column 17 .....	0	
9.3.	Part 2, Section 2, Column 14 .....	0	
9.4.	Part 4, Column 13 .....	65,473	65,473
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....		251,920,334
11.	Deduct total nonadmitted amounts .....		0
12.	Statement value at end of current period (Line 10 minus Line 11) .....		251,920,334

**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
<b>BONDS</b>					
Governments (Including all obligations guaranteed by governments)	1. United States .....	12,157,748	12,378,657	12,119,927	12,221,740
	2. Canada .....	0	0	0	0
	3. Other Countries .....	0	0	0	0
	4. Totals	12,157,748	12,378,657	12,119,927	12,221,740
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals	42,993,416	43,720,885	45,634,410	40,120,000
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals	38,002,467	38,157,424	39,273,714	35,340,000
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	88,974,564	91,771,538	93,282,632	84,103,598
Industrial and Miscellaneous, SVO Identified Funds and Hybrid Securities (unaffiliated)	8. United States .....	58,513,780	59,756,394	58,524,880	58,303,000
	9. Canada .....	1,456,116	1,549,766	1,462,500	1,500,000
	10. Other Countries .....	9,822,243	9,786,062	9,809,487	9,750,000
	11. Totals	69,792,139	71,092,222	69,796,867	69,553,000
Parent, Subsidiaries and Affiliates	12. Totals	0	0	0	0
	13. Total Bonds	251,920,334	257,120,726	260,107,550	241,338,338
<b>PREFERRED STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	14. United States .....	0	0	0	
	15. Canada .....	0	0	0	
	16. Other Countries .....	0	0	0	
	17. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	18. Totals	0	0	0	
	19. Total Preferred Stocks	0	0	0	
<b>COMMON STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	20. United States .....	0	0	0	
	21. Canada .....	0	0	0	
	22. Other Countries .....	0	0	0	
	23. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	24. Totals	0	0	0	
	25. Total Common Stocks	0	0	0	
	26. Total Stocks	0	0	0	
	27. Total Bonds and Stocks	251,920,334	257,120,726	260,107,550	

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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)
<b>1. U.S. Governments</b>												
1.1 NAIC 1	5,517,970	2,637,694	3,984,615	18,450	0	XXX	12,158,729	4.8	18,612,358	6.6	12,158,729	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	5,517,970	2,637,694	3,984,615	18,450	0	XXX	12,158,729	4.8	18,612,358	6.6	12,158,729	0
<b>2. All Other Governments</b>												
2.1 NAIC 1	0	0	0	0	0	XXX	0	0.0	1,006,222	0.4	0	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	0	0	0	0	XXX	0	0.0	1,006,222	0.4	0	0
<b>3. U.S. States, Territories and Possessions etc., Guaranteed</b>												
3.1 NAIC 1	0	32,530,916	6,093,360	0	0	XXX	38,624,276	15.3	42,398,062	15.1	38,624,276	0
3.2 NAIC 2	0	4,369,140	0	0	0	XXX	4,369,140	1.7	0	0.0	4,369,140	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	36,900,056	6,093,360	0	0	XXX	42,993,416	17.0	42,398,062	15.1	42,993,416	0
<b>4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed</b>												
4.1 NAIC 1	1,676,310	5,377,567	19,760,727	3,676,615	0	XXX	30,491,219	12.1	13,156,513	4.7	30,491,219	0
4.2 NAIC 2	3,455,035	0	0	0	0	XXX	3,455,035	1.4	3,486,641	1.2	3,455,035	0
4.3 NAIC 3	0	0	0	0	0	XXX	0	0.0	4,059,600	1.4	0	0
4.4 NAIC 4	4,056,213	0	0	0	0	XXX	4,056,213	1.6	0	0.0	4,056,213	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	9,187,558	5,377,567	19,760,727	3,676,615	0	XXX	38,002,467	15.0	20,702,754	7.4	38,002,467	0
<b>5. U.S. Special Revenue &amp; Special Assessment Obligations, etc., Non-Guaranteed</b>												
5.1 NAIC 1	10,488,651	27,200,821	35,386,256	6,677,925	939,535	XXX	80,693,188	31.9	111,968,099	40.0	80,693,188	0
5.2 NAIC 2	0	8,281,375	0	0	0	XXX	8,281,375	3.3	9,390,927	3.4	8,281,375	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	3,305,195	1.2	0	0
5.6 NAIC 6	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.7 Totals	10,488,651	35,482,196	35,386,256	6,677,925	939,535	XXX	88,974,563	35.2	124,664,221	44.5	88,974,563	0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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)
<b>6. Industrial &amp; Miscellaneous (Unaffiliated)</b>												
6.1 NAIC 1	1,814,402	17,574,022	5,130,262	0	0	XXX	24,518,686	9.7	37,106,803	13.2	16,586,066	7,932,620
6.2 NAIC 2	5,001,245	14,429,374	2,356,548	0	0	XXX	21,787,167	8.6	16,979,915	6.1	19,430,619	2,356,548
6.3 NAIC 3	770,524	9,902,656	9,930,575	0	0	XXX	20,603,755	8.1	16,389,013	5.9	18,085,947	2,517,808
6.4 NAIC 4	0	3,075,854	748,903	0	0	XXX	3,824,757	1.5	2,204,766	0.8	2,032,287	1,792,470
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	7,586,171	44,981,906	18,166,288	0	0	XXX	70,734,365	28.0	72,680,497	26.0	56,134,919	14,599,446
<b>7. Hybrid Securities</b>												
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
<b>8. Parent, Subsidiaries and Affiliates</b>												
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
<b>9. SVO Identified Funds</b>												
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 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)
<b>10. Total Bonds Current Year</b>												
10.1 NAIC 1	(d) 19,497,333	85,321,020	70,355,220	10,372,990	939,535	0	186,486,098	73.7	XXX	XXX	178,553,478	7,932,620
10.2 NAIC 2	(d) 8,456,280	27,079,889	2,356,548	0	0	0	37,892,717	15.0	XXX	XXX	35,536,169	2,356,548
10.3 NAIC 3	(d) 770,524	9,902,656	9,930,575	0	0	0	20,603,755	8.1	XXX	XXX	18,085,947	2,517,808
10.4 NAIC 4	(d) 4,056,213	3,075,854	748,903	0	0	0	7,880,970	3.1	XXX	XXX	6,088,500	1,792,470
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	0	0.0	XXX	XXX	0	0
10.7 Totals	32,780,350	125,379,419	83,391,246	10,372,990	939,535	0	(b) 252,863,540	100.0	XXX	XXX	238,264,094	14,599,446
10.8 Line 10.7 as a % of Col. 7	13.0	49.6	33.0	4.1	0.4	0.0	100.0	XXX	XXX	XXX	94.2	5.8
<b>11. Total Bonds Prior Year</b>												
11.1 NAIC 1	24,833,190	66,857,153	79,132,813	48,441,758	4,983,143	XXX	XXX	XXX	224,248,057	80.1	221,289,416	2,958,641
11.2 NAIC 2	2,001,292	26,752,906	0	1,103,285	0	XXX	XXX	XXX	29,857,483	10.7	26,859,030	2,998,453
11.3 NAIC 3	1,018,977	11,835,328	7,594,308	0	0	XXX	XXX	XXX	20,448,613	7.3	16,517,399	3,931,214
11.4 NAIC 4	0	506,880	1,697,886	0	0	XXX	XXX	XXX	2,204,766	0.8	506,880	1,697,886
11.5 NAIC 5	0	0	3,305,195	0	0	XXX	XXX	XXX	(c) 3,305,195	1.2	3,305,195	0
11.6 NAIC 6	0	0	0	0	0	XXX	XXX	XXX	(c) 0	0.0	0	0
11.7 Totals	27,853,459	105,952,267	91,730,202	49,545,043	4,983,143	XXX	XXX	XXX	(b) 280,064,114	100.0	268,477,920	11,586,194
11.8 Line 11.7 as a % of Col. 9	9.9	37.8	32.8	17.7	1.8	XXX	XXX	XXX	100.0	XXX	95.9	4.1
<b>12. Total Publicly Traded Bonds</b>												
12.1 NAIC 1	17,682,931	79,202,802	70,355,220	10,372,990	939,535	0	178,553,478	70.6	221,289,416	79.0	178,553,478	XXX
12.2 NAIC 2	8,456,280	27,079,889	0	0	0	0	35,536,169	14.1	26,859,030	9.6	35,536,169	XXX
12.3 NAIC 3	770,524	8,387,852	8,927,571	0	0	0	18,085,947	7.2	16,517,399	5.9	18,085,947	XXX
12.4 NAIC 4	4,056,213	2,032,287	0	0	0	0	6,088,500	2.4	506,880	0.2	6,088,500	XXX
12.5 NAIC 5	0	0	0	0	0	0	0	0.0	3,305,195	1.2	0	XXX
12.6 NAIC 6	0	0	0	0	0	0	0	0.0	0	0.0	0	XXX
12.7 Totals	30,965,948	116,702,830	79,282,791	10,372,990	939,535	0	238,264,094	94.2	268,477,920	95.9	238,264,094	XXX
12.8 Line 12.7 as a % of Col. 7	13.0	49.0	33.3	4.4	0.4	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	12.2	46.2	31.4	4.1	0.4	0.0	94.2	XXX	XXX	XXX	94.2	XXX
<b>13. Total Privately Placed Bonds</b>												
13.1 NAIC 1	1,814,402	6,118,218	0	0	0	0	7,932,620	3.1	2,958,641	1.1	XXX	7,932,620
13.2 NAIC 2	0	0	2,356,548	0	0	0	2,356,548	0.9	2,998,453	1.1	XXX	2,356,548
13.3 NAIC 3	0	1,514,804	1,003,004	0	0	0	2,517,808	1.0	3,931,214	1.4	XXX	2,517,808
13.4 NAIC 4	0	1,043,567	748,903	0	0	0	1,792,470	0.7	1,697,886	0.6	XXX	1,792,470
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	1,814,402	8,676,589	4,108,455	0	0	0	14,599,446	5.8	11,586,194	4.1	XXX	14,599,446
13.8 Line 13.7 as a % of Col. 7	12.4	59.4	28.1	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	0.7	3.4	1.6	0.0	0.0	0.0	5.8	XXX	XXX	XXX	XXX	5.8

(a) Includes \$ 14,599,446 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 \$ 943,206 ; NAIC 2 \$ 0 ; NAIC 3 \$ 0 ; NAIC 4 \$ 0 ; NAIC 5 \$ 0 ; NAIC 6 \$ 0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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
<b>1. U.S. Governments</b>												
1.1 Issuer Obligations	5,498,908	2,595,643	3,942,768	0	0	XXX	12,037,319	4.8	13,999,264	5.0	12,037,319	0
1.2 Residential Mortgage-Backed Securities	19,062	42,051	41,847	18,450	0	XXX	121,410	0.0	4,613,094	1.6	121,410	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	5,517,970	2,637,694	3,984,615	18,450	0	XXX	12,158,729	4.8	18,612,358	6.6	12,158,729	0
<b>2. All Other Governments</b>												
2.1 Issuer Obligations	0	0	0	0	0	XXX	0	0.0	1,006,222	0.4	0	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	0	0	0	0	XXX	0	0.0	1,006,222	0.4	0	0
<b>3. U.S. States, Territories and Possessions, Guaranteed</b>												
3.1 Issuer Obligations	0	36,900,056	6,093,360	0	0	XXX	42,993,416	17.0	42,398,062	15.1	42,993,416	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	36,900,056	6,093,360	0	0	XXX	42,993,416	17.0	42,398,062	15.1	42,993,416	0
<b>4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed</b>												
4.1 Issuer Obligations	9,187,558	5,377,567	19,760,727	3,676,615	0	XXX	38,002,467	15.0	20,702,754	7.4	38,002,467	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	9,187,558	5,377,567	19,760,727	3,676,615	0	XXX	38,002,467	15.0	20,702,754	7.4	38,002,467	0
<b>5. U.S. Special Revenue &amp; Special Assessment Obligations etc., Non-Guaranteed</b>												
5.1 Issuer Obligations	10,052,799	31,292,700	34,864,798	5,878,047	0	XXX	82,088,344	32.5	119,269,686	42.6	82,088,344	0
5.2 Residential Mortgage-Backed Securities	435,852	963,345	521,458	799,878	939,535	XXX	3,660,068	1.4	2,089,340	0.7	3,660,068	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	3,226,151	0	0	0	XXX	3,226,151	1.3	3,305,195	1.2	3,226,151	0
5.5 Totals	10,488,651	35,482,196	35,386,256	6,677,925	939,535	XXX	88,974,563	35.2	124,664,221	44.5	88,974,563	0
<b>6. Industrial and Miscellaneous</b>												
6.1 Issuer Obligations	6,713,994	38,880,112	13,036,026	0	0	XXX	58,630,132	23.2	58,066,494	20.7	48,030,291	10,599,841
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	2,974,366	5,130,262	0	0	XXX	8,104,628	3.2	12,614,003	4.5	8,104,628	0
6.4 Other Loan-Backed and Structured Securities	872,177	3,127,428	0	0	0	XXX	3,999,605	1.6	2,000,000	0.7	0	3,999,605
6.5 Totals	7,586,171	44,981,906	18,166,288	0	0	XXX	70,734,365	28.0	72,680,497	26.0	56,134,919	14,599,446
<b>7. Hybrid Securities</b>												
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
<b>8. Parent, Subsidiaries and Affiliates</b>												
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 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
<b>9. SVO Identified Funds</b>												
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
<b>10. Total Bonds Current Year</b>												
10.1 Issuer Obligations	31,453,259	115,046,078	77,697,679	9,554,662	0	XXX	233,751,678	92.4	XXX	XXX	223,151,837	10,599,841
10.2 Residential Mortgage-Backed Securities	454,914	1,005,396	563,305	818,328	939,535	XXX	3,781,478	1.5	XXX	XXX	3,781,478	0
10.3 Commercial Mortgage-Backed Securities	0	2,974,366	5,130,262	0	0	XXX	8,104,628	3.2	XXX	XXX	8,104,628	0
10.4 Other Loan-Backed and Structured Securities	872,177	6,353,579	0	0	0	XXX	7,225,756	2.9	XXX	XXX	3,226,151	3,999,605
10.5 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	0	0
10.6 Totals	32,780,350	125,379,419	83,391,246	10,372,990	939,535	0	252,863,540	100.0	XXX	XXX	238,264,094	14,599,446
10.7 Line 10.6 as a % of Col. 7	13.0	49.6	33.0	4.1	0.4	0.0	100.0	XXX	XXX	XXX	94.2	5.8
<b>11. Total Bonds Prior Year</b>												
11.1 Issuer Obligations	22,505,956	99,762,207	82,409,409	48,011,825	2,753,085	XXX	XXX	XXX	255,442,482	91.2	243,856,286	11,586,196
11.2 Residential Mortgage-Backed Securities	634,527	1,432,876	871,755	1,533,218	2,230,058	XXX	XXX	XXX	6,702,434	2.4	6,702,434	0
11.3 Commercial Mortgage-Backed Securities	4,712,976	2,757,184	5,143,843	0	0	XXX	XXX	XXX	12,614,003	4.5	12,614,005	(2)
11.4 Other Loan-Backed and Structured Securities	0	2,000,000	3,305,195	0	0	XXX	XXX	XXX	5,305,195	1.9	5,305,195	0
11.5 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
11.6 Totals	27,853,459	105,952,267	91,730,202	49,545,043	4,983,143	XXX	XXX	XXX	280,064,114	100.0	268,477,920	11,586,194
11.7 Line 11.6 as a % of Col. 9	9.9	37.8	32.8	17.7	1.8	XXX	XXX	XXX	100.0	XXX	95.9	4.1
<b>12. Total Publicly Traded Bonds</b>												
12.1 Issuer Obligations	30,511,035	109,496,917	73,589,223	9,554,662	0	XXX	223,151,837	88.2	243,856,286	87.1	223,151,837	XXX
12.2 Residential Mortgage-Backed Securities	454,914	1,005,396	563,305	818,328	939,535	XXX	3,781,478	1.5	6,702,434	2.4	3,781,478	XXX
12.3 Commercial Mortgage-Backed Securities	0	2,974,366	5,130,262	0	0	XXX	8,104,628	3.2	12,614,005	4.5	8,104,628	XXX
12.4 Commercial Mortgage-Backed Securities	0	3,226,151	0	0	0	XXX	3,226,151	1.3	5,305,195	1.9	3,226,151	XXX
12.5 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	0	XXX
12.6 Totals	30,965,949	116,702,830	79,282,790	10,372,990	939,535	0	238,264,094	94.2	268,477,920	95.9	238,264,094	XXX
12.7 Line 12.6 as a % of Col. 7	13.0	49.0	33.3	4.4	0.4	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	12.2	46.2	31.4	4.1	0.4	0.0	94.2	XXX	XXX	XXX	94.2	XXX
<b>13. Total Privately Placed Bonds</b>												
13.1 Issuer Obligations	942,224	5,549,161	4,108,456	0	0	XXX	10,599,841	4.2	11,586,196	4.1	XXX	10,599,841
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	(2)	0.0	XXX	0
13.4 Commercial Mortgage-Backed Securities	872,177	3,127,428	0	0	0	XXX	3,999,605	1.6	0	0.0	XXX	3,999,605
13.5 SVO Identified Funds	XXX	XXX	XXX	XXX	XXX	0	0	0.0	XXX	XXX	XXX	0
13.6 Totals	1,814,401	8,676,589	4,108,456	0	0	0	14,599,446	5.8	11,586,194	4.1	XXX	14,599,446
13.7 Line 13.6 as a % of Col. 7	12.4	59.4	28.1	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	0.7	3.4	1.6	0.0	0.0	0.0	5.8	XXX	XXX	XXX	XXX	5.8

