

CIGNA CORP  
Form 8-K  
August 08, 2012  
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# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## FORM 8-K

### CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **August 8, 2012**

## Cigna Corporation

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation)

**1-08323**  
(Commission File Number)

**06-1059331**  
(IRS Employer  
Identification No.)

**900 Cottage Grove Road**  
**Bloomfield, Connecticut 06002**

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(860) 226-6000**

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**Not Applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Cigna Corporation is a holding company and is not an insurance company. Its subsidiaries conduct various businesses described in its Annual Report on Form 10-K for the year ended December 31, 2011 ( 2011 Form 10-K ). As used in this document, Cigna or the Company may refer to Cigna Corporation itself, one or more of its subsidiaries, or Cigna Corporation and its consolidated subsidiaries. The Company is filing this Current Report on Form 8-K ( Form 8-K ) to update its 2011 Form 10-K for the changes noted below.

Except for matters described below, no other information in the 2011 Form 10-K is being updated in this Form 8-K for events or developments that occurred subsequent to the filing of the 2011 Form 10-K on February 23, 2012.

This document should be read in conjunction with and as a supplement to information contained in the 2011 Form 10-K (except for items updated herein). For significant developments since the filing of the 2011 Form 10-K on February 23, 2012, refer to Cigna's subsequent 2012 Quarterly Reports on Form 10-Q and other relevant Securities and Exchange Commission filings.

*Change in Accounting for Deferred Policy Acquisition Costs*

Effective January 1, 2012, the Company adopted the Financial Accounting Standards Board's ( FASB ) amended guidance (ASU 2010-26) on accounting for costs to acquire or renew insurance contracts via retrospective adjustment of prior periods. This guidance requires certain sales compensation and telemarketing costs related to unsuccessful efforts and any indirect costs of contract acquisition to be expensed as incurred. The Company's deferred acquisition costs arise from sales and renewal activities primarily in its International segment.

The effect on the Company's shareholders' equity, shareholders' net income, and shareholders' net income per share is summarized below.

<b>At December 31,</b> <b>(Dollars in millions, except per share amounts)</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>Shareholders' equity</b>					
As previously reported	\$ 8,344	\$ 6,645	\$ 5,417	\$ 3,592	\$ 4,748
Effect of amended accounting guidance	(350)	(289)	(219)	(200)	(181)
As currently reported	\$ 7,994	\$ 6,356	\$ 5,198	\$ 3,392	\$ 4,567
<b>Shareholders' equity per share</b>					
As previously reported	\$ 29.22	\$ 24.44	\$ 19.75	\$ 13.25	\$ 16.98
Effect of amended accounting guidance	(1.22)	(1.06)	(0.80)	(0.74)	(0.65)
As currently reported	\$ 28.00	\$ 23.38	\$ 18.95	\$ 12.51	\$ 16.33

<b>Years Ended December 31,</b> <b>(Dollars in millions, except per share amounts)</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>Segment earnings - International</b>					

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As previously reported	\$	286	\$	243	\$	183	\$	182	\$	176
Effect of amended accounting guidance		(67)		(66)		(10)		(35)		(38)
As currently reported	\$	219	\$	177	\$	173	\$	147	\$	138

**Shareholders income from continuing operations**

As previously reported	\$	1,327	\$	1,345	\$	1,301	\$	288	\$	1,120
Effect of amended accounting guidance		(67)		(66)		(10)		(35)		(38)
As currently reported	\$	1,260	\$	1,279	\$	1,291	\$	253	\$	1,082

**Shareholders income from continuing operations per share**

*Basic*

As previously reported	\$	4.90	\$	4.93	\$	4.75	\$	1.04	\$	3.91
Effect of amended accounting guidance		(0.25)		(0.24)		(0.04)		(0.13)		(0.13)
As currently reported	\$	4.65	\$	4.69	\$	4.71	\$	0.91	\$	3.78

*Diluted*

As previously reported	\$	4.84	\$	4.89	\$	4.73	\$	1.03	\$	3.86
Effect of amended accounting guidance		(0.25)		(0.24)		(0.04)		(0.12)		(0.13)
As currently reported	\$	4.59	\$	4.65	\$	4.69	\$	0.91	\$	3.73

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Implementation of this amended guidance does not have an impact on the underlying economic value, or cash flows of Cigna's businesses, or on Cigna's liquidity or the statutory surplus of its insurance subsidiaries.

*Presentation of Comprehensive Income*

Effective January 1, 2012, the Company also adopted the FASB's amended guidance (ASU 2011-05) that requires presenting net income and other comprehensive income in either a single continuous statement or in two separate, but consecutive statements. This amended guidance is required to be adopted retrospectively for all periods presented. The adoption of this amended accounting guidance resulted in providing a separate statement of comprehensive income, but did not have any effect on Cigna's consolidated financial condition, results of operation or cash flows.

*Exhibits*

Exhibits filed with this Form 8-K and incorporated in this Item 8.01 by reference revise the following sections in the 2011 Form 10-K for all applicable periods presented:

Exhibit 12	Computation of Ratios of Earnings to Fixed Charges
Exhibit 99.1	Item 6. Selected Financial Data
Exhibit 99.2	Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations
Exhibit 99.3	Item 8. Financial Statements and Supplementary Data, and Item 15. Financial Statement Schedules

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**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS**

(d) Exhibits

12	Computation of Ratios of Earnings to Fixed Charges updated for the adoption of the amended accounting guidance for deferred policy acquisition costs.
23	Consent of PricewaterhouseCoopers LLP.
99.1	Selected Financial Data updated for the adoption of the amended accounting guidance for deferred policy acquisition costs.
99.2	Management's Discussion and Analysis of Financial Condition and Results of Operations updated for the adoption of the amended accounting guidance for deferred policy acquisition costs.
99.3	Financial Statements and Supplementary Data updated for the adoption of the amended accounting guidance for deferred policy acquisition costs and the presentation of comprehensive income.
101	Interactive data files pursuant to Rule 405 of Regulation S-T: (i) the Consolidated Balance Sheet as of December 31, 2011 and December 31, 2010, (ii) the Consolidated Statement of Operations for the years ended December 31, 2011, 2010 and 2009 (iii) the Consolidated Statement of Shareholders' Equity for the years ended December 31, 2011, 2010 and 2009 (iv) the Consolidated Statement of Cash Flows for the years ended December 31, 2011, 2010 and 2009 (v) the Consolidated Statement of Comprehensive Income (Loss) for the years ended December 31, 2011, 2010 and 2009 and (vi) the Notes to the Consolidated Financial Statements.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CIGNA CORPORATION

Date: August 8, 2012

By:

/s/ Ralph J. Nicoletti  
Ralph J. Nicoletti  
Executive Vice President  
and Chief Financial Officer