

AETNA INC /PA/  
Form 8-K  
December 15, 2005

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**UNITED STATES  
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):	<b>Aetna Inc.</b> (Exact name of registrant as specified in its charter)	<b>December 15, 2005</b>
<b>Pennsylvania</b> (State or other jurisdiction of incorporation)	<b>1-16095</b> (Commission File Number)	<b>23-2229683</b> (I.R.S. Employer Identification No.)
<b>151 Farmington Avenue, Hartford, CT</b> (Address of principal executive offices)		<b>06156</b> (Zip Code)
Registrant's telephone number, including area code:		<b>(860) 273-0123</b>
Former name or former address, if changed since last report:		<b>Not applicable</b>

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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**Section 7 Regulation FD**

**Item 7.01 Regulation FD Disclosure.**

Senior members of Aetna Inc. s (the Company ) management team will be meeting with investors and analysts today and from time to time during the remainder of December 2005. Those discussions will focus on the Company s strategy, tactics and future outlook.

During these meetings, the Company intends to reaffirm its publicly disclosed 2005 guidance, which includes full-year 2005 operating earnings of \$4.60 per share<sup>1</sup> and to reaffirm its publicly disclosed 2006 guidance, which includes full-year 2006 operating earnings of between \$5.45 and \$5.50 per share.<sup>2</sup>

<sup>1</sup> Projected operating earnings per share exclude \$12.1 million after tax of net realized capital gains and a \$43.4 million after tax reduction in reserves for anticipated future losses on discontinued products reported by the Company for the nine months ended September 30, 2005. In addition, projected operating earnings per share exclude favorable development of prior period health care cost estimates of approximately \$84 million, \$35 million and 15 million after tax, which were reported by the Company in the first, second and third quarters of 2005, respectively. The Company is not

able to project the amount of future net realized capital gains or losses and other items and cannot therefore reconcile projected 2005 operating earnings per share to projected income from continuing operations per share. Projected operating earnings per share reflect the effect of the March 11, 2005 two-for-one stock split. Projected operating earnings per share for 2005 assume approximately 301 million weighted-average diluted shares.

- 2 Projected operating earnings per share exclude projected realized capital gains or losses and projected favorable or unfavorable development of prior period health care cost estimates. The Company is not able to project the amount of future net realized capital gains or losses and other items and cannot therefore reconcile

projected 2006 operating earnings per share to projected income from continuing operations per share. Projected operating earnings per share for 2006 assume approximately 298 million weighted-average diluted shares. Projected 2006 operating earnings per share excludes the effect of expensing stock options which will become effective for the Company in the first quarter of 2006, to provide comparability to 2005.

**ADDITIONAL INFORMATION; CAUTIONARY STATEMENT** The projections contained herein are forward looking. Forward-looking information is based on management's estimates, assumptions and projections, and is subject to significant uncertainties and other factors, many of which are beyond Aetna's control. Important risk factors could cause actual future results and other future events to differ materially from those currently estimated by management. Those risk factors include, but are not limited to: unanticipated increases in medical costs (including increased medical utilization, increased pharmacy costs, increases resulting from unfavorable changes in contracting or re-contracting with providers, changes in membership mix to lower-premium or higher-cost products or membership-adverse selection; as well as changes in medical cost estimates due to the necessary extensive judgment that is used in the medical cost estimation process, the considerable variability inherent in such estimates, and the sensitivity of such estimates to changes in medical claims payment patterns and changes in medical cost trends); decreases in membership or failure to achieve desired membership growth due to significant competition, reputational issues or other factors; increases in medical costs or Group Insurance claims resulting from any acts of terrorism, epidemics or other extreme events; the ability to reduce administrative expenses while maintaining targeted levels of service and operating performance, and to improve relations with providers while taking actions to reduce medical costs; the ability to successfully implement Aetna's operating model to a projected growing membership base and to successfully implement multiple strategic and operational initiatives simultaneously; lower levels of investment income from continued low interest rates; adverse government regulation (including legislative proposals eliminating or reducing ERISA pre-emption of state laws that would increase potential litigation exposure, and other proposals, such as patients' rights legislation, that would increase potential litigation exposure or mandate coverage of certain health benefits); adverse pricing actions by government payors; changes in size, product mix and medical cost experience of membership in key markets; our ability to integrate, simplify, and enhance our existing information technology system and platform to keep pace with changing customer and regulatory needs; and the outcome of various litigation and regulatory matters, including litigation and ongoing reviews of business practices by various regulatory authorities (including the current industry wide investigation into insurance brokerage practices concerning

broker compensation arrangements, bid quoting practices and potential antitrust violations being conducted by the New York Attorney General, the Connecticut Attorney General, and others, and for which the Company has received and may receive subpoenas, and may be subject to related litigation). For more discussion of important risk factors that may materially affect Aetna, please see the risk factors contained in Aetna's 2004 Annual Report on Form 10-K, on file with the Securities and Exchange Commission. You also should read Aetna's 2004 Annual Report on Form 10-K and Aetna's 2005 third quarter report on Form 10-Q on file with the Securities and Exchange Commission for a discussion of Aetna's historical results of operations and financial condition.

All of the information furnished in this report shall not be deemed to be filed for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, and shall not be incorporated by reference in any filing under the Securities Act of 1933, as amended.

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**SIGNATURES**

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.

**AETNA INC.**

Date: December 15, 2005

By: /s/ Ronald M. Olejniczak

Name: *Ronald M. Olejniczak*

Title: *Vice President and Controller*