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

**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 .....	10,933	10,933	.0	.0	.0
2. Cost of short-term investments acquired .....	1,060,724	1,060,724	.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 .....	1,070,676	1,070,676	.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) .....	981	981	.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)	981	981	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 .....	1,966,765	1,966,765	0
2. Cost of cash equivalents acquired .....	548,976,166	548,976,166	0
3. Accrual of discount .....	106,744	106,744	0
4. Unrealized valuation increase (decrease) .....	0	0	0
5. Total gain (loss) on disposals .....	197	197	0
6. Deduct consideration received on disposals .....	550,107,647	550,107,647	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) .....	942,225	942,225	0
11. Deduct total nonadmitted amounts .....	0	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	942,225	942,225	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 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
912828-K6-6	US TREASURY NOTE/BOND	SD			1	5,487,969	.99	5,499,637	5,500,000	5,497,927	.0	.6,248	.0	.0	0.500	0.614	AO	4,710	27,500	05/26/2015	04/30/2017
912828-HP-2	US TREASURY NOTE/BOND	SD			1	596,813	106	638,111	600,000	598,847	.0	.337	.0	.0	3.625	3.690	FA	8,215	21,750	04/30/2010	02/15/2028
912828-LB-4	US TREASURY NOTE/BOND	SD			1	1,992,500	98	1,974,948	2,000,000	1,996,796	.0	1,077	.0	.0	1.000	1.056	IN	1,758	20,000	12/11/2012	11/30/2019
912828-HE-6	US TREASURY NOTE/BOND	SD			1	3,921,250	103	4,126,908	4,000,000	3,942,768	.0	7,397	.0	.0	2.750	2.982	IN	14,282	110,000	12/31/2013	11/15/2023
<b>0199999. Subtotal - Bonds - U.S. Governments - Issuer Obligations</b>						11,998,532	XXX	12,239,604	12,100,000	12,036,338	0	15,059	0	0	XXX	XXX	XXX	28,965	179,250	XXX	XXX
36204X-HD-0	GOVT NATL MTGE ASSN I POOL NO 382828		4		1	6,341	114	7,263	6,358	6,340	.0	.0	.0	.0	6.500	6.591	MON	34	413	04/02/1999	04/15/2028
36208F-K2-5	GOVT NATL MTGE ASSN I POOL NO 449513		4		1	3,560	114	4,078	3,570	3,560	.0	.0	.0	.0	6.500	6.602	MON	19	232	04/02/1999	02/15/2028
36208P-SJ-8	GOVT NATL MTGE ASSN I POOL NO 456921		4		1	2,719	114	3,114	2,726	2,719	.0	.0	.0	.0	6.500	6.592	MON	15	177	04/02/1999	06/15/2028
36208Q-9F-1	GOVT NATL MTGE ASSN I POOL NO 458098		4		1	11,004	114	12,604	11,035	11,004	.0	.0	.0	.0	6.500	6.610	MON	60	717	04/02/1999	03/15/2029
36208Q-YG-5	GOVT NATL MTGE ASSN I POOL NO 458011		4		1	1,787	114	2,046	1,792	1,787	.0	.0	.0	.0	6.500	6.591	MON	10	117	04/02/1999	01/15/2029
36208Q-Z4-1	GOVT NATL MTGE ASSN I POOL NO 458063		4		1	2,530	114	2,898	2,537	2,531	.0	.0	.0	.0	6.500	6.591	MON	14	165	04/02/1999	03/15/2029
36208Y-LM-9	GOVT NATL MTGE ASSN I POOL NO 464832		4		1	2,229	114	2,554	2,236	2,230	.0	.0	.0	.0	6.500	6.592	MON	12	145	04/02/1999	09/15/2028
36209B-PC-6	GOVT NATL MTGE ASSN I POOL NO 466719		4		1	10,469	114	11,991	10,498	10,469	.0	.0	.0	.0	6.500	6.603	MON	57	682	04/02/1999	09/15/2028
36209F-G2-9	GOVT NATL MTGE ASSN I POOL NO 470117		4		1	2,294	114	2,628	2,295	2,301	.0	.0	.0	.0	6.500	6.592	MON	12	150	04/02/1999	03/15/2029
36209F-HC-6	GOVT NATL MTGE ASSN I POOL NO 470127		4		1	1,745	114	1,999	1,750	1,745	.0	.0	.0	.0	6.500	6.591	MON	9	114	04/02/1999	03/15/2029
36209H-EJ-6	GOVT NATL MTGE ASSN I POOL NO 471961		4		1	11,811	114	13,529	11,845	11,813	.0	.0	.0	.0	6.500	6.592	MON	64	770	04/02/1999	07/15/2028
36209S-KU-4	GOVT NATL MTGE ASSN I POOL NO 480107		4		1	10,136	114	11,611	10,165	10,138	.0	.0	.0	.0	6.500	6.592	MON	55	661	04/02/1999	03/15/2029
36209S-M6-5	GOVT NATL MTGE ASSN I POOL NO 480181		4		1	14,801	114	16,954	14,843	14,803	.0	.0	.0	.0	6.500	6.592	MON	80	965	04/02/1999	01/15/2029
36209U-MM-3	GOVT NATL MTGE ASSN I POOL NO 481973		4		1	5,114	114	5,734	5,118	5,114	.0	.0	.0	.0	6.500	6.591	MON	8	99	04/02/1999	07/15/2028
36209X-AH-3	GOVT NATL MTGE ASSN I POOL NO 484308		4		1	2,693	114	3,085	2,701	2,694	.0	.0	.0	.0	6.500	6.607	MON	15	176	04/02/1999	09/15/2028
36209X-TH-3	GOVT NATL MTGE ASSN I POOL NO 484852		4		1	1,178	114	1,350	1,182	1,178	.0	.0	.0	.0	6.500	6.605	MON	6	77	04/02/1999	10/15/2028
36210C-LB-7	GOVT NATL MTGE ASSN I POOL NO 488222		4		1	6,721	114	7,698	6,739	6,721	.0	.0	.0	.0	6.500	6.592	MON	37	438	04/02/1999	02/15/2029
36210F-HK-5	GOVT NATL MTGE ASSN I POOL NO 490834		4		1	616	114	706	618	616	.0	.0	.0	.0	6.500	6.592	MON	3	40	04/02/1999	12/15/2028
36210F-PC-4	GOVT NATL MTGE ASSN I POOL NO 491019		4		1	6,514	114	7,461	6,532	6,515	.0	.0	.0	.0	6.500	6.593	MON	35	425	04/02/1999	12/15/2028
36210K-JL-0	GOVT NATL MTGE ASSN I POOL NO 494670		4		1	3,168	114	3,629	3,177	3,169	.0	.0	.0	.0	6.500	6.592	MON	17	207	04/02/1999	03/15/2029
36210L-ZJ-1	GOVT NATL MTGE ASSN I POOL NO 495877		4		1	2,004	114	2,295	2,010	2,004	.0	.0	.0	.0	6.500	6.591	MON	11	130	04/02/1999	01/15/2029
36210P-T5-3	GOVT NATL MTGE ASSN I POOL NO 498372		4		1	1,578	114	1,808	1,583	1,578	.0	.0	.0	.0	6.500	6.596	MON	9	103	04/02/1999	02/15/2029
36210Q-W9-9	GOVT NATL MTGE ASSN I POOL NO 499372		4		1	5,529	114	6,334	5,545	5,530	.0	.0	.0	.0	6.500	6.591	MON	30	360	04/02/1999	01/15/2029
36210U-Y9-8	GOVT NATL MTGE ASSN I POOL NO 503036		4		1	2,160	114	2,474	2,166	2,160	.0	.0	.0	.0	6.500	6.592	MON	12	141	04/02/1999	03/15/2029
36210V-F8-9	GOVT NATL MTGE ASSN I POOL NO 503391		4		1	4,026	114	4,612	4,038	4,027	.0	.0	.0	.0	6.500	6.592	MON	22	262	04/02/1999	03/15/2029
36210Y-YC-3	GOVT NATL MTGE ASSN I POOL NO 506607		4		1	2,268	114	2,598	2,275	2,270	.0	.0	.0	.0	6.500	6.591	MON	12	148	04/02/1999	03/15/2029
<b>0299999. Subtotal - Bonds - U.S. Governments - Residential Mortgage-Backed Securities</b>						121,395	XXX	139,053	121,740	121,410	0	0	0	0	XXX	XXX	XXX	668	7,914	XXX	XXX
<b>0599999. Total - U.S. Government Bonds</b>						12,119,927	XXX	12,378,657	12,221,740	12,157,748	0	15,059	0	0	XXX	XXX	XXX	29,623	187,164	XXX	XXX
<b>1099999. Total - All Other Government Bonds</b>						0	XXX	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0	XXX	XXX
452152-KZ-3	ILLINOIS STATE	SD			2FE	4,421,291	103	4,242,794	4,110,000	4,369,140	.0	(52,152)	.0	.0	5.000	2.010	MS	68,500	102,750	07/15/2016	03/01/2019
574193-GD-4	MARYLAND STATE OF LOCAL FAGS LOAN 2ND SER B	.0			1FE	5,000,000	100	5,015,350	5,000,000	5,000,000	.0	.0	.0	.0	2.250	2.250	FA	46,875	112,500	08/02/2012	08/01/2023
57582N-SJ-5	MASSACHUSETTS STATE REF SER D GENL OBL	.0			1FE	.0	110	550	.0	.0	.0	.0	.0	5.500	4.440	AO	.0	.0	12/01/2003	10/01/2019	
57582N-SJ-5	MASSACHUSETTS STATE REF SER D GENL OBL	.0			1FE	5,997,550	110	5,500	5,000,000	5,195,357	.0	(45,432)	.0	.0	5.500	4.440	AO	68,750	275,000	12/01/2003	10/01/2019
57582N-XH-3	MASSACHUSETTS STATE REF SER B GENL OBL	.0			1FE	.0	114	5550	.0	.0	.0	.0	.0	5.250	4.800	FA	.0	.0	06/15/2004	08/01/2021	
57582N-XH-3	MASSACHUSETTS STATE REF SER B GENL OBL	SD			1FE	5,260,350	114	5,727,750	5,000,000	5,091,295	.0	(17,457)	.0	.0	5.250	4.800	FA	109,375	262,500	06/15/2004	08/01/2021
57582P-XZ-8	MASSACHUSETTS ST SER A	.0			1FE	4,321,649	113	2,630	3,475,000	3,926,383	.0	(137,800)	.0	.0	5.000	1.810	AO	43,438	173,750	12/24/2012	04/01/2022
64577B-HK-9	NEW JERSEY ST ECON DEV AUTH REF SER XX	SD			1FE	508,679	.99	504,905	510,000	508,786	.0	.101	.0	.0	4.250	4.281	JD	963	21,675	10/22/2015	06/15/2026
646039-LC-9	NEW JERSEY STATE	SD			1FE	12,135,500	110	11,076,200	10,000,000	11,225,974	.0	(262,403)	.0	.0	5.000	2.080	JD	41,667	500,000	06/05/2013	06/01/2021
658256-SB-6	NORTH CAROLINA REF SER D	SD			1FE	5,956,050	110	5,545,050	5,000,000	5,584,574	.0	(102,096)	.0	.0	4.000	1.729	JD	16,667	200,000	04/04/2013	06/01/2022
677521-XY-7	OHIO STATE REF-HIGHER ED BDS-SER C	SD			1FE	2,433,341	105	2,145,447	2,025,000	2,151,907	.0	(79,136)	.0	.0	5.000	1.000	FA	42,188	101,250	05/21/2013	08/01/2018
<b>1199999. Subtotal - Bonds - U.S. States, Territories and Possessions - Issuer Obligations</b>						45,634,410	XXX	43,720,885	40,120,000	42,993,416	0	(696,375)	0	0	XXX	XXX	XXX	438,423	1,749,425	XXX	XXX
<b>1799999. Total - U.S. States, Territories and Possessions Bonds</b>						45,634,410	XXX	43,720,885	40,120,000	42,993,416	0	(696,375)	0	0	XXX	XXX	XXX	438,423	1,749,425	XXX	XXX
016249-JN-5	ALIEF TEXAS INDEP SCH DIST REF	SD			1FE	2,602,593	105	2,653,346	2,525,000	2,573,045	.0	(8,669)	.0	.0	3.000	2.600	FA	28,617	75,750	06/26/2013	02/15/2022
167501-2H-7	CHICAGO ILL BD EDUC REF-SER A	.0			4FE	.0	101	4860	.0	.0	.0	.0	.0	5.500	3.920	JD	.0	.0	01/23/2006	12/01/2017	
167501-2H-7	CHICAGO ILL BD EDUC REF-SER A	SD			4FE	4,594,120	101	4,059,440	4,000,000	4,056,213	55,853	(59,240)	.0	.0	5.500	3.920	JD	18,333	220,000	01/23/2006	12/01/2017
167501-VZ-5	CHICAGO ILL BD EDUC SCH REFORM BRD-SER A	.0			2FE	.0	102	5900	.0	.0	.0	.0	.0	5.250	4.260	JD	.0				

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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
34153P-ZG-6	FLORIDA ST BRD ED REF CAP OUTLAY 2011 SER B	SD			JFE	1,883,145	101.6630	1,677,440	1,650,000	1,676,310	0	(62,685)	0	0	5.000	1.150	JD	6,875	82,500	08/22/2013	06/01/2017
35823Z-3J-3	FRESNO CALIFORNIA UNI SCH DIST REF SER A	SD			JFE	3,000,000	101.1890	3,035,670	3,000,000	3,000,000	0	0	0	0	4.000	4.000	FA	26,333	0	11/16/2016	08/01/2041
482124-PY-4	JURUPA CALIFORNIA UNIF SCH DIS REF	SD			JFE	3,585,750	96.5930	4,056,906	4,200,000	3,676,615	0	34,340	0	0	2.875	4.248	FA	50,313	120,750	04/01/2014	08/01/2028
840610-TD-1	SOUTH WASHINGTON CNTY MN INDEP REF-SER E	SD			JFE	7,420,817	118.0290	7,123,050	6,035,000	7,394,541	0	(26,276)	0	0	5.000	1.620	FA	43,586	0	10/17/2016	02/01/2024
86476P-RX-8	SUFFOLK CNTY N Y SER A REF	SD			JFE	5,390,603	110.0800	5,360,896	4,870,000	5,377,567	0	(13,036)	0	0	5.000	1.800	MN	31,114	0	11/23/2016	05/15/2020
889855-ZP-0	TOMBALL TEXAS INDEPT SCH DIST REF	SD			JFE	7,017,096	118.4910	6,676,968	5,635,000	6,793,141	0	(139,383)	0	0	5.000	2.220	FA	106,439	281,750	03/25/2015	02/15/2026
<b>1899999. Subtotal - Bonds - U.S. Political Subdivisions - Issuer Obligations</b>						<b>39,273,714</b>	<b>XXX</b>	<b>38,157,424</b>	<b>35,340,000</b>	<b>38,002,467</b>	<b>55,853</b>	<b>(306,555)</b>	<b>0</b>	<b>0</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>326,594</b>	<b>960,563</b>	<b>XXX</b>	<b>XXX</b>
<b>2499999. Total - U.S. Political Subdivisions Bonds</b>						<b>39,273,714</b>	<b>XXX</b>	<b>38,157,424</b>	<b>35,340,000</b>	<b>38,002,467</b>	<b>55,853</b>	<b>(306,555)</b>	<b>0</b>	<b>0</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>326,594</b>	<b>960,563</b>	<b>XXX</b>	<b>XXX</b>
160853-PY-7	CHARLOTTE-MECKLENBURG HOSP CAROLINAS HEALTHCARE SYS-SER A	SD	4		JFE	1,655,250	109.3150	1,629,725	1,500,000	1,613,083	0	(39,400)	0	0	5.125	3.123	LI	35,448	76,875	05/08/2015	01/15/2037
181012-AU-9	CLARK CNTY NEV SALES EXCISE REF	SD	4		JFE	5,244,745	108.6210	5,452,774	5,020,000	5,089,213	0	(106,901)	0	0	5.000	4.411	JJ	125,500	251,000	02/05/2010	07/01/2029
251250-AN-6	DETROIT MI WTR & SEWERAGE DEPT REF-SR LIEN-SER A	SD			JFE	1,108,290	111.4160	1,114,160	1,000,000	1,085,711	0	(17,575)	0	0	5.250	3.522	JJ	26,250	52,500	05/08/2015	07/01/2026
46246P-MG-3	IOWA ST FIN AUTH HLTH CARE FAC GENESIS HLTH SYS	SD	4		JFE	5,215,550	116.0470	5,802,350	5,000,000	5,156,928	0	(44,793)	0	0	5.500	4.930	JJ	137,500	275,000	11/08/2013	07/01/2033
46246P-MM-0	IOWA ST FIN AUTH HLTH CARE FAC GENESIS HLTH SYS	SD	4		JFE	4,907,850	110.9040	5,545,200	5,000,000	4,917,373	0	(3,117)	0	0	5.000	5.150	JJ	125,000	250,000	11/08/2013	07/01/2033
56036Y-AN-5	MAIN STR NAT GAS INC GA GAS PROJ REV SER B	SD			JFE	5,142,100	107.3710	5,368,550	5,000,000	5,043,943	0	(12,522)	0	0	5.000	4.699	MS	73,611	250,000	06/12/2007	03/15/2020
586111-KS-4	MEMPHIS-SHELBY CNTY TENN APPT AMT-REF-SER B	SD			JFE	5,252,575	110.5550	4,698,588	4,250,000	4,762,147	0	(139,788)	0	0	5.625	2.040	JJ	119,531	239,063	05/21/2013	07/01/2020
592481-EL-5	MET SAINT LOUIS MO SBR DIST REF SER B	SD			JFE	7,004,162	114.6910	6,824,115	5,950,000	6,769,840	0	(181,313)	0	0	5.000	2.244	MN	49,583	297,500	05/08/2015	05/01/2026
629621-EN-9	NACOGDOCHES CNTY TX HOSP DIST REF & IMPT	SD	4		JFE	1,106,080	108.1850	1,081,850	1,000,000	1,065,218	0	(35,384)	0	0	5.000	3.651	MN	6,389	50,000	12/11/2012	05/15/2043
649726-KF-0	NEW YORK CITY NY MUNI WTR FIN REF-2ND GEN RESOLUTION	SD			JFE	5,753,650	115.3180	5,765,900	5,000,000	5,745,943	0	(7,707)	0	0	5.000	3.295	JD	11,111	125,000	11/14/2016	06/15/2037
64983M-7A-0	NEW YORK ST DORM AUTH REVS ST MENTAL HEALTH SVCS	SD			JFE	11,464,800	100.4980	10,049,800	10,000,000	10,052,799	0	(430,692)	0	0	5.500	1.150	FA	207,778	550,000	08/30/2013	02/15/2017
649876-TB-2	NEW YORK ST LOC GOVT ASSISTANC REF-SUB LIEN-SER A	SD			JFE	3,512,143	104.8600	3,161,529	3,015,000	3,101,394	0	(67,193)	0	0	5.000	2.651	AD	37,688	150,750	06/02/2010	04/01/2018
660028-PA-5	NEW YORK STATE TWY AUTH ST INCOME TAX SER A	SD			JFE	5,554,800	108.4030	5,420,150	5,000,000	5,135,698	0	(157,905)	0	0	5.250	3.960	MS	77,292	262,500	08/28/2008	03/15/2019
668620-OP-1	NORTH CITY WEST CALIF SCH FAC REF-SUB-SER B	SD			JFE	1,510,232	106.3450	1,435,658	1,350,000	1,375,326	0	(14,444)	0	0	5.250	4.071	MS	23,625	70,875	07/22/2005	09/01/2018
668620-DT-3	NORTH CITY WEST CALIF SCH FAC REF-SUB-SER B	SD			JFE	1,862,188	115.6150	1,919,209	1,660,000	1,743,521	0	(12,801)	0	0	5.250	4.241	MS	29,050	87,150	07/22/2005	09/01/2022
67763Z-RX-1	OHIO ST UNIV GEN RPTS SER A	0			JFE	3,111,137	117.0980	2,880,611	2,460,000	2,878,076	0	(60,148)	0	0	5.000	2.150	JD	10,250	123,000	12/26/2012	06/01/2023
70870F-AF-3	PENNSYLVANIA ECONOMIC DEV FIN PHILADELPHIA BIOSOLIDS FAC	SD			JFE	249,550	103.5800	258,950	250,000	249,884	0	54	0	0	5.625	5.650	JJ	7,031	14,063	12/04/2009	01/01/2019
74381M-AF-2	PROVIDENCE R I PUB BLDGS AUTH VARIOUS CAP PROJ-SER A	SD			JFE	1,963,781	106.6610	1,967,895	1,845,000	1,934,465	0	(18,044)	0	0	5.125	3.928	JD	4,203	94,556	05/08/2015	06/15/2021
89602N-GA-0	TRIBOROUGH BRDG AND TUNL CABS REF SUB SER A	SD			JFE	840,000	65.0630	975,945	1,500,000	960,674	0	32,686	0	0	0.000	3.492	N/A	0	0	02/12/2013	11/15/2029
915137-6Y-4	UNIV TEXAS REV FIN SYS REF-FING SYS-SER A	SD			JFE	3,451,924	114.2960	3,200,288	2,800,000	3,167,590	0	(161,254)	0	0	5.000	2.270	FA	52,889	140,000	07/31/2012	08/15/2027
937308-AJ-3	WBPP 3.2 WASHINGTON BIOMED UNIV OF WASHINGTON-SER A	SD			JFE	4,264,367	117.2610	4,192,081	3,575,000	4,186,616	0	(65,470)	0	0	5.000	2.731	JJ	89,375	131,083	09/25/2015	01/01/2027
957366-CJ-4	WESTCHESTER CNTY N Y HEALTH SR LIEN-SER B	SD			JFE	2,955,000	105.8380	3,175,140	3,000,000	2,987,549	0	6,201	0	0	5.000	5.236	MN	25,000	150,000	12/14/2010	11/01/2018
97712D-HF-6	WISCONSIN ST HLTH & EDUCNL REF-HOSP SISTERS SVCS INC	SD			JFE	3,135,496	115.0780	2,940,243	2,555,000	3,065,354	0	(70,140)	0	0	5.000	1.440	MN	16,324	127,750	02/23/2016	11/15/2022
<b>2599999. Subtotal - Bonds - U.S. Special Revenues - Issuer Obligations</b>						<b>86,265,670</b>	<b>XXX</b>	<b>84,870,711</b>	<b>77,730,000</b>	<b>82,088,345</b>	<b>0</b>	<b>(1,501,396)</b>	<b>0</b>	<b>0</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>1,290,428</b>	<b>3,768,665</b>	<b>XXX</b>	<b>XXX</b>
31320Q-IP-8	FED HOME LOAN MTGE CORP GOLD POOL NO 033869		4		1	2,151,368	105.0510	2,130,529	2,028,088	2,151,061	0	(297)	0	0	4.000	3.518	MKN	6,760	0	11/18/2016	06/01/2045
31384C-K2-9	FED NATL MTGE ASSN POOL NO 519713		4		1	1,650	100.2290	1,709	1,706	1,662	0	1	0	0	7.000	7.751	MKN	10	119	06/13/2000	03/01/2029
31386T-03-8	FED NATL MTGE ASSN POOL NO 572571		4		1	2,786	113.1900	3,251	2,874	2,778	0	1	0	0	6.000	7.298	MKN	14	172	07/03/2001	04/01/2031
31412P-R7-8	FED NATL MTGE ASSN POOL NO 931210		4		1	526,522	107.5220	561,667	522,035	526,220	0	(36)	0	0	4.500	4.127	MKN	1,968	23,492	11/04/2009	05/01/2039
31417U-BY-0	FED NATL MTGE ASSN POOL NO AC7254		4		1	601,394	107.6560	635,815	590,597	600,782	0	(81)	0	0	4.500	3.847	MKN	2,215	26,577	11/16/2009	11/01/2039
31417U-WB-4	FED NATL MTGE ASSN POOL NO AC7870		4		1	377,848	107.8810	402,717	373,298	377,565	0	(36)	0	0	4.500	4.047	MKN	1,400	16,798	02/04/2010	02/01/2040
<b>2699999. Subtotal - Bonds - U.S. Special Revenues - Residential Mortgage-Backed Securities</b>						<b>3,661,538</b>	<b>XXX</b>	<b>3,735,688</b>	<b>3,518,598</b>	<b>3,660,068</b>	<b>0</b>	<b>(448)</b>	<b>0</b>	<b>0</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>12,357</b>	<b>67,156</b>	<b>XXX</b>	<b>XXX</b>
75076P-AJ-4	RAILSPLITTER TOBACCO SETTLEMENT AUTH ILL				JFE	3,355,424	110.8630	3,165,139	2,855,000	3,226,151	0	(79,044)	0	0	5.375	2.265	JD	12,788	153,458	05/08/2015	06/01/2021
<b>2899999. Subtotal - Bonds - U.S. Special Revenues - Other Loan-Backed and Structured Securities</b>						<b>3,355,424</b>	<b>XXX</b>	<b>3,165,139</b>	<b>2,855,000</b>	<b>3,226,151</b>	<b>0</b>	<b>(79,044)</b>	<b>0</b>	<b>0</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>12,788</b>	<b>153,456</b>	<b>XXX</b>	<b>XXX</b>
<b>3199999. Total - U.S. Special Revenues Bonds</b>						<b>93,282,632</b>	<b>XXX</b>	<b>91,771,538</b>	<b>84,103,598</b>	<b>88,974,564</b>	<b>0</b>	<b>(1,580,888)</b>	<b>0</b>	<b>0</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>1,315,573</b>	<b>3,989,279</b>	<b>XXX</b>	<b>XXX</b>
00130H-BU-8	AES CORP SR UNSECURED		2		JFE	256,250	101.7500	254,375	250,000	254,375	(1,384)	(491)	0	0	5.500	4.990	MS	4,049	6,875	06/22/2016	03/15/2024
00164V-AC-7	AMC NETWORKS INC SR UNSECURED		2		JFE	235,000	100.5000	251,250	250,000	237,196	0	1,754	0	0	4.750	5.752	JD	528	11,875	06/30/2015	12/15/2022
00164V-AD-5	AMC NETWORKS INC SR UNSECURED		2		JFE	496,875	100.2500	501,250	500,000	497,080	0	205	0	0	5.000	5.096	AD	6,250	12,569	03/24/2016	04/01/2024

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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
00287Y-AN-9	ABBVIE INC SR UNSECURED				2FE	1,997,960	100.0600	2,001,208	2,000,000	1,999,039	.0	.675	.0	.0	1.800	1.835	MM	4,700	36,000	05/05/2015	05/14/2018
00766T-AB-6	AECOM TECHNOLOGY SR UNSECURED				3FE	206,000	105.7000	211,400	200,000	200,000	.0	(660)	.0	.0	5.750	4.966	AO	2,428	5,750	06/21/2016	10/15/2022
013817-AU-5	ALCOA INC SR UNSECURED				3FE	548,125	108.7500	543,750	500,000	535,249	27,871	(8,873)	.0	.0	6.150	4.037	FA	11,617	30,750	07/09/2015	08/15/2020
0258MD-EC-9	AMERICAN EXPRESS CREDIT SR UNSECURED				1FE	1,997,620	98.9760	1,979,510	2,000,000	1,997,735	.0	.115	.0	.0	1.700	1.741	AO	5,761	.0	10/26/2016	10/30/2019
03674P-AJ-2	ANTERO RESOURCES FINANCE CORP SR UNSECURED				3FE	226,125	103.0000	231,750	225,000	225,619	38,047	(303)	.0	.0	6.000	5.843	JD	1,125	13,500	04/07/2015	12/01/2020
03674X-AF-3	ANTERO RESOURCES CORP SR UNSECURED				3FE	686,875	102.3750	716,625	700,000	687,715	.0	840	.0	.0	5.625	5.957	JD	3,281	19,688	06/06/2016	06/01/2023
044209-AF-1	ASHLAND INC SR UNSECURED				3FE	363,500	103.7500	363,125	350,000	352,965	13,068	(478)	.0	.0	4.750	4.570	AO	5,281	16,625	11/05/2015	08/15/2022
058498-AT-3	BALL CORP SR UNSECURED				3FE	800,000	104.5000	836,000	800,000	800,000	.0	.0	.0	.0	5.250	5.250	JJ	21,000	42,700	06/22/2015	07/01/2025
096370-AB-8	BLUE CUBE SPINCO INC SR UNSECURED				3FE	521,804	119.0000	595,000	500,000	521,028	.0	(777)	.0	.0	9.750	8.802	AO	10,292	24,375	10/03/2016	10/15/2023
096370-AD-4	BLUE CUBE SPINCO INC SR UNSECURED				3FE	521,687	120.7500	603,750	500,000	521,038	.0	(649)	.0	.0	10.000	9.149	AO	10,556	25,000	10/03/2016	10/15/2025
101137-AP-2	BOSTON SCIENTIFIC SR UNSECURED				2FE	3,000,000	101.4340	3,043,008	3,000,000	3,000,000	.0	.0	.0	.0	2.890	2.850	MM	10,925	85,900	05/07/2015	05/15/2020
1248EP-AV-9	CCO HOLDINGS LLC CAP CORP SR UNSECURED				3FE	498,125	103.5000	517,500	500,000	498,442	.0	220	.0	.0	5.250	5.312	MS	6,635	26,250	07/09/2015	09/30/2022
1248EP-AZ-6	CCO HOLDINGS LLC CAP CORP SR UNSECURED				3FE	493,750	102.7500	513,750	500,000	494,759	.0	703	.0	.0	5.125	5.327	FA	9,681	25,625	07/09/2015	02/15/2023
1248EP-BF-9	CCO HOLDINGS LLC CAP CORP SR UNSECURED				3FE	257,500	103.0000	257,500	250,000	250,921	1,111	(189)	.0	.0	5.125	5.027	MM	12,813	8,625	04/14/2015	05/01/2023
12527G-AC-7	CF INDUSTRIES INC SR UNSECURED				3FE	234,375	89.9000	224,750	250,000	224,750	(9,966)	341	.0	.0	3.450	4.559	JD	7,719	4,313	10/27/2016	06/01/2023
12592B-AG-9	CNH INDUSTRIAL CAPITAL L SR UNSECURED				3FE	497,205	98.3750	491,875	500,000	491,875	.0	(5,406)	.0	.0	3.875	4.000	AO	7,767	3,767	10/18/2016	10/15/2021
14744E-AR-9	CASE NEW HOLLAND INC SR NOTES				3FE	411,575	105.1250	394,219	375,000	381,162	.0	(6,383)	.0	.0	7.875	5.997	JD	2,461	29,531	08/04/2011	12/01/2017
15102D-AN-4	CELGENE CORP SR UNSECURED				2FE	4,979,425	100.0320	5,001,590	5,000,000	4,988,860	4,489	.0	.0	.0	2.250	2.347	MM	14,375	112,500	11/10/2014	05/15/2019
15670D-AS-5	CENTURYTEL INC SR UNSECURED				3FE	241,875	102.2130	255,533	250,000	242,482	.0	607	.0	.0	5.800	6.487	MS	4,269	7,250	06/23/2016	03/15/2022
191216-BF-6	COCA-COLA CO/THE SR UNSECURED				1FE	998,570	100.3800	1,003,799	1,000,000	999,454	.0	287	.0	.0	1.650	1.680	MM	2,750	16,500	10/29/2013	11/01/2018
233851-DM-4	DANMLER FINANCE NA LLC SR UNSECURED				1FE	1,997,160	98.6730	1,973,456	2,000,000	1,997,299	.0	139	.0	.0	1.790	1.799	AO	5,931	.0	10/26/2016	10/30/2019
25470X-AJ-4	DISH DBS CORP SR UNSECURED				3FE	477,500	105.2500	526,250	500,000	479,159	.0	1,659	.0	.0	5.875	6.790	JJ	13,545	14,688	06/14/2016	07/15/2022
25470X-AD-8	DISH DBS CORP SR UNSECURED				3FE	1,022,500	103.5000	1,035,000	1,000,000	1,015,890	30,224	(4,333)	.0	.0	5.125	4.603	MM	51,250	8,542	06/11/2015	05/01/2020
25674E-AB-4	DOLLAR TREE INC SR UNSECURED				3FE	530,659	105.8820	529,410	500,000	528,021	.0	(2,638)	.0	.0	5.750	4.266	MS	9,583	14,375	07/26/2016	03/01/2023
26817R-AM-0	DINEGY INC SR UNSECURED				4FE	1,008,750	101.7500	1,017,500	1,000,000	1,001,532	(6,268)	.0	.0	.0	6.750	6.317	MM	11,250	16,875	11/02/2016	11/01/2019
29273V-AC-4	ENERGY TRANSFER EQUITY 1ST LIEN				3FE	231,250	111.5000	278,750	250,000	234,500	.0	3,250	.0	.0	7.500	9.298	AO	3,958	18,750	05/20/2015	10/15/2020
29444U-AM-8	EQUINIX INC SR UNSECURED				4FE	510,000	103.7500	518,750	500,000	508,982	.0	(1,018)	.0	.0	5.375	4.900	AO	5,719	13,438	06/14/2016	04/01/2023
233851-AU-9	FREEMONT-MCMORAN C & G SR UNSECURED				3FE	216,875	93.0000	232,500	250,000	219,372	.0	2,497	.0	.0	3.550	6.368	MS	2,968	4,438	06/24/2016	03/01/2022
35671D-AM-5	FREEMONT-MCMORAN C & G SR UNSECURED				3FE	339,000	99.3750	397,500	400,000	389,362	.0	50,362	.0	.0	2.150	18.466	MS	2,867	8,600	02/02/2016	03/01/2017
35671D-BD-6	FREEMONT-MCMORAN C & G SR UNSECURED				3FE	321,250	99.2500	496,250	500,000	387,207	.0	65,957	.0	.0	2.375	25.204	MS	3,497	11,875	02/01/2016	03/15/2018
364760-AK-4	GAP INC SR UNSECURED				3FE	306,000	105.1490	315,448	300,000	305,322	.0	(678)	.0	.0	5.950	5.453	AO	3,917	8,925	05/31/2016	04/12/2021
382550-BE-0	GOODYEAR TIRE & RUBBER SR UNSECURED				3FE	510,625	103.0000	515,000	500,000	509,453	.0	(1,172)	.0	.0	5.125	4.585	MM	3,274	12,813	06/16/2016	11/15/2023
404121-AC-9	HCA INC SR SECURED				3FE	558,750	109.4000	547,000	500,000	540,868	8,256	(12,138)	.0	.0	6.500	3.702	FA	12,278	32,500	06/30/2015	02/15/2020
42824C-AS-8	HP ENTERPRISE SR UNSECURED				2FE	3,002,121	100.5510	3,016,521	3,000,000	3,002,059	.0	(62)	.0	.0	2.450	2.356	AO	17,558	.0	12/23/2016	10/05/2017
513075-BE-0	LAMAR MEDIA CORP SR SUBORDINATED				3FE	518,750	103.0000	515,000	500,000	515,000	(1,910)	(1,840)	.0	.0	5.000	4.137	MM	4,167	12,500	06/21/2016	05/01/2023
526057-BX-1	LENNAR CORP SR UNSECURED				3FE	250,000	103.2500	258,125	250,000	250,000	.0	.0	.0	.0	4.750	4.750	AO	2,969	5,828	02/26/2016	04/01/2021
53219L-AN-9	LIFEPOINT HOSPITALS INC SR UNSECURED				3FE	250,000	101.2500	253,125	250,000	250,000	.0	.0	.0	.0	5.875	5.875	JD	1,224	14,565	11/19/2015	12/01/2023
651290-AP-3	NEWFIELD EXPLORATION CO SR UNSECURED				3FE	778,125	105.3750	790,313	750,000	771,776	111,701	(3,675)	.0	.0	5.750	5.093	JJ	18,089	43,125	03/20/2015	01/30/2022
73744E-AG-9	POST HOLDINGS INC SR UNSECURED				4FE	498,750	104.5000	522,500	500,000	498,903	.0	153	.0	.0	6.000	6.044	JD	1,333	30,000	01/08/2016	12/15/2022
744573-AK-2	PUBLIC SERVICE ENTERPRISES SR UNSECURED				2FE	1,497,150	96.7330	1,450,995	1,500,000	1,497,214	.0	64	.0	.0	2.000	2.040	MM	4,417	.0	11/03/2016	11/15/2021
748767-AF-7	QUINTILES INTL SR UNSECURED				3FE	763,125	101.5000	761,250	750,000	759,429	7,703	(2,024)	.0	.0	4.875	4.535	MM	4,672	36,563	06/03/2015	05/15/2023
78582-AM-8	SABINE PASS LIQUEFACTION FIRST LIEN				3FE	460,768	107.0000	535,000	500,000	463,871	.0	3,103	.0	.0	5.625	6.791	MS	9,375	28,125	01/13/2016	03/01/2025
84364E-AS-9	SOUTHERN POWER CO SR UNSECURED				2FE	2,499,375	98.9950	2,474,868	2,500,000	2,499,376	.0	.0	.0	.0	1.950	1.958	JD	6,094	.0	11/10/2016	12/15/2019
845467-AE-9	SOUTHWESTERN ENERGY CO SR UNSECURED				3FE	178,968	104.0000	231,920	223,000	196,086	.0	17,128	.0	.0	7.500	20.451	FA	6,969	8,363	02/25/2016	02/01/2018
852061-AK-6	SPRINT NEXTEL CORP SR UNSECURED				4FE	1,057,500	110.2500	1,102,500	1,000,000	1,043,567	.0	(13,933)	.0	.0	9.000	6.484	MM	11,500	90,000	05/05/2016	11/15/2018
85207U-AE-5	SPRINT CORP SR UNSECURED				4FE	522,500	106.2500	531,250	500,000	521,773	.0	(727)	.0	.0	7.250	6.166	MS	10,674	.0	10/24/2016	09/15/2021
86765L-AG-2	SUNOCO LP/FINANCE CORP SR UNSECURED				3FE	493,396	101.2500	506,250	500,000	493,535	.0	139	.0	.0	6.375	6.628	AO	7,969	.0	10/03/2016	04/01/2023
87243Q-AB-2	TENET HEALTHCARE CORP SECURED				3FE	888,525	104.2500	965,275	830,000	865,275	1,999	(10,299)	.0	.0	6.000						

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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	B o n d C h a r	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
89114Q-AM-0	TORONTO DOMINION BANK SR UNSECURED	A			JFE	1,031,250	101.5140	1,015,141	1,000,000	1,011,231	0	(6,477)	0	0	2.625	1.946	MS	8,094	26,250	10/29/2013	09/10/2018
00507U-AB-7	ACTAVIS FUNDING SCS SR UNSECURED	D			2FE	1,995,472	99.9440	1,998,880	2,000,000	1,999,186	0	1,749	0	0	1.300	1.389	JD	1,156	26,000	11/12/2014	06/15/2017
01609M-AC-6	ALIBABA GROUP HOLDING SR UNSECURED	D	2		JFE	1,964,316	100.4500	2,008,992	2,000,000	1,973,666	0	8,536	0	0	2.500	2.975	IN	4,583	50,000	11/25/2015	11/28/2019
23636T-AD-2	DANONE SR UNSECURED	D	2		2FE	1,000,000	96.2420	962,417	1,000,000	1,000,000	0	0	0	0	2.589	2.589	IN	4,243	0	10/26/2016	11/02/2023
268317-AN-4	ELECTRICITE DE FRANCE SA SR UNSECURED	D	2		JFE	991,550	98.9680	989,678	1,000,000	993,491	0	1,615	0	0	2.350	2.531	AO	5,092	23,500	10/07/2015	10/13/2020
714264-IH-1	PERNOU RICARD SA SR UNSECURED	D			2FE	1,359,200	104.5260	1,306,570	1,250,000	1,356,548	0	(2,652)	0	0	4.250	2.588	JJ	24,497	0	11/02/2016	07/15/2022
85771P-AM-2	STATOIL ASA SR UNSECURED	D			JFE	2,498,950	100.7810	2,519,525	2,500,000	2,499,352	0	206	0	0	2.250	2.259	IN	8,281	56,250	11/03/2014	11/08/2019
3299999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations					57,655,165	XXX	58,993,189	57,803,000	57,687,906	209,632	120,297	0	0	XXX	XXX	XXX	493,057	1,453,131	XXX	XXX
12593G-AF-9	COMM MTGE TR SER 2015-PC1 CLASS A5			4	JFM	5,149,988	104.3420	5,217,081	5,000,000	5,130,262	0	113,583	0	0	3.902	3.556	MCN	16,258	195,100	07/01/2015	07/10/2050
36191Y-BB-3	GS MORTGAGE SECURITIES TRUST SERIES 2011-G05 CLASS A4			4	JFM	2,992,129	105.4380	2,899,532	2,750,000	2,974,366	0	(17,763)	0	0	3.707	1.746	MCN	8,495	33,981	08/18/2016	08/10/2044
3499999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities					8,142,117	XXX	8,116,613	7,750,000	8,104,628	0	(31,346)	0	0	XXX	XXX	XXX	24,753	229,081	XXX	XXX
92348M-AA-7	VERIZON OWNER TR SER 16-2A CLASS A			4	JFE	3,999,585	99.5610	3,982,420	4,000,000	3,999,605	0	20	0	0	1.680	1.690	MCN	7,280	0	11/16/2016	05/20/2021
3599999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities					3,999,585	XXX	3,982,420	4,000,000	3,999,605	0	20	0	0	XXX	XXX	XXX	7,280	0	XXX	XXX
3899999	Total - Industrial and Miscellaneous (Unaffiliated) Bonds					69,796,867	XXX	71,092,222	69,553,000	69,792,139	209,632	88,971	0	0	XXX	XXX	XXX	525,090	1,682,212	XXX	XXX
4899999	Total - Hybrid Securities					0	XXX	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0	XXX	XXX
5599999	Total - Parent, Subsidiaries and Affiliates Bonds					0	XXX	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0	XXX	XXX
6099999	Subtotal - SVO Identified Funds					0	XXX	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0	XXX	XXX
7799999	Total - Issuer Obligations					240,827,491	XXX	237,981,813	223,093,000	232,808,472	265,485	(2,368,970)	0	0	XXX	XXX	XXX	2,577,467	8,111,034	XXX	XXX
7899999	Total - Residential Mortgage-Backed Securities					3,782,933	XXX	3,874,741	3,640,338	3,781,478	0	(448)	0	0	XXX	XXX	XXX	13,015	75,072	XXX	XXX
7999999	Total - Commercial Mortgage-Backed Securities					8,142,117	XXX	8,116,613	7,750,000	8,104,628	0	(31,346)	0	0	XXX	XXX	XXX	24,753	229,081	XXX	XXX
8099999	Total - Other Loan-Backed and Structured Securities					7,355,009	XXX	7,147,559	6,855,000	7,225,756	0	(79,024)	0	0	XXX	XXX	XXX	20,068	153,456	XXX	XXX
8199999	Total - SVO Identified Funds					0	XXX	0	0	0	0	0	0	0	XXX	XXX	XXX	0	0	XXX	XXX
8399999	Total Bonds					260,107,550	XXX	257,120,726	241,338,338	251,920,334	265,485	(2,479,788)	0	0	XXX	XXX	XXX	2,635,303	8,568,643	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 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
452152-KZ-3	ILLINOIS STATE 5.000% 03/01/19		07/15/2016	MERRILL LYNCH-MUNI		4,421,293	4,110,000	79,346
<b>1799999. Subtotal - Bonds - U.S. States, Territories and Possessions</b>								
358232-3J-3	FRESNO CALIFORNIA UNI SCH DIST REF SER A 4.000% 08/01/41		11/16/2016	BRANCH BANK AND TRUST		3,000,000	3,000,000	13,000
840610-TD-1	SOUTH WASHINGTON CNTY MN INDEP REF-SER E 5.000% 02/01/24		10/17/2016	PIPER, JAFFRAY & HOPWOOD		7,420,817	6,035,000	0
86476P-RX-8	SUFFOLK CNTY N Y SER A REF 5.000% 05/15/20		11/23/2016	BARCLAY INVESTMENTS		5,390,603	4,870,000	9,469
<b>2499999. Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>								
31320Q-1P-8	FED HOME LOAN MTGE CORP GOLD POOL NO Q3869 4.000% 06/01/45		11/18/2016	Baird (Robert W)		2,151,358	2,028,088	2,704
649726-KF-0	NEW YORK CITY NY MUNI WTR FIN REF-2ND GEN RESOLUTION 5.000% 06/15/37		11/14/2016	WARBURG DILLON READ		5,753,650	5,000,000	105,556
97712D-HF-6	WISCONSIN ST HLTH & EDUCNL REF-HOSP SISTERS SVCS INC 5.000% 11/15/22		02/23/2016	Mesirow Financial		3,135,496	2,555,000	35,841
<b>3199999. Subtotal - Bonds - U.S. Special Revenues</b>								
00130H-BU-8	AES CORP SR UNSECURED 5.500% 03/15/24		06/22/2016	BARCLAY INVESTMENTS		256,250	500,000	3,896
00164V-AD-5	AMC NETWORKS INC SR UNSECURED 5.000% 04/01/24		03/24/2016	CITIGROUP		496,875	500,000	0
00766T-AB-6	AECOM TECHNOLOGY SR UNSECURED 5.750% 10/15/22		06/21/2016	CITIGROUP		206,000	200,000	2,204
0258MD-EC-9	AMERICAN EXPRESS CREDIT SR UNSECURED 1.700% 10/30/19		10/26/2016	DAIN RAUSCHER INC-69211		1,997,620	2,000,000	0
03674X-AF-3	ANTERO RESSOURCES CORP SR UNSECURED 5.625% 06/01/23		06/06/2016	MORGAN STANLEY		686,875	700,000	875
096370-AB-8	BLUE CUBE SPINCO INC SR UNSECURED 9.750% 10/15/23		10/03/2016	Tax Free Exchange		521,804	500,000	22,750
096370-AD-4	BLUE CUBE SPINCO INC SR UNSECURED 10.000% 10/15/25		10/03/2016	Tax Free Exchange		521,687	500,000	23,333
125276-AC-7	CF INDUSTRIES INC SR UNSECURED 3.450% 06/01/23		10/27/2016	CHASE SECURITIES		294,375	250,000	3,584
12592B-AG-9	CNH INDUSTRIAL CAPITAL L SR UNSECURED 3.875% 10/15/21		10/18/2016	BARCLAY INVESTMENTS		497,205	500,000	0
156700-AS-5	CENTURYTEL INC SR UNSECURED 5.800% 03/15/22		06/23/2016	CITIGROUP		241,875	250,000	4,149
233851-DM-4	DAIMLER FINANCE NA LLC SR UNSECURED 1.750% 10/30/19		10/26/2016	CITIGROUP		1,997,160	2,000,000	0
25470X-AJ-4	DISH DBS CORP SR UNSECURED 5.875% 07/15/22		06/14/2016	CITIGROUP		477,500	500,000	12,403
256746-AB-4	DOLLAR TREE INC SR UNSECURED 5.750% 03/01/23		07/26/2016	Tax Free Exchange		530,659	500,000	11,580
26817R-AM-0	DYNEGY INC SR UNSECURED 6.750% 11/01/19		11/02/2016	FIRST BOSTON CORP		1,008,750	1,000,000	16,313
29444U-AM-8	EQUINIX INC SR UNSECURED 5.375% 04/01/23		06/14/2016	CANTOR FITZGERALD		510,000	500,000	5,674
35671D-AU-9	FREEMONT-MCMORAN C & G SR UNSECURED 3.550% 03/01/22		06/24/2016	HSBC SEC INC		216,875	250,000	2,909
35671D-AW-5	FREEMONT-MCMORAN C & G SR UNSECURED 2.150% 03/01/17		02/02/2016	HSBC SEC INC		339,000	400,000	3,679
35671D-BD-6	FREEMONT-MCMORAN C & G SR UNSECURED 2.375% 03/15/18		02/01/2016	CANTOR FITZGERALD		321,250	500,000	4,585
36191Y-BB-3	GS MORTGAGE SECURITIES TRUST SERIES 2011-GCS CLASS A4 3.707% 08/10/44		08/18/2016	BANC AMERICA		2,992,129	2,750,000	6,230
364760-AK-4	GAP INC SR UNSECURED 5.950% 04/12/21		05/31/2016	GUGGENHEIM CAPITAL MARKET		306,000	300,000	2,529
382550-BE-0	GOODYEAR TIRE & RUBBER SR UNSECURED 5.125% 11/15/23		06/16/2016	CITIGROUP		510,625	500,000	2,563
42824C-AS-8	HP ENTERPRISE SR UNSECURED 2.450% 10/05/17		12/23/2016	Tax Free Exchange		3,002,121	3,000,000	17,550
513075-BE-0	LAMAR MEDIA CORP SR SUBORDINATED 5.000% 05/01/23		06/21/2016	CHASE SECURITIES		518,750	500,000	3,681
526057-BX-1	LENAR CORP SR UNSECURED 4.750% 04/01/21		02/26/2016	CITIGROUP		250,000	250,000	0
737446-AG-9	POST HOLDINGS INC SR UNSECURED 6.000% 12/15/22		01/08/2016	MORGAN STANLEY		498,750	500,000	2,333
744573-AK-2	PUBLIC SERVICE ENTERPRIS SR UNSECURED 2.000% 11/15/21		11/03/2016	CHASE SECURITIES		1,497,150	1,500,000	0
785592-AM-8	SABINE PASS LIQUEFACTION FIRST LIEN 5.625% 03/01/25		01/13/2016	Tax Free Exchange		460,768	500,000	10,313
843646-AS-9	SOUTHERN POWER CO SR UNSECURED 1.950% 12/15/19		11/10/2016	MITZUHO SECURITIES USA		2,499,375	2,500,000	0
845467-AE-9	SOUTHWESTERN ENERGY CO SR UNSECURED 7.500% 02/01/18		02/25/2016	GUGGENHEIM CAPITAL MARKET		178,958	223,000	1,394
852061-AK-6	SPRINT NEXTEL CORP SR UNSECURED 9.000% 11/15/18		05/05/2016	FIRST BOSTON CORP		1,057,500	1,000,000	43,750
85207U-AE-5	SPRINT CORP SR UNSECURED 7.250% 09/15/21		10/24/2016	DEUTSCHE BANK		522,500	500,000	4,229
86765L-AG-2	SUNOCO LP/FINANCE CORP SR UNSECURED 6.375% 04/01/23		10/03/2016	Tax Free Exchange		493,396	500,000	177
87612B-AP-7	TARGA RESOURCES PARTNERS SR UNSECURED 4.250% 11/15/23		10/11/2016	CITIGROUP		483,125	500,000	8,795
88033G-CP-3	TENET HEALTHCARE CORP 2ND LIEN 7.500% 01/01/22		11/16/2016	BARCLAYS INVESTMENT DTC2196		250,000	250,000	0
88160Q-AK-9	TESORO LOGISTICS LP/ CORP SR UNSECURED 5.500% 10/15/19		04/08/2016	Tax Free Exchange		521,594	500,000	13,215
911365-BC-7	UNITED RENTALS INC 1ST LIEN 4.625% 07/15/23		06/17/2016	WACHOVIA		500,625	500,000	10,085
912909-AK-4	US STEEL CORP 1ST LIEN 8.375% 07/01/21		05/03/2016	Janney Montgomery-Muni		505,000	500,000	0
92348M-AA-7	VERIZON OWNER TR SER 16-2A CLASS A 1.680% 05/20/21		11/16/2016	BANC AMERICA		3,999,585	4,000,000	0
958102-AK-1	WESTERN DIGITAL CORP SR UNSECURED 10.500% 04/01/24		03/31/2016	CITIGROUP		1,003,750	1,000,000	0
969457-BW-9	WILLIAMS CO INC SR UNSECURED 4.550% 06/24/24		05/24/2016	BARCLAY INVESTMENTS		436,250	500,000	9,669
15135U-AD-1	GENOVUS ENERGY INC SR UNSECURED 5.700% 10/15/19	A.	02/25/2016	CANTOR FITZGERALD		431,250	500,000	10,767
23636T-AD-2	DANONE SR UNSECURED 2.589% 11/02/23	D.	10/26/2016	CITIGROUP		1,000,000	1,000,000	0
714264-AH-1	PERNO RICARD SA SR UNSECURED 4.250% 07/15/22	D.	11/02/2016	DEUTSCHE BANK		1,359,200	1,250,000	16,528
<b>3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>								
						36,340,161	36,323,000	281,752
<b>8399997. Total - Bonds - Part 3</b>								
						67,613,378	63,921,088	527,668
<b>8399998. Total - Bonds - Part 5</b>								
						54,092,366	51,100,000	229,850
<b>8399999. Total - Bonds</b>								
						121,705,744	115,021,088	757,518
<b>8999997. Total - Preferred Stocks - Part 3</b>								
						0	XXX	0
<b>8999998. Total - Preferred Stocks - Part 5</b>								
						0	XXX	0
<b>8999999. Total - Preferred Stocks</b>								
						0	XXX	0
<b>9799997. Total - Common Stocks - Part 3</b>								
						0	XXX	0

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ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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
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						121,705,744	XXX	757,518

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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
36179R-B2-4	GOVT NATL MTGE ASSN I POOL NO MA2757 5.000% 04/20/45		05/18/2016	MORGAN STANLEY		3,205,807	2,968,340	3,252,188	3,249,047	0	(3,125)	0	(3,125)	0	3,245,923	0	(40,115)	(40,115)	69,261	04/20/2045
36179R-B2-4	GOVT NATL MTGE ASSN I POOL NO MA2757 5.000% 04/20/45		05/01/2016	Paydown		1,104,369	1,104,369	1,209,975	1,208,806	0	(104,437)	0	(104,437)	0	1,104,369	0	0	0	15,020	04/20/2045
36204X-HD-0	GOVT NATL MTGE ASSN I POOL NO 382828 6.500% 04/15/28		12/01/2016	Paydown		375	375	374	374	0	1	0	1	0	375	0	0	0	13	04/15/2028
36208F-K2-5	GOVT NATL MTGE ASSN I POOL NO 449513 6.500% 02/15/28		12/01/2016	Paydown		327	327	326	326	0	1	0	1	0	327	0	0	0	12	02/15/2028
36208P-SJ-8	GOVT NATL MTGE ASSN I POOL NO 456921 6.500% 06/15/28		12/01/2016	Paydown		896	896	894	894	0	2	0	2	0	896	0	0	0	18	06/15/2028
36200Q-Q-1	GOVT NATL MTGE ASSN I POOL NO 458098 6.500% 03/15/29		12/01/2016	Paydown		4,722	4,722	4,709	4,709	0	13	0	13	0	4,722	0	0	0	74	03/15/2029
36208Q-YG-5	GOVT NATL MTGE ASSN I POOL NO 458011 6.500% 01/15/29		12/01/2016	Paydown		111	111	111	111	0	0	0	0	0	111	0	0	0	4	01/15/2029
36208Q-Z4-1	GOVT NATL MTGE ASSN I POOL NO 458063 6.500% 03/15/29		12/01/2016	Paydown		1,260	1,260	1,257	1,257	0	3	0	3	0	1,260	0	0	0	70	03/15/2029
36208R-W3-4	GOVT NATL MTGE ASSN I POOL NO 458866 6.500% 03/15/28		04/01/2016	Paydown		2,935	2,935	2,926	2,927	0	8	0	8	0	2,935	0	0	0	63	03/15/2028
36208Y-LM-9	GOVT NATL MTGE ASSN I POOL NO 464832 6.500% 09/15/28		12/01/2016	Paydown		185	185	184	184	0	0	0	0	0	185	0	0	0	7	09/15/2028
36209B-PC-6	GOVT NATL MTGE ASSN I POOL NO 466719 6.500% 09/15/20		12/01/2016	Paydown		1,099	1,099	1,096	1,096	0	3	0	3	0	1,099	0	0	0	40	09/15/2020
36209F-G2-9	GOVT NATL MTGE ASSN I POOL NO 470117 6.500% 03/15/29		12/01/2016	Paydown		118	118	118	118	0	0	0	0	0	118	0	0	0	4	03/15/2029
36209F-HC-6	GOVT NATL MTGE ASSN I POOL NO 470127 6.500% 03/15/29		12/01/2016	Paydown		93	93	93	93	0	0	0	0	0	93	0	0	0	3	03/15/2029
36209H-JE-6	GOVT NATL MTGE ASSN I POOL NO 471961 6.500% 07/15/28		12/01/2016	Paydown		931	931	929	929	0	3	0	3	0	931	0	0	0	33	07/15/2028
36209S-KU-4	GOVT NATL MTGE ASSN I POOL NO 480107 6.500% 03/15/29		12/01/2016	Paydown		2,322	2,322	2,316	2,316	0	6	0	6	0	2,322	0	0	0	66	03/15/2029
36209S-M6-5	GOVT NATL MTGE ASSN I POOL NO 480181 6.500% 01/15/29		12/01/2016	Paydown		6,660	6,660	6,642	6,643	0	18	0	18	0	6,660	0	0	0	359	01/15/2029
36209U-MM-3	GOVT NATL MTGE ASSN I POOL NO 481973 6.500% 07/15/28		12/01/2016	Paydown		112	112	111	111	0	0	0	0	0	112	0	0	0	4	07/15/2028
36209W-G9-7	GOVT NATL MTGE ASSN I POOL NO 483624 6.500% 08/15/28		10/01/2016	Paydown		624	624	622	622	0	2	0	2	0	624	0	0	0	32	08/15/2028
36209W-I5-7	GOVT NATL MTGE ASSN I POOL NO 484068 6.500% 03/15/29		11/01/2016	Paydown		5,258	5,258	5,243	5,244	0	14	0	14	0	5,258	0	0	0	307	03/15/2029
36209X-AH-3	GOVT NATL MTGE ASSN I POOL NO 484308 6.500% 09/15/28		12/01/2016	Paydown		154	154	153	153	0	0	0	0	0	154	0	0	0	5	09/15/2028
36209X-TH-3	GOVT NATL MTGE ASSN I POOL NO 484852 6.500% 10/15/28		12/01/2016	Paydown		65	65	65	65	0	0	0	0	0	65	0	0	0	2	10/15/2028
36210C-LB-7	GOVT NATL MTGE ASSN I POOL NO 488222 6.500% 02/15/29		12/01/2016	Paydown		1,948	1,948	1,943	1,943	0	5	0	5	0	1,948	0	0	0	79	02/15/2029
36210F-HK-5	GOVT NATL MTGE ASSN I POOL NO 490834 6.500% 12/15/28		12/01/2016	Paydown		266	266	265	265	0	1	0	1	0	266	0	0	0	9	12/15/2028
36210F-PC-4	GOVT NATL MTGE ASSN I POOL NO 491019 6.500% 12/15/28		12/01/2016	Paydown		410	410	409	409	0	1	0	1	0	410	0	0	0	15	12/15/2028
36210K-JL-0	GOVT NATL MTGE ASSN I POOL NO 494467 6.500% 03/15/29		12/01/2016	Paydown		182	182	181	181	0	0	0	0	0	182	0	0	0	7	03/15/2029
36210L-ZJ-1	GOVT NATL MTGE ASSN I POOL NO 496877 6.500% 01/15/29		12/01/2016	Paydown		124	124	123	123	0	0	0	0	0	124	0	0	0	5	01/15/2029
36210P-T5-3	GOVT NATL MTGE ASSN I POOL NO 498372 6.500% 02/15/29		12/01/2016	Paydown		1,054	1,054	1,051	1,051	0	3	0	3	0	1,054	0	0	0	38	02/15/2029
36210Q-W9-9	GOVT NATL MTGE ASSN I POOL NO 498372 6.500% 01/15/29		12/01/2016	Paydown		284	284	283	283	0	1	0	1	0	284	0	0	0	10	01/15/2029
36210U-Y9-8	GOVT NATL MTGE ASSN I POOL NO 503036 6.500% 03/15/29		12/01/2016	Paydown		1,005	1,005	1,002	1,003	0	3	0	3	0	1,005	0	0	0	13	03/15/2029

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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	
36210V-F8-9	GOVT NATL MTGE ASSN 1 POOL NO 503391 6.500% 03/15/29		12/01/2016	Paydown		288	288	287	287	0	1	0	1	0	288	0	0	0	30	03/15/2029	
36210Y-YC-3	GOVT NATL MTGE ASSN 1 POOL NO 506607 6.500% 03/15/29		12/01/2016	Paydown		115	115	114	114	0	0	0	0	0	115	0	0	0	4	03/15/2029	
912828-H5-2	US TREASURY NOTE/BOND 1.250% 01/31/20		01/21/2016	MIZUHO SECURITIES USA		1,996,250	2,000,000	1,967,032	1,967,053	0	450	0	450	0	1,967,503	0	28,747	28,747	11,889	01/31/2020	
<b>0599999. Subtotal - Bonds - U.S. Governments</b>						<b>6,340,349</b>	<b>6,106,632</b>	<b>6,463,022</b>	<b>6,458,737</b>	<b>0</b>	<b>(107,023)</b>	<b>0</b>	<b>(107,023)</b>	<b>0</b>	<b>6,351,718</b>	<b>0</b>	<b>(11,368)</b>	<b>(11,368)</b>	<b>97,476</b>	<b>XXX</b>	
448814-JB-0	HYDRO QUEBEC LOCAL GOVT GTD 2.000% 06/30/16	A	06/30/2016	Maturity		1,000,000	1,000,000	1,032,620	1,006,222	0	(6,222)	0	(6,222)	0	1,000,000	0	0	0	10,000	06/30/2016	
<b>1099999. Subtotal - Bonds - All Other Governments</b>						<b>1,000,000</b>	<b>1,000,000</b>	<b>1,032,620</b>	<b>1,006,222</b>	<b>0</b>	<b>(6,222)</b>	<b>0</b>	<b>(6,222)</b>	<b>0</b>	<b>1,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>XXX</b>
13062R-3Z-9	CALIFORNIA STATE OF VAR PUPP GENL OBL 4.500% 03/01/35		03/01/2016	Call 100.0000		1,900,000	1,900,000	1,874,825	1,899,253	0	747	0	747	0	1,900,000	0	0	0	42,750	03/01/2035	
<b>1799999. Subtotal - Bonds - U.S. States, Territories and Possessions</b>						<b>1,900,000</b>	<b>1,900,000</b>	<b>1,874,825</b>	<b>1,899,253</b>	<b>0</b>	<b>747</b>	<b>0</b>	<b>747</b>	<b>0</b>	<b>1,900,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>42,750</b>	<b>XXX</b>
13068L-MT-9	CALIFORNIA ST PUBLIC WKS BRD SER A 5.000% 09/01/21		09/26/2016	DAIN BAUSCHER INC-69211		4,769,504	4,025,000	4,686,992	4,541,955	0	(63,227)	0	(63,227)	0	4,478,728	0	290,776	290,776	215,785	09/01/2021	
13068L-MU-6	CALIFORNIA ST PUBLIC WKS BRD SER A 5.000% 09/01/22		03/15/2016	Wachovia		2,110,255	1,750,000	2,032,415	1,979,096	0	(6,397)	0	(6,397)	0	1,972,699	0	137,556	137,556	47,153	09/01/2022	
167593-OZ-8	CHICAGO ILL OHARE INTL ARPT RE REF B 5.000% 01/01/23		09/20/2016	Wachovia		6,023,800	5,000,000	5,848,700	5,825,712	0	(79,701)	0	(79,701)	0	5,746,011	0	277,789	277,789	234,722	01/01/2023	
167736-MF-1	CHICAGO ILL WTR REV REF REV BONDS 5.125% 11/01/16		11/01/2016	Maturity		3,510,000	3,510,000	3,841,625	3,536,970	0	(26,970)	0	(26,970)	0	3,510,000	0	0	0	179,888	11/01/2016	
185633-BC-7	CLEMSON SC UNIV HGR EDU REV SER B 5.000% 05/01/23		01/06/2016	Wachovia		2,604,727	2,105,000	2,564,648	2,562,529	0	(1,629)	0	(1,629)	0	2,560,900	0	43,827	43,827	11,694	05/01/2023	
31294K-CN-3	FED HOME LOAN MTGE CORP POOL NO E00985 6.000% 06/01/16		06/07/2016	MERRILL LYNCH PIERCE		0	0	0	0	0	4	0	4	0	4	0	(4)	(4)	0	06/01/2016	
31384C-K2-9	FED NATL MTGE ASSN POOL NO 572571 6.000% 03/01/29		12/01/2016	Paydown		2,738	2,738	2,649	2,666	0	72	0	72	0	2,738	0	0	0	82	03/01/2029	
31386T-C3-8	FED NATL MTGE ASSN POOL NO 931210 4.500% 04/01/31		12/01/2016	Paydown		4,751	4,751	4,573	4,591	0	160	0	160	0	4,751	0	0	0	228	04/01/2031	
31412P-R7-8	FED NATL MTGE ASSN POOL NO AC7254 4.500% 05/01/39		12/01/2016	Paydown		244,695	244,695	246,797	246,673	0	(1,979)	0	(1,979)	0	244,695	0	0	0	6,095	05/01/2039	
31417U-BY-0	FED NATL MTGE ASSN POOL NO AC7254 4.500% 11/01/39		12/01/2016	Paydown		219,018	219,018	223,022	222,825	0	(3,807)	0	(3,807)	0	219,018	0	0	0	5,302	11/01/2039	
31417U-WB-4	FED NATL MTGE ASSN POOL NO AC7870 4.500% 02/01/40		12/01/2016	Paydown		102,249	102,249	103,495	103,428	0	(1,179)	0	(1,179)	0	102,249	0	0	0	2,838	02/01/2040	
60636W-HQ-0	MISSOURI ST HIYS & TRANS COMMN REF-2ND LIEN-SER B 5.000% 05/01/23 NEW YORK NY CITY MUN FIN AUTH REF-SER C		01/06/2016	Wachovia		6,233,950	5,000,000	6,073,600	5,909,650	0	(3,178)	0	(3,178)	0	5,906,471	0	327,479	327,479	48,611	05/01/2023	
64972F-BF-2	4.750% 06/15/33 PENNSYLVANIA ST ECON DEV FINNG UNEMPLOYMENT COMPENSATION 5.000% 07/01/21		03/28/2016	Tax Free Exchange		5,052,190	5,000,000	5,062,650	5,052,896	0	(705)	0	(705)	0	5,052,190	0	0	0	67,951	06/15/2033	
70869V-AX-2	PHILADELPHIA PA AUTH FOR INDL CULTURAL & COML CORRIDORS PG-A 5.000% 12/01/19 PROVIDENCE R I PUB BLDGS AUTH VARIOUS CAP PROJ-SER A 5.125% 06/15/21		09/01/2016	CHASE SECURITIES		7,400,400	7,000,000	7,688,100	7,622,120	0	(71,798)	0	(71,798)	0	7,550,322	0	(149,922)	(149,922)	414,167	07/01/2021	
71781B-V2-1	RICHMOND VA MET AUTH EXPIRY REV REF 5.250% 07/15/17		09/22/2016	WARBURG DILLON READ		284,532	275,000	301,496	282,851	0	(3,732)	0	(3,732)	0	279,119	0	5,412	5,412	17,325	07/15/2017	
765418-GA-0	RICHMOND VA MET AUTH EXPIRY REV UNREFUNDED 5.250% 07/15/17		07/15/2016	Call 100.0000		265,000	265,000	290,533	272,566	0	(7,566)	0	(7,566)	0	265,000	0	0	0	13,913	07/15/2017	
765418-GD-4	SOUTH CAROLINA TRANSPORTATION SER B 5.250% 10/01/16		10/01/2016	Maturity		1,000,000	1,000,000	1,137,720	1,010,491	0	(10,491)	0	(10,491)	0	1,000,000	0	0	0	52,500	10/01/2016	
<b>3199999. Subtotal - Bonds - U.S. Special Revenues</b>						<b>45,159,855</b>	<b>40,828,451</b>	<b>45,804,440</b>	<b>44,640,592</b>	<b>0</b>	<b>(413,639)</b>	<b>0</b>	<b>(413,639)</b>	<b>0</b>	<b>44,226,953</b>	<b>0</b>	<b>932,901</b>	<b>932,901</b>	<b>1,577,620</b>	<b>XXX</b>	
03674P-AJ-2	ANTERO RESOURCES FINANCE CORP SR UNSECURED 6.000% 12/01/20		01/12/2016	BARCLAY INVESTMENTS		650,563	775,000	791,375	647,125	141,816	(92)	0	141,724	0	788,850	0	(138,287)	(138,287)	5,017	12/01/2020	

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ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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
096370-AA-0	BLUE CUBE SPINCO INC SR UNSECURED 9.750% 10/15/23		10/03/2016	Tax Free Exchange		521,804	500,000	524,375	523,682	0	(1,877)	0	(1,877)	0	521,804	0	0	0	49,021	10/15/2023
096370-AC-6	BLUE CUBE SPINCO INC SR UNSECURED 10.000% 10/15/25		10/03/2016	Tax Free Exchange		521,687	500,000	523,750	523,157	0	(1,470)	0	(1,470)	0	521,687	0	0	0	50,278	10/15/2025
12514A-AE-1	CITIGROUP/DEUTSCHE BANK COM SER 2007-C05 CLASS A4 5.886% 11/15/44		08/18/2016	WACHOVIA		2,159,796	2,098,641	1,369,363	1,958,119	0	48,898	0	48,898	0	2,007,016	0	152,780	152,780	89,899	11/15/2044
12514A-AE-1	CITIGROUP/DEUTSCHE BANK COM SER 2007-C05 CLASS A4 5.886% 11/15/44		08/01/2016	Paydown		121,780	121,780	79,462	113,626	0	8,154	0	8,154	0	121,780	0	0	0	2,607	11/15/2044
12543D-AU-4	CHS COMMUNITY HEALTH SYS SECURED 5.125% 08/01/21		08/18/2016	Various		476,563	500,000	513,750	497,500	14,930	(1,815)	0	13,115	0	510,615	0	(34,053)	(34,053)	27,191	08/01/2021
12623E-AB-7	CNH CAPITAL LLC CO GTD 6.250% 11/01/16		06/08/2016	MORGAN STANLEY		508,125	500,000	506,561	501,477	0	(843)	0	(843)	0	500,634	0	7,491	7,491	19,271	11/01/2016
156700-AW-6	CENTURYTEL INC SR UNSECURED 5.625% 04/01/20		06/23/2016	CITIGROUP		519,375	500,000	523,750	494,375	26,798	(2,253)	0	24,545	0	518,920	0	455	455	20,859	04/01/2020
17305E-FW-0	CITIBANK CREDIT CARD ISS TR SERIES 2014-2 CLASS A2 1.020% 02/22/19		03/15/2016	DEUTSCHE BANK		1,998,359	2,000,000	2,000,000	2,000,000	0	0	0	0	0	2,000,000	0	(1,641)	(1,641)	11,673	02/22/2019
17311Q-BK-5	CITIGROUP COMMERCIAL MTGE TR SER 2007-C06 CLASS A4 5.711% 12/10/49		05/11/2016	CHASE SECURITIES		1,553,672	1,500,000	1,508,730	1,499,918	0	(682)	0	(682)	0	1,499,236	0	54,436	54,436	39,847	12/10/2049
191216-BF-6	COCA-COLA CO/THE SR UNSECURED 1.650% 11/01/18		09/22/2016	Keybank Capital Markets Inc		3,032,550	3,000,000	2,996,902	2,997,964	0	525	0	525	0	2,998,480	0	34,070	34,070	44,825	11/01/2018
21036P-AP-3	CONSTELLATION BRANDS INC SR UNSECURED 4.750% 12/01/25		11/28/2016	CHASE SECURITIES		588,500	550,000	556,875	556,815	0	(494)	0	(494)	0	556,321	0	32,179	32,179	25,907	12/01/2025
269871-AB-5	EAGLE SPINCO INC SR UNSECURED 4.625% 02/15/21		03/11/2016	Various		348,000	350,000	341,250	322,000	19,926	279	0	20,205	0	342,205	0	5,795	5,795	9,314	02/15/2021
269871-AB-5	EAGLE SPINCO INC SR UNSECURED 4.625% 02/15/21		09/07/2016	Tax Free Exchange		146,953	150,000	146,250	138,000	8,540	414	0	8,954	0	146,953	0	0	0	7,361	02/15/2021
28271L-AA-2	ENDO FINANCE LLC SR UNSECURED 5.750% 01/15/22		08/09/2016	BANC AMERICA		459,375	500,000	447,500	479,136	0	2,292	33,059	(30,767)	0	448,368	0	11,007	11,007	30,906	01/15/2022
364725-BD-2	GANNETT CO INC SR UNSECURED 5.125% 10/15/19		04/07/2016	Various		938,750	900,000	934,625	929,541	298	(2,392)	0	(2,094)	0	927,446	0	11,304	11,304	20,642	10/15/2019
38253P-AC-6	GOOGLE INC SR UNSECURED 2.125% 05/19/16		03/11/2016	GOLDMAN SACHS & CO		5,014,850	5,000,000	5,118,355	5,029,830	0	(16,002)	0	(16,002)	0	5,013,828	0	1,022	1,022	34,296	05/19/2016
404121-AC-9	HCA INC SR SECURED 6.500% 02/15/20		09/07/2016	GUGGENHEIM CAPITAL MARKET		553,125	500,000	560,000	544,750	9,231	(8,569)	0	662	0	545,411	0	7,714	7,714	34,938	02/15/2020
42824C-AA-7	HP ENTERPRISE SR UNSECURED 2.450% 10/05/17		12/23/2016	Tax Free Exchange		3,002,205	3,000,000	2,998,320	2,998,453	0	3,752	0	3,752	0	3,002,205	0	0	0	90,150	10/05/2017
46629M-AF-2	J P MORGAN CHASE COMMERCIAL SER 2006-LDP8 CLASS A4 5.399% 05/15/45		07/01/2016	Paydown		2,085,728	2,085,728	2,122,880	2,084,293	0	1,435	0	1,435	0	2,085,728	0	0	0	35,713	05/15/2045
52109R-BM-2	LB LBS COMMERCIAL MTGE TR SER 2007-C7 CLASS A3 5.866% 09/15/45		08/25/2016	MORGAN STANLEY		1,873,842	1,803,736	1,676,911	1,777,204	0	8,615	0	8,615	0	1,785,819	0	88,024	88,024	76,882	09/15/2045
52109R-BM-2	LB LBS COMMERCIAL MTGE TR SER 2007-C7 CLASS A3 5.866% 09/15/45		08/11/2016	Paydown		37,551	37,551	34,911	36,999	0	552	0	552	0	37,551	0	0	0	1,185	09/15/2045
527298-BD-4	LEVEL 3 FINANCING INC SR UNSECURED 5.375% 08/15/22		11/02/2016	Seaport Group		507,500	500,000	507,500	506,880	0	(1,480)	0	(1,480)	0	505,400	0	2,100	2,100	26,278	08/15/2022
69318F-AD-0	PEF HOLDING CO LLC SECURED 7.000% 11/15/23		12/14/2016	WARBURG		1,256,250	1,250,000	1,250,000	1,218,750	31,250	0	0	31,250	0	1,250,000	0	6,250	6,250	93,576	11/15/2023
742718-ED-7	PROCTER & GAMBLE CO SR UNSECURED 0.750% 11/04/16		09/22/2016	MIZUHO SECURITIES USA		1,000,070	1,000,000	999,910	999,973	0	22	0	22	0	999,995	0	75	75	6,729	11/04/2016
748767-AF-7	QUINTILES INTL SR UNSECURED 4.875% 05/15/23		02/05/2016	BARCLAY INVESTMENTS		506,250	500,000	511,250	502,500	7,795	(193)	0	7,602	0	510,102	0	(3,852)	(3,852)	5,755	05/15/2023
785592-AK-2	SABINE PASS LIQUEFACTION FIRST LIEN 5.625% 03/01/25		01/13/2016	Tax Free Exchange		460,768	500,000	460,000	423,125	37,533	110	0	37,643	0	460,768	0	0	0	10,313	03/01/2025
86765L-AA-5	SUNOCO LP/FINANCE CORP SR UNSECURED 6.375% 04/01/23		10/03/2016	Tax Free Exchange		493,396	500,000	493,125	470,000	38,321	(13)	14,914	23,394	0	493,396	0	0	0	33,021	04/01/2023
88160Q-AG-8	TESORO LOGISTICS LP/ CORP SR UNSECURED 5.500% 10/15/19		04/08/2016	Tax Free Exchange		521,594	500,000	526,250	485,000	38,132	(1,538)	0	36,594	0	521,594	0	0	0	13,215	10/15/2019
90521A-PH-5	UNION BANK NA SR UNSECURED 1.500% 09/26/16		09/26/2016	Maturity		2,000,000	2,000,000	2,012,122	2,006,104	0	(6,104)	0	(6,104)	0	2,000,000	0	0	0	30,000	09/26/2016
966387-AG-7	WHITTING PETROLEUM CORP SR UNSECURED 5.000% 03/15/19		01/13/2016	Various		186,250	250,000	250,625	188,750	61,768	(4)	0	61,764	0	250,513	0	(64,263)	(64,263)	4,097	03/15/2019

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**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	
878742-AV-7	TECO COMINCO LTD CO GTD 4.750% 01/15/22	A	03/23/2016	GOLDMAN SACHS & CO		126,875	175,000	84,875	84,875	0	1,974	0	1,974	0	86,849	0	40,026	40,026	5,865	01/15/2022	
002799-AJ-3	ABBEY NATL TREASURY SERV NOTES 4.000% 04/27/16	D	04/27/2016	Maturity		2,000,000	2,000,000	2,086,612	2,019,147	0	(19,147)	0	(19,147)	0	2,000,000	0	0	0	40,000	04/27/2016	
46115H-AG-2	INTESA SANPAOLO SPA UNSECURED 3.125% 01/15/16	D	01/15/2016	Maturity		2,000,000	2,000,000	2,039,230	2,001,292	0	(1,292)	0	(1,292)	0	2,000,000	0	0	0	31,250	01/15/2016	
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					38,172,106	38,047,436	37,497,394	37,560,350	436,338	10,762	47,973	399,127	0	37,959,474	0	212,632	212,632	1,027,821	XXX	
8399997	Total - Bonds - Part 4					92,572,310	87,882,519	92,672,301	91,565,154	436,338	(515,375)	47,973	(127,010)	0	91,438,145	0	1,134,165	1,134,165	2,755,667	XXX	
8399998	Total - Bonds - Part 5					54,130,361	51,100,000	54,092,366	0	0	(93,300)	17,500	(110,800)	0	53,981,565	0	148,793	148,793	472,748	XXX	
8399999	Total - Bonds					146,702,671	138,982,519	146,764,667	91,565,154	436,338	(608,675)	65,473	(237,810)	0	145,419,710	0	1,282,958	1,282,958	3,228,415	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					146,702,671	XXX	146,764,667	91,565,154	436,338	(608,675)	65,473	(237,810)	0	145,419,710	0	1,282,958	1,282,958	3,228,415	XXX	

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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		
313499-KW-6	FED HOME LN MTGE CORP UNSECURED 1.350% 11/26/19		05/11/2016	JEFFRIES	09/01/2016	JEFFRIES	5,000,000	5,000,000	4,996,900	5,000,000	0	0	0	0	0	0	(3,100)	(3,100)	13,388	0		
912828-S7-6	US TREASURY NOTE/BOND 1.125% 07/31/21		08/03/2016	Evercore Group LLC	09/06/2016	Strategas Securities, LLC	5,000,000	5,014,844	4,981,250	5,014,565	0	(278)	0	(278)	0	0	(33,315)	(33,315)	5,808	611		
912828-T5-9	US TREASURY NOTE/BOND 1.000% 10/15/19		10/31/2016	MIZUHO SECURITIES USA	12/15/2016	MIZUHO SECURITIES USA	10,000,000	10,000,781	9,850,781	10,000,731	0	(50)	0	(50)	0	0	(149,950)	(149,950)	17,033	4,670		
<b>0599999. Subtotal - Bonds - U.S. Governments</b>							20,000,000	20,015,625	19,828,931	20,015,296	0	(328)	0	(328)	0	0	(186,365)	(186,365)	36,229	5,261		
452152-06-6	ILLINOIS STATE GENERAL OBLIGATION UNLTD 5.000% 06/01/21		06/16/2016	MERRILL LYNCH-MUNI	10/17/2016	MERRILL LYNCH-MUNI	5,000,000	5,497,550	5,450,200	5,468,157	0	(29,393)	0	(29,393)	0	0	(17,957)	(17,957)	77,083	0		
574193-MT-2	MARYLAND STATE OF FIRST SERIES 4.000% 06/01/25		06/24/2016	MERRILL LYNCH-MUNI	07/19/2016	APEX PRYOR SECURITIES	5,000,000	5,983,950	5,964,750	5,977,929	0	(6,021)	0	(6,021)	0	0	(13,179)	(13,179)	15,556	3,889		
617522-HU-1	OHIO ST HF-SER A 5.000% 12/15/24		06/03/2016	CHASE SECURITIES	06/16/2016	Wachovia	4,650,000	5,908,662	5,988,875	5,903,663	0	(4,999)	0	(4,999)	0	0	85,211	85,211	65,875	57,479		
<b>1799999. Subtotal - Bonds - U.S. States, Territories and Possessions</b>							14,650,000	17,390,162	17,403,825	17,349,749	0	(40,413)	0	(40,413)	0	0	54,075	54,075	158,514	61,368		
358232-3J-3	FRESNO CALIFORNIA UNI SCH DIST REF SER A 4.000% 08/01/41		11/16/2016	BRANCH BANK AND TRUST	11/30/2016	WARBURG DILLON READ	1,000,000	1,000,000	985,000	1,000,000	0	0	0	0	0	0	(15,000)	(15,000)	5,889	4,333		
<b>2499999. Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>							1,000,000	1,000,000	985,000	1,000,000	0	0	0	0	0	0	0	(15,000)	(15,000)	5,889	4,333	
649726-KT-0	NEW YORK CITY NY MUNI WTR FIN PREFERRED-SER C 4.750% 06/15/33		03/28/2016	Tax Free Exchange	06/15/2016	Call 100.0000	2,120,000	2,142,129	2,120,000	2,120,000	0	(22,129)	0	(22,129)	0	0	0	0	50,350	28,811		
649726-KW-3	NEW YORK CITY NY MUNI WTR FIN UNPREFERRED-SER C 4.750% 06/15/33		03/28/2016	Tax Free Exchange	06/15/2016	Call 100.0000	2,880,000	2,910,062	2,880,000	2,880,000	0	(30,062)	0	(30,062)	0	0	0	0	68,400	39,140		
73358W-ZY-3	PORT AUTH NY & NJ AMT REF 195TH SERIES 5.000% 10/01/25		05/06/2016	RAMIREZ	06/16/2016	Wachovia	4,000,000	5,040,560	5,077,320	5,030,637	0	(9,923)	0	(9,923)	0	0	46,683	46,683	19,444	0		
<b>3199999. Subtotal - Bonds - U.S. Special Revenues</b>							9,000,000	10,092,751	10,077,320	10,030,637	0	(62,114)	0	(62,114)	0	0	46,683	46,683	138,194	67,951		
00101J-AF-3	ADT CORP SR UNSECURED 3.500% 07/15/22		04/06/2016	MORGAN STANLEY	04/27/2016	JEFFRIES	500,000	432,500	457,500	432,970	0	470	0	470	0	0	24,530	24,530	5,201	4,278		
00766T-AB-6	AECOM TECHNOLOGY SR UNSECURED 5.750% 10/15/22		06/21/2016	CITIGROUP	08/18/2016	CITIGROUP	300,000	309,000	318,000	308,694	0	(306)	0	(306)	0	0	9,306	9,306	6,133	3,306		
131347-0E-4	CALPINE CORP SR UNSECURED 5.375% 01/15/23		05/06/2016	BARCLAY INVESTMENTS	12/05/2016	DAIN RAUSCHER INC-69211	500,000	500,000	474,375	483,481	0	981	17,500	(16,519)	0	0	(9,106)	(9,106)	17,394	1,941		
156700-AS-5	CENTURYTEL INC SR UNSECURED 5.800% 03/15/22		06/23/2016	CITIGROUP	11/02/2016	DEUTSCHE BANK	250,000	241,875	246,563	242,305	0	430	0	430	0	0	4,257	4,257	9,344	4,149		
212015-AH-4	CONTINENTAL RESOURCES SR UNSECURED 5.000% 09/15/22		03/07/2016	Various	03/29/2016	MORGAN STANLEY	1,500,000	1,148,125	1,325,000	1,152,205	0	4,080	0	4,080	0	0	172,795	172,795	40,556	33,194		
30706V-AA-3	FAMILY TREE ESCROW LLC SR UNSECURED 5.750% 03/01/23		06/15/2016	GOLDMAN SACHS & CO	07/26/2016	Tax Free Exchange	500,000	531,250	530,659	530,659	0	(591)	0	(591)	0	0	0	0	11,580	8,705		
35671D-AU-9	FREEMONT-MORAN C & G SR UNSECURED 3.550% 03/01/22		06/24/2016	HSBC SEC INC	07/19/2016	HSBC SEC INC	250,000	216,875	215,313	217,190	0	315	0	315	0	0	(1,878)	(1,878)	3,476	2,909		
35671D-AZ-8	FREEMONT-MORAN C & G SR UNSECURED 3.875% 03/15/23		03/07/2016	CITIGROUP	03/29/2016	GOLDMAN SACHS & CO	500,000	372,500	328,750	373,262	0	762	0	762	0	0	(44,512)	(44,512)	10,549	9,418		
845467-AE-9	SOUTHWESTERN ENERGY CO SR UNSECURED 7.500% 02/01/18		02/25/2016	Various	03/11/2016	DEUTSCHE BANK	500,000	402,250	430,000	404,144	0	1,894	0	1,894	0	0	25,856	25,856	4,688	2,958		
845467-AL-3	SOUTHWESTERN ENERGY CO SR UNSECURED 6.700% 01/23/25		02/24/2016	JEFFRIES	03/29/2016	MORGAN STANLEY	500,000	302,500	335,000	303,579	0	1,079	0	1,079	0	0	31,421	31,421	4,675	2,475		
852061-AR-1	SPRINT NEXTEL CORP SR UNSECURED 7.000% 08/15/20		10/18/2016	DEUTSCHE BANK	10/24/2016	DEUTSCHE BANK	500,000	518,750	523,125	518,675	0	(75)	0	(75)	0	0	4,450	4,450	7,000	6,417		
960413-AL-6	WESTLAKE CHEMICAL CORP SR UNSECURED 4.625% 02/15/21		09/07/2016	Tax Free Exchange	09/13/2016	BARCLAY INVESTMENTS	150,000	146,953	156,000	146,967	0	14	0	14	0	0	9,033	9,033	597	424		
292505-AH-7	ENCANA CORP SR UNSECURED 6.500% 05/15/19	A	03/09/2016	JEFFRIES	04/01/2016	JEFFRIES	500,000	471,250	495,000	471,752	0	502	0	502	0	0	23,248	23,248	12,729	10,743		
<b>3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>							6,450,000	5,593,828	5,835,285	5,585,883	0	9,555	17,500	(7,945)	0	0	249,400	249,400	133,922	90,917		
<b>8399998. Total - Bonds</b>							51,100,000	54,092,366	54,130,361	53,981,565	0	(93,300)	17,500	(110,800)	0	0	148,793	148,793	472,748	229,850		
<b>8999998. Total - Preferred Stocks</b>							0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>9799998. Total - Common Stocks</b>							0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>9899999. Total - Preferred and Common Stocks</b>							0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>9999999 - Totals</b>							54,092,366	54,130,361	54,130,361	53,981,565	0	(93,300)	17,500	(110,800)	0	0	148,793	148,793	472,748	229,850		

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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 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	XXX	XXX	XXX	0	0
1099999	Total - All Other Government Bonds						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	XXX	XXX	XXX	0	0
2499999	Total - U.S. Political Subdivisions Bonds						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	XXX	XXX	XXX	0	0
3899999	Total - Industrial and Miscellaneous (Unaffiliated) Bonds						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	XXX	XXX	XXX	0	0
5599999	Total - Parent, Subsidiaries and Affiliates Bonds						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	XXX	XXX	XXX	0	0
7799999	Total - Issuer Obligations						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	XXX	XXX	XXX	0	0
7999999	Total - Commercial Mortgage-Backed Securities						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	XXX	XXX	XXX	0	0
8199999	Total - SVO Identified Funds						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	XXX	XXX	XXX	0	0
8699999	Total - Parent, Subsidiaries and Affiliates						0	0	0	0	0	XXX	0	0	0	XXX	XXX	XXX	0	0
60934H-50-0	FEDERATED INVESTORS INC TREASURY OBLIGATION FUND			12/28/2016	Various		981	0	0	0	0	0	981	0	0	0.000	0.242		12	0
8899999	Subtotal - Exempt Money Market Mutual Funds - as Identified by the SVO						981	0	0	0	0	XXX	981	0	0	XXX	XXX	XXX	12	0
9199999	Totals						981	0	0	0	0	XXX	981	0	0	XXX	XXX	XXX	12	0

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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**





**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(ab) / NJAC 11:24-11.4d	150,784,774	154,449,077	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	150,784,774	154,449,077	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

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# HEALTH ANNUAL STATEMENT

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

## Aetna Health Inc. (a New Jersey corporation)

NAIC Group Code 0001 0001 NAIC Company Code 95287 Employer's ID Number 52-1270921  
(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 05/18/1982 Commenced Business 03/01/1983

Statutory Home Office 9 Entin Road, Suite 203 Parsippany, NJ, US 07054  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1425 Union Meeting Road  
(Street and Number)  
Blue Bell, PA, US 800-872-3662  
(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 9 Entin Road, Suite 203  
(Street and Number)  
Parsippany, NJ, US 07054 973-244-3500  
(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

President Michael Sebastian Costa Principal Financial Officer and Controller Steven Matthew Conte

Vice President and Secretary Edward Chung-I Lee

### 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

Gerard Vincent Carey Michael Sebastian Costa David Michael Lasaracino

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.

Michael Sebastian Costa  
 President

Edward Chung-I Lee  
 Vice President and Secretary

Steven Matthew Conte  
 Principal Financial Officer and Controller

State of..... New Jersey  
 County of..... Morris

State of..... Connecticut  
 County of..... Hartford

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

Subscribed and sworn to before me this  
2 day of February, 2017

Subscribed and sworn to before me this  
2 day of February, 2017

Subscribed and sworn to before me this  
24th day of February, 2017

NOTARY PUBLIC (Seal)  
**ANGELA ROWE**  
 NOTARY PUBLIC OF NEW JERSEY  
 My Commission Expires 6/21/2018

NOTARY PUBLIC (Seal)  
**CAITLIN ROUX-HALLORAN**  
 Notary Public, State of Connecticut  
 My Commission Expires Jan. 31, 2020

NOTARY PUBLIC (Seal)  
**KIM E. ROTH, Notary Public**  
 Whippain Twp., Montgomery County  
 My Commission Expires April 25, 2017

- 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.....





**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 .....	2,679,659	21,782,199	0	1,613,386	2,679,659	2,516,776
2. Claim overpayment receivables .....	0	0	0	0	0	0
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)	2,679,659	21,782,199	0	1,613,386	2,679,659	2,516,776

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



**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
<b>NONE</b>							
0399999 Total gross amounts receivable							



**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
<b>Capitation Payments:</b>						
1. Medical groups .....	22,879,700	2.9	74,880	100.0	0	22,879,700
2. Intermediaries .....	0	0.0	0	0.0	0	0
3. All other providers .....	3,316,664	0.4	0	0.0	0	3,316,664
4. Total capitation payments .....	26,196,364	3.3	74,880	100.0	0	26,196,364
<b>Other Payments:</b>						
5. Fee-for-service .....	46,699,002	6.0	XXX	XXX	0	46,699,002
6. Contractual fee payments .....	707,972,653	90.3	XXX	XXX	0	707,972,653
7. Bonus/withhold arrangements - fee-for-service .....	0	0.0	XXX	XXX	0	0
8. Bonus/withhold arrangements - contractual fee payments .....	3,581,444	0.5	XXX	XXX	0	3,581,444
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 .....	758,253,099	96.7	XXX	XXX	0	758,253,099
13. TOTAL (Line 4 plus Line 12)	784,449,463	100%	XXX	XXX	0	784,449,463

**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
<b>NONE</b>					
9999999 Totals			XXX	XXX	XXX

Exhibit 8 - Furniture and Equipment Owned

**NONE**



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

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)**

REPORT FOR: 1. CORPORATION

Aetna Health Inc. (a New Jersey corporation)

2. Parsippany, NJ

NAIC Group Code	0001	BUSINESS IN THE STATE OF		DURING THE YEAR							(LOCATION)	
		New Jersey		2016							NAIC Company Code	
		1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	
	Total	2	3	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other		
<b>Total Members at end of:</b>												
1. Prior Year	154,888	0	112,389	0	0	0	5,427	37,072	0	0		
2. First Quarter	125,725	0	81,970	0	0	0	4,008	39,747	0	0		
3. Second Quarter	105,081	0	61,149	0	0	0	3,864	40,068	0	0		
4. Third Quarter	87,211	0	42,985	0	0	0	3,752	40,474	0	0		
5. Current Year	74,880	0	30,541	0	0	0	3,676	40,663	0	0		
6. Current Year Member Months	1,249,855	0	721,418	0	0	0	46,508	481,929	0	0		
<b>Total Member Ambulatory Encounters for Year:</b>												
7. Physician	2,223,967	0	939,327	0	0	0	84,091	1,200,549	0	0		
8. Non-Physician	1,506,208	0	810,836	0	0	0	76,433	618,939	0	0		
9. Total	3,730,175	0	1,750,163	0	0	0	160,524	1,819,488	0	0		
10. Hospital Patient Days Incurred	105,689	0	20,470	0	0	0	5,649	79,570	0	0		
11. Number of Inpatient Admissions	12,567	0	3,753	0	0	0	582	8,232	0	0		
12. Health Premiums Written (b)	897,809,708	(35)	343,081,840	0	0	0	50,707,401	504,020,502	0	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	898,503,348	(35)	345,147,206	0	0	0	49,335,675	504,020,502	0	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	784,449,463	94,915	338,547,163	0	0	0	38,551,739	407,255,646	0	0		
18. Amount Incurred for Provision of Health Care Services	742,039,675	74,418	295,254,691	0	0	0	37,136,612	409,573,954	0	0		

(a) For health business: number of persons insured under PPO managed care products .....0 and number of persons insured under indemnity only products .....0 .

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ .....504,020,502

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

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)**

REPORT FOR: 1. CORPORATION

Aetna Health Inc. (a New Jersey corporation)

2. Parsippany, NJ

NAIC Group Code	0001	BUSINESS IN THE STATE OF	(LOCATION)									
			Grand Total		DURING THE YEAR				2016		NAIC Company Code	95287
			1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
Total	2	3	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other			
<b>Total Members at end of:</b>												
1. Prior Year	154,888	0	112,389	0	0	0	5,427	37,072	0	0		
2. First Quarter	125,725	0	81,970	0	0	0	4,008	39,747	0	0		
3. Second Quarter	105,081	0	61,149	0	0	0	3,864	40,068	0	0		
4. Third Quarter	87,211	0	42,985	0	0	0	3,752	40,474	0	0		
5. Current Year	74,880	0	30,541	0	0	0	3,676	40,663	0	0		
6. Current Year Member Months	1,249,855	0	721,418	0	0	0	46,508	481,929	0	0		
<b>Total Member Ambulatory Encounters for Year:</b>												
7. Physician	2,223,967	0	939,327	0	0	0	84,091	1,200,549	0	0		
8. Non-Physician	1,506,208	0	810,836	0	0	0	76,433	618,939	0	0		
9. Total	3,730,175	0	1,750,163	0	0	0	160,524	1,819,488	0	0		
10. Hospital Patient Days Incurred	105,689	0	20,470	0	0	0	5,649	79,570	0	0		
11. Number of Inpatient Admissions	12,567	0	3,753	0	0	0	582	8,232	0	0		
12. Health Premiums Written (b)	897,809,708	(35)	343,081,840	0	0	0	50,707,401	504,020,502	0	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	898,503,348	(35)	345,147,206	0	0	0	49,335,675	504,020,502	0	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	784,449,463	94,915	338,547,163	0	0	0	38,551,739	407,255,646	0	0		
18. Amount Incurred for Provision of Health Care Services	742,039,675	74,418	295,254,691	0	0	0	37,136,612	409,573,954	0	0		

(a) For health business: number of persons insured under PPO managed care products .....0 and number of persons insured under indemnity only products .....0 .

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ .....504,020,502

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

**SCHEDULE S - PART 1 - SECTION 2**

Reinsurance Assumed Accident and Health Insurance Listed by Reinsured Company as of December 31, Current Year

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsured	5 Domiciliary Jurisdiction	6 Type of Reinsurance Assumed	7 Premiums	8 Unearned Premiums	9 Reserve Liability Other Than for Unearned Premiums	10 Reinsurance Payable on Paid and Unpaid Losses	11 Modified Coinsurance Reserve	12 Funds Withheld Under Coinsurance
<b>NONE</b>											
9999999 - Totals											



ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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		
7262	23-2710210	05/30/1996	Aetna Health Insurance Company	PA	OTH/A/G		5,756,968	0	0	0	0	0	0
0299999. General Account - Authorized U.S. Affiliates - Other							5,756,968	0	0	0	0	0	0
0399999. Total General Account - Authorized U.S. Affiliates							5,756,968	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							5,756,968	0	0	0	0	0	0
1099999. Total General Account - Authorized Non-Affiliates							0	0	0	0	0	0	0
1199999. Total General Account Authorized							5,756,968	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
0000	AA-3770333	04/01/2014	Fresenius Medical Care Reinsurance Company (Cayman) LTD	CYM	SSL/A/I		5,786,482	0	652,829	0	0	0	0
2099999. General Account - Unauthorized Non-U.S. Non-Affiliates							5,786,482	0	652,829	0	0	0	0
2199999. Total General Account - Unauthorized Non-Affiliates							5,786,482	0	652,829	0	0	0	0
2299999. Total General Account Unauthorized							5,786,482	0	652,829	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							11,543,450	0	652,829	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)							5,756,968	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)							5,786,482	0	652,829	0	0	0	0
9999999 - Totals							11,543,450	0	652,829	0	0	0	0

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

**SCHEDULE S - PART 4**

Reinsurance Ceded to Unauthorized Companies

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
NAIC Company Code	ID Number	Effective Date	Name of Reinsurer	Reserve Credit Taken	Paid and Unpaid Losses Recoverable (Debit)	Other Debits	Total (Cols.5+6+7)	Letters of Credit	Issuing or Confirming Bank Reference Number (a)	Trust Agreements	Funds Deposited by and Withheld from Reinsurers	Other	Miscellaneous Balances (Credit)	Sum of Cols. 9+11+12+13 +14 but not in Excess of Col. 8
00000	AA-3770333	04/01/2014	Fresenius Medical Care Reinsurance Company (Cayman) Ltd	0	493,852	0	493,852	0			652,829	0	0	493,852
0299999. General Account - Life and Annuity U.S. Affiliates - Other				0	493,852	0	493,852	0	XXX	0	652,829	0	0	493,852
0399999. Total General Account - Life and Annuity U.S. Affiliates				0	493,852	0	493,852	0	XXX	0	652,829	0	0	493,852
0699999. Total General Account - Life and Annuity Non-U.S. Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
0799999. Total General Account - Life and Annuity Affiliates				0	493,852	0	493,852	0	XXX	0	652,829	0	0	493,852
1099999. Total General Account - Life and Annuity Non-Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
1199999. Total General Account Life and Annuity				0	493,852	0	493,852	0	XXX	0	652,829	0	0	493,852
1499999. Total General Account - Accident and Health U.S. Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
1799999. Total General Account - Accident and Health Non-U.S. Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
1899999. Total General Account - Accident and Health Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
2199999. Total General Account - Accident and Health Non-Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
2299999. Total General Account Accident and Health				0	0	0	0	0	XXX	0	0	0	0	0
2399999. Total General Account				0	493,852	0	493,852	0	XXX	0	652,829	0	0	493,852
2699999. Total Separate Accounts - U.S. Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
2999999. Total Separate Accounts - Non-U.S. Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
3099999. Total Separate Accounts - Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
3399999. Total Separate Accounts - Non-Affiliates				0	0	0	0	0	XXX	0	0	0	0	0
3499999. Total Separate Accounts				0	0	0	0	0	XXX	0	0	0	0	0
3599999. Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2699999 and 3199999)				0	493,852	0	493,852	0	XXX	0	652,829	0	0	493,852
3699999. Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2999999 and 3299999)				0	0	0	0	0	XXX	0	0	0	0	0
9999999 - Totals				0	493,852	0	493,852	0	XXX	0	652,829	0	0	493,852

(a)

Issuing or Confirming Bank Reference Number	Letters of Credit Code	American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Letters of Credit Amount
<b>NONE</b>				

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
<b>A. OPERATIONS ITEMS</b>					
1. Premiums .....	5,757	7,504	9,603	12,064	14,037
2. Title XVIII - Medicare .....	5,786	4,328	4,284	0	0
3. Title XIX - Medicaid .....	0	0	0	0	0
4. Commissions and reinsurance expense allowance .....	0	0	0	0	0
5. Total hospital and medical expenses .....	(6,395)	(5,441)	(4,600)	(4,506)	(9,493)
<b>B. BALANCE SHEET ITEMS</b>					
6. Premiums receivable .....	0	0	0	0	0
7. Claims payable .....	494	398	110	431	1,438
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 .....	653	452	82	0	0
12. Offset for reinsurance with Certified Reinsurers .....	0	0	0	0	0
<b>C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
13. Funds deposited by and withheld from (F) .....	653	452	82	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
<b>D. REINSURANCE WITH CERTIFIED REINSURERS (DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
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)
<b>ASSETS (Page 2, Col. 3)</b>			
1. Cash and invested assets (Line 12) .....	252,863,540	0	252,863,540
2. Accident and health premiums due and unpaid (Line 15) .....	27,036,997	0	27,036,997
3. Amounts recoverable from reinsurers (Line 16.1) .....	0	0	0
4. Net credit for ceded reinsurance .....	XXX	(158,977)	(158,977)
5. All other admitted assets (Balance) .....	23,030,556	0	23,030,556
6. Total assets (Line 28)	302,931,093	(158,977)	302,772,116
<b>LIABILITIES, CAPITAL AND SURPLUS (Page 3)</b>			
7. Claims unpaid (Line 1) .....	74,432,843	493,852	74,926,695
8. Accrued medical incentive pool and bonus payments (Line 2) .....	4,282,663	0	4,282,663
9. Premiums received in advance (Line 8) .....	249,387	0	249,387
10. Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19 first inset amount plus second inset amount) .....	652,829	(652,829)	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) .....	35,494,674	0	35,494,674
15. Total liabilities (Line 24) .....	115,112,396	(158,977)	114,953,419
16. Total capital and surplus (Line 33) .....	187,818,697	XXX	187,818,697
17. Total liabilities, capital and surplus (Line 34)	302,931,093	(158,977)	302,772,116
<b>NET CREDIT FOR CEDED REINSURANCE</b>			
18. Claims unpaid .....	493,852		
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 .....	493,852		
24. Premiums receivable .....	0		
25. Funds held under reinsurance treaties with authorized and unauthorized reinsurers .....	652,829		
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 .....	652,829		
31. Total net credit for ceded reinsurance	(158,977)		

**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 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	23-2229683	3060706	1122304	N	Aetna Inc.	PA	DIP	Aetna Inc.		0.000		N	.0
.0001	AETNA INC.	.00000	30-0123754	0	0		Aetna Health Holdings, LLC	DE	DDP	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	95-3402799	0	0		Aetna Health of California Inc.	CA	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95935	23-2442048	0	0		Aetna Health Inc.	CT	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95088	59-2411584	0	0		Aetna Health Inc.	FL	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95084	58-1649568	0	0		Aetna Health Inc.	GA	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95517	01-0504252	0	0		Aetna Health Inc.	ME	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95756	23-2861565	0	0		Aetna Health Inc.	MI	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95287	52-1270921	0	0		Aetna Health Inc.	NJ	RE	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95234	22-2663623	0	0		Aetna Health Inc.	NY	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.14408	45-2634734	0	0		Aetna Better Health Inc.	NY	IA	Aetna Health Inc. (NY)	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95490	76-0189680	0	0		Aetna Health Inc.	TX	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95040	74-1844335	0	0		Aetna Better Health of Texas Inc.	TX	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.12328	20-2207534	0	0		Aetna Better Health Inc.	GA	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	06-1160812	0	0		Aetna Dental of California Inc.	CA	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.11183	22-2990909	0	0		Aetna Dental Inc.	NJ	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.95910	06-1177531	0	0		Aetna Dental Inc.	TX	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	30-0123760	0	0		Aetna Rx Home Delivery, LLC	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	13-3670795	0	0		Aetna Health Management, LLC	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	22-3187443	0	0		Aetna Ireland Inc.	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	57-1209768	0	0		Aetna Specialty Pharmacy, LLC	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	20-1274723	0	0		Cofinity, Inc.	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	23-2671370	0	0		@Credentials Inc.	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	57-0640344	0	0		Strategic Resource Company	SC	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.13735	27-0563973	0	0		Aetna Better Health Inc.	PA	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.13174	26-2867560	0	0		Aetna Better Health Inc.	CT	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	47-5178095	0	0		Aetna Better Health of California Inc.	CA	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.14043	27-2512072	0	0		Aetna Better Health Inc.	IL	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.15805	47-3850677	0	0		Aetna Better Health of Iowa Inc.	IA	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.15616	80-0629718	0	0		Aetna Better Health, Inc.	LA	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	80-0671703	0	0		Aetna Florida Inc.	FL	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.14229	25-2764938	0	0		Aetna Better Health Inc.	OH	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.15611	46-3203088	0	0		Aetna Better Health Inc.	NJ	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.15919	81-1143850	0	0		Aetna Better Health of Oklahoma Inc.	OK	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	04-2708160	0	0		Aetna Student Health Agency Inc.	MA	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	73-1702453	0	0		Delaware Physicians Care, Incorporated	DE	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	01-0826783	0	0		Schaller Anderson Medical Administrators, Incorporated	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	86-0842559	0	0		Aetna Medicaid Administrators LLC	AZ	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	45-2944270	0	0		iTriage, LLC	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	16-1471176	0	0		Prodigy Health Group, Inc.	DE	NIA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	45-4901541	0	0		Aetna ACO Holdings, Inc.	DE	NIA	Aetna ACO Holdings, Inc.	Ownership	0.200	Aetna Inc.	N	.4
.0001	AETNA INC.	.00000	45-5527797	0	0		Innovation Health Holdings, LLC	DE	NIA	Aetna ACO Holdings, Inc.	Ownership	50.000	Aetna Inc.	N	.7
.0001	AETNA INC.	.15097	46-0674828	0	0		Innovation Health Insurance Company	VA	IA	Innovation Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.15098	46-0682197	0	0		Innovation Health Plan, Inc.	VA	IA	Innovation Health Insurance Company	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	81-3789357	0	0		Texas Health + Aetna Health Insurance Holding Company LLC	TX	NIA	Aetna ACO Holdings, Inc.	Ownership	50.000	Aetna Inc.	N	.11
.0001	AETNA INC.	.00000	81-4749336	0	0		Texas Health + Aetna Health Insurance Company	TX	IA	Aetna ACO Holdings, Inc.	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	47-5548221	0	0		Texas Health + Aetna Health Plan Inc.	TX	IA	Texas Health + Aetna Health Insurance Holding Company LLC	Ownership	100.000	Aetna Inc.	N	.12
.0001	AETNA INC.	.95109	23-2169745	0	0		Aetna Health Inc.	PA	IA	Aetna Health Holdings, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	45-4901541	0	0		Aetna ACO Holdings, Inc.	DE	NIA	Aetna Health Inc. (PA)	Ownership	39.500	Aetna Inc.	N	.4
.0001	AETNA INC.	.00000	20-0438576	0	0		Niagara Re, Inc.	NY	NIA	Prodigy Health Group, Inc.	Ownership	100.000	Aetna Inc.	N	.0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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	52-220070	0	0		Performax, Inc.	DE	NIA	Prodigy Health Group, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	87-0632355	0	0		Scrip World, LLC	UT	NIA	Prodigy Health Group, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	27-1760756	0	0		Precision Benefit Services, Inc.	DE	NIA	Prodigy Health Group, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	31-1368946	0	0		American Health Holding, Inc.	OH	NIA	Prodigy Health Group, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	16-1264154	0	0		Meritain Health, Inc.	NY	NIA	Prodigy Health Group, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	86-0537707	0	0		ADMINCO, Inc.	AZ	NIA	Meritain Health, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	86-0527428	0	0		Administrative Enterprises, Inc.	AZ	NIA	Meritain Health, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	16-1684061	0	0		U.S. Healthcare Holdings, LLC	OH	NIA	Meritain Health, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	34-1670299	0	0		Prime Net, Inc.	OH	NIA	Meritain Health, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	34-1348032	0	0		Professional Risk Management, Inc.	OH	NIA	Meritain Health, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.68500	62-1181209	0	0		Continental Life Insurance Company of Brentwood, Tennessee	TN	IA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.12321	20-2901054	0	0		American Continental Insurance Company	TN	IA	Continental Life Insurance Company of Brentwood, Tennessee	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.60054	06-6033492	0	0		Aetna Life Insurance Company	CT	IA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	45-4901541	0	0		Aetna ACO Holdings, Inc.	DE	NIA	Aetna Life Insurance Company	Ownership	60.300	Aetna Inc.	N	4
.0001	AETNA INC.	.00000	06-1270755	0	0		AHP Holdings, Inc.	CT	NIA	Aetna Life Insurance Company	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.36153	06-1286276	0	0		Aetna Insurance Company of Connecticut	CT	IA	AHP Holdings, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	06-1028469	0	0		AE Fourteen, Incorporated	CT	NIA	AHP Holdings, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	06-1373153	0	0		Aetna Life Assignment Company	CT	NIA	AHP Holdings, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	20-3678339	0	0		PE Holdings, LLC	CT	NIA	Aetna Life Insurance Company	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	06-1423207	0	0		Aetna Resources L.L.C.	DE	NIA	Aetna Life Insurance Company	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	20-3180700	0	0		Canal Place, LLC	DE	NIA	Aetna Life Insurance Company	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	20-3180700	0	0		Aetna Ventures, LLC	DE	NIA	Aetna Life Insurance Company	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	59-2108747	0	0		Broadspire National Services, Inc.	FL	NIA	Aetna Life Insurance Company	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	41-2035961	0	0		Aetna Multi-Strategy 1099 Fund	DE	NIA	Aetna Life Insurance Company	Ownership	73.000	Aetna Inc.	N	9
.0001	AETNA INC.	.00000	26-2030792	0	0		Aetna Financial Holdings, LLC	DE	NIA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	23-2354500	0	0		Aetna Asset Advisors, LLC	DE	NIA	Aetna Financial Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	38-3704481	0	0		U.S. Healthcare Properties, Inc.	PA	NIA	Aetna Financial Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	11-3667142	0	1314522		Aetna Capital Management, LLC	DE	NIA	Aetna Financial Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	1460020		Aetna Partners Diversified Fund, LLC	DE	NIA	Aetna Capital Management, LLC	Ownership	100.000	Aetna Inc.	N	1
.0001	AETNA INC.	.00000		0			Aetna Partners Diversified Fund (Cayman), Limited	CYM	NIA	Aetna Capital Management, LLC	Ownership	100.000	Aetna Inc.	N	2
.0001	AETNA INC.	.00000	20-0446676	0	0		Aetna Workers' Comp Access, LLC	DE	NIA	Aetna Financial Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	20-0446713	0	0		Aetna Behavioral Health, LLC	DE	NIA	Aetna Financial Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	23-2670015	0	0		Managed Care Coordinators, Inc.	DE	NIA	Aetna Financial Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	59-3269144	0	0		Horizon Behavioral Services, LLC	DE	NIA	Aetna Financial Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	61-1193498	0	0		Employee Assistance Services, LLC	KY	NIA	Horizon Behavioral Services, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	33-0052273	0	0		Health and Human Resource Center, Inc.	CA	IA	Horizon Behavioral Services, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	75-2420973	0	0		Resources for Living, LLC	TX	NIA	Horizon Behavioral Services, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	36-3681261	0	0		The Vasquez Group Inc.	IL	NIA	Horizon Behavioral Services, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	22-3178125	0	0		Work and Family Benefits, Inc.	NJ	NIA	Horizon Behavioral Services, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	27-1773021	0	0		Aetna Card Solutions, LLC	CT	NIA	Aetna Financial Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	20-5216478	0	0		PayFlex Holdings, Inc.	DE	NIA	Aetna Financial Holdings, LLC	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	91-1774434	0	0		PayFlex Systems USA, Inc.	NE	NIA	PayFlex Holdings, Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.78700	06-0878836	0	0		Aetna Health and Life Insurance Company	CT	IA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.72052	23-2710210	0	0		Aetna Health Insurance Company	PA	IA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.84450	57-0805126	0	0		Aetna Health Insurance Company of New York	NY	IA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	06-1571642	0	0		Aetna International Inc.	CT	NIA	Aetna Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000	98-0211470	0	0		Aetna Life & Casualty (Bermuda) Ltd.	BMU	IA	Aetna International Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Aetna Insurance (Singapore) Pte. Ltd.	SGP	IA	Aetna International Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Aetna Global Benefits (Bermuda) Limited	BMU	NIA	Aetna International Inc.	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Goodhealth Worldwide (Global) Limited	BMU	NIA	Aetna Global Benefits (Bermuda) Limited	Ownership	100.000	Aetna Inc.	N	0
.0001	AETNA INC.	.00000		0	0		Aetna Global Benefits (Europe) Limited	GBR	NIA	Aetna Global Benefits (Bermuda) Limited	Ownership	100.000	Aetna Inc.	N	0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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	ARE	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	ARE	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	IRL	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		PHPSE 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	51-0029326	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		Allviant 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.		41-4345344	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.	.95925	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 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.	.98555	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		MHNet 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	MHNet Specialty Services, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.12509	20-2516317	0	0		MHNet Life and Health Insurance Company	TX	IA	MHNet Specialty Services, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	72-1106596	0	0		Mental Health Associates, Inc.	LA	NIA	MHNet Specialty Services, LLC	Ownership	100.000	Aetna Inc.	N	.0
.0001	AETNA INC.	.00000	20-4276336	0	0		MHNet of Florida, Inc.	FL	NIA	MHNet 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 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 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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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)
	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 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

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**ANNUAL STATEMENT FOR THE YEAR 2016 OF THE Aetna 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
<b>MARCH FILING</b>	
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
<b>APRIL FILING</b>	
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
<b>JUNE FILING</b>	
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
<b>AUGUST FILING</b>	
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.

<b>MARCH FILING</b>	
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
<b>APRIL FILING</b>	
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? .....	YES
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? .....	YES

<b>AUGUST FILING</b>	
26. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1? .....	YES
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. The data for this supplement is not required to be filed.	
19. The data for this supplement is not required to be filed.	
20. The data for this supplement is not required to be filed.	
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.	

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]



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AETNA 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 Health Inc. (a New Jersey corporation) and a member of the American Academy of Actuaries. I was appointed on 09/28/12 in accordance with the requirements of the annual 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. Please note that Aggregate Health Policy Reserves now include an appropriate estimate of rebates payable as of 12/31/16 under the Patient Protection and Affordable Care Act.

A. Claims Unpaid (Page 3, Line 1)	\$74,432,843
B. Accrued Medical Incentive Pool and Bonus Payments (Page 3, Line 2)	\$4,282,663
C. Unpaid Claims Adjustment Expenses (Page 3, Line 3)	\$1,239,106
D. Aggregate Health Policy Reserves (Page 3, Line 4)	\$13,980,342
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)	\$409,275
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 Aggregate Health Policy Reserves, I relied upon data prepared by Bruce Campbell - Executive Director, Louis Glasthal - Director, Nienh Ho - Director, James M. Landon - Director, Michael S. Lichtenberger - Director, Mark C. Poulios - Director, Donna Nezames - Director and Scott Worthen - Director as certified in the attached statements. In forming my opinion on Unpaid Claims Adjustment Expenses, I relied upon Patrick Hamilton, Executive Director of Regulatory and Financial Reporting as certified in the attached statements. In forming my opinion on all reserve amounts listed above, I relied upon Steven M. Conte, Principal Financial Officer and Controller of Aetna Health 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.



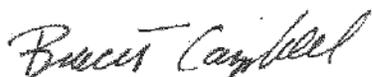
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William R. Jones, F.S.A., M.A.A.A.  
151 Farmington Avenue  
Hartford, CT 06156  
(860) 273-6254  
February 24, 2017

## RELIANCE STATEMENT

I, Bruce T. Campbell, Executive Director – Individual Head Actuary, an employee of Aetna, 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 as of December 31, 2016, were prepared under my direction, and, to the best of my knowledge 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.

Aetna Health, Inc. (a Connecticut corporation)  
Aetna Health, Inc. (a Florida corporation)  
Aetna Health, Inc. (a Georgia corporation)  
Aetna Health, Inc. (a Maine corporation)  
Aetna Health, Inc. (a Michigan corporation)  
Aetna Health, Inc. (a New Jersey corporation)  
Aetna Health, Inc. (a New York corporation)  
Aetna Health, Inc. (a Pennsylvania corporation)  
Aetna Health, Inc. (a Texas corporation)  
Aetna Health of Iowa Inc.  
Coventry Health Care of Florida, Inc.  
Coventry Health Care of Illinois, Inc.  
Coventry Health Care of Kansas, Inc.  
Coventry Health Care of Missouri, Inc.  
Coventry Health Care of Nebraska, Inc.  
Coventry Health Care of Virginia, Inc.  
Coventry Health Care of West Virginia, Inc.  
Coventry Health Plan of Florida, Inc.  
HealthAssurance Pennsylvania, Inc.



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Bruce T. Campbell, F.S.A., M.A.A.A.  
Aetna  
151 Farmington Avenue  
860-273-0458  
February 13, 2017

## RELIANCE STATEMENT

I, Louis Glasthal, Director, an employee of Aetna, 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 as of December 31, 2016, were prepared under my direction, and, to the best of my knowledge 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.

Aetna Health of California Inc.  
Aetna Health Inc. (a Connecticut Corporation)  
Aetna Health Inc. (a Florida Corporation)  
Aetna Health Inc. (a Georgia Corporation)  
Aetna Health Inc. (a Maine Corporation)  
Aetna Health Inc. (a Michigan Corporation)  
Aetna Health Inc. (a New Jersey Corporation)  
Aetna Health Inc. (a New York Corporation)  
Aetna Health Inc. (a Pennsylvania Corporation)  
Aetna Health Inc. (a Texas Corporation)

  
\_\_\_\_\_  
Louis Glasthal, FSA, MAAA  
Aetna  
1425 Union Meeting Road, U22N  
Blue Bell, PA 19422  
(215) 775-4965  
February 6, 2016

## RELIANCE STATEMENT

I, Patrick Hamilton, Executive Director, Regulatory and Financial Reporting, an employee of Aetna, hereby affirm that the listings and summaries, and analyses relating to the calculation of the Loss Adjustment Expenses percentage charged to Medical Cost IBNR data prepared for and submitted to William R. Jones in support of his actuarial opinion as of December 31, 2016, were prepared under my direction, and, to the best of my knowledge 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.

Aetna Health of California Inc.  
Aetna Health of Iowa Inc.  
Aetna Health Inc. (a Connecticut corporation)  
Aetna Health Inc. (a Florida corporation)  
Aetna Health Inc. (a Georgia corporation)  
Aetna Health Inc. (a Maine corporation)  
Aetna Health Inc. (a Michigan corporation)  
Aetna Health Inc. (a New Jersey corporation)  
Aetna Health Inc. (a New York corporation)  
Aetna Health Inc. (a Pennsylvania corporation)  
Aetna Health Inc. (a Texas corporation)  
Innovation Health Plan Inc.



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Patrick Hamilton, Executive Director  
Aetna  
151 Farmington Avenue  
Hartford, CT 06156  
February 13, 2017

## RELIANCE STATEMENT

I, Nienh Ho, Director, an employee of Aetna, 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 as of December 31, 2016, were prepared under my direction, and, to the best of my knowledge 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.

Aetna Health Inc. (a Pennsylvania corporation)  
Aetna Health Inc. (a Connecticut corporation)  
Aetna Health of Iowa, Inc.  
Aetna Health Inc. (a Maine corporation)  
Aetna Health Inc. (a Michigan corporation)  
Aetna Health Inc. (a New Jersey corporation)  
Aetna Health Inc. (a New York corporation)  
Coventry Health Care of Nebraska, Inc.



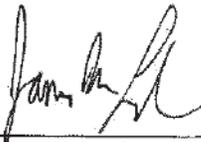
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Nienh Ho  
Aetna  
333 West Wacker Drive  
Chicago, IL 60606  
312-821-6536  
February 7, 2017

## RELIANCE STATEMENT

I, James M. Landon, FSA, MAAA, Director, an employee of Aetna, 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 as of December 31, 2016, were prepared under my direction, and, to the best of my knowledge 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.

Aetna Health Inc. (a Connecticut corporation)  
Aetna Health Inc. (a Florida corporation)  
Aetna Health Inc. (a Georgia corporation)  
Aetna Health Inc. (a Maine corporation)  
Aetna Health Inc. (a Michigan corporation)  
Aetna Health Inc. (a New Jersey corporation)  
Aetna Health Inc. (a New York corporation)  
Aetna Health Inc. (a Pennsylvania corporation)  
Aetna Health Inc. (a Texas corporation)  
Aetna Health of California Inc.  
Aetna Health of Iowa Inc.



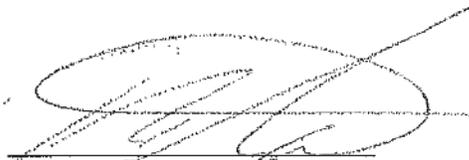
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James M. Landon, FSA, MAAA  
Aetna  
151 Farmington Avenue, RE1C  
Hartford, CT 06156  
860.273.8101  
February 8, 2017

## RELIANCE STATEMENT

I, Michael S. Lichtenberger, Finance Managing Director, an employee of Aetna, 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 as of December 31, 2017, were prepared under my direction, and, to the best of my knowledge 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, 2017.

Aetna Health Inc. (a Georgia corporation)  
Aetna Health Inc. (a Pennsylvania corporation)  
Aetna Health Inc. (a New Jersey corporation)  
Aetna Health Inc. (a New York corporation)  
Aetna Health Inc. (a Texas corporation)  
Innovation Health Plan, Inc.

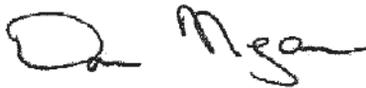


Michael S. Lichtenberger  
Aetna  
151 Farmington Avenue  
Hartford, CT 06156  
(860) 273-0038  
February 24, 2017

## RELIANCE STATEMENT

I, Donna Nezames, Director, an employee of Aetna, 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 as of December 31, 2016, were prepared under my direction, and, to the best of my knowledge 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.

Aetna Health Inc. (a Georgia corporation)  
Aetna Health Inc. (a New Jersey corporation)  
Aetna Health Inc. (a Pennsylvania corporation)  
Innovation Health Plan



---

Donna Nezames  
Aetna  
151 Farmington Ave., AS32  
Hartford, CT 06156  
(860) 273-1157  
January 31, 2017

## RELIANCE STATEMENT

I, Mark C. Poulios, Director, an employee of Aetna, hereby affirm that the listings and summaries, and analyses relating to data prepared for Medical Loss Ratio rebates and submitted to William R. Jones in support of his actuarial opinion as of December, 31, 2016, were prepared under my direction, and, to the best of my knowledge 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.

Aetna Health of California Inc.  
Aetna Health Inc. (a Connecticut corporation)  
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Aetna Health Inc. (a Georgia corporation)  
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Aetna Health Inc. (a Maine corporation)  
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Aetna Health Inc. (a New Jersey corporation)  
Aetna Health Inc. (a New York corporation)  
Aetna Health Inc. (a Pennsylvania corporation)  
Aetna Health Inc. (a Texas corporation)  
Coventry Health Care of Florida, Inc.  
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Coventry Health Care of Kansas, Inc.  
Coventry Health Care of Missouri, Inc.  
Coventry Health Care of Nebraska, Inc.  
Coventry Health Care of Virginia, Inc.  
Coventry Health Care of West Virginia, Inc.  
Coventry Health Plan of Florida, Inc.  
HealthAssurance Pennsylvania, Inc.  
Innovation Health Plan, Inc.



Mark C. Poulios  
Aetna  
151 Farmington Avenue  
Hartford, CT 06156  
(860) 273-9890  
February 7, 2017

## RELIANCE STATEMENT

I, Scott Worthen, Director, an employee of Aetna, 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 as of December 31, 2016, were prepared under my direction, and, to the best of my knowledge 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.

Aetna Health of California Inc.  
Aetna Health Inc. (a Connecticut corporation)  
Aetna Health Inc. (a Florida corporation)  
Aetna Health Inc. (a Georgia corporation)  
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Aetna Health Inc. (a Maine corporation)  
Aetna Health Inc. (a New Jersey corporation)  
Aetna Health Inc. (a New York corporation)  
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Aetna Health Inc. (a Texas corporation)  
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Coventry Health Care of Illinois, Inc.  
Coventry Health Care of Kansas, Inc.  
Coventry Health Care of Missouri, Inc.  
Coventry Health Care of Nebraska, Inc.  
Coventry Health Care of Virginia, Inc.  
Coventry Health Plan of Florida, Inc.  
HealthAssurance Pennsylvania, Inc.



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Scott Worthen, FSA, MAAA  
Medicare Actuary  
Aetna  
151 Farmington Ave  
Hartford, CT 06156  
Phone: (860) 273-0923  
February 6, 2017

## RELIANCE STATEMENT

I, Steven M. Conte, Principal Financial Officer and Controller of Aetna Health 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 Health 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 [X] 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 [X] No [ ]  
 2) allocation to each insurer? Yes [ ] No [X]
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 [X]
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 [X] 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	5 All Other Comp. (F)	6 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

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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 <sup>(a)</sup>	\$602,781	\$0	\$4,261	\$55,453	\$537,626	\$0	\$21,769	\$0	\$0	\$0
Personal Use of Corporate Vehicles <sup>(b)</sup>	18,206	0	0	21,111	0	0	28	0	0	0
Professional Association/Club Dues <sup>(c)</sup>	3,671	1,220	700	0	750	99	7,500	0	0	325
Business Entertainment Event <sup>(d)</sup>	1,004	1,004	1,004	1,004	0	0	1,004	1,004	0	0
Relocation Expenses <sup>(e)</sup>	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 <sup>(f)</sup>	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900	15,900
Change in Pension <sup>(g)</sup>	9,075	0	0	0	0	0	367	212	196,308	156,642
<b>TOTAL</b>	<b>\$660,637</b>	<b>\$28,124</b>	<b>\$748,413</b>	<b>\$101,938</b>	<b>\$568,411</b>	<b>\$25,999</b>	<b>\$46,568</b>	<b>\$19,216</b>	<b>\$222,768</b>	<b>\$172,867</b>

(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 <sup>(a)</sup>	Matching Charitable Contributions <sup>(b)</sup>	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.