

Financial Supplement

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To provide additional transparency into the underlying performance of our business, we have referenced a Business Segment view of our operating performance, consisting of Health Care, Group Insurance and Large Case Pensions segment results. Our Corporate Financing segment includes interest on our outstanding debt and the financing components of our pension and other postretirement benefit plan expense (herein referred to as "pension expense") (the service cost component of this expense is allocated to our business segments).

This document is supplemental to our first quarter 2009 earnings press release issued on April 29, 2009 and should be read in conjunction therewith and in conjunction with our Quarterly Report on Form 10-Q for the quarter ended March 31, 2009 to be filed with the U.S. Securities and Exchange Commission. Please direct questions with respect to this material to Jeffrey Chaffkin, Vice President, Investor Relations at 860-273-7830 or chaffkinj@aetna.com.

Financial Highlights

(Millions, except per common share data)	Three Months Ended		Change
	March 31, 2009	March 31, 2008	
<u>Operating Earnings</u> ⁽¹⁾			
Business Segments:			
Health Care	\$ 469.4	\$ 438.6	7.0 %
Group Insurance	42.1	34.2	23.1 %
Large Case Pensions	9.2	8.3	10.8 %
Total - Business Segments	520.7	481.1	8.2 %
Corporate Financing	(78.1)	(11.5)	579.1 %
Aetna Inc.	\$ 442.6	\$ 469.6	(5.7) %
Aetna Inc. per common share	\$.96	\$.92	4.3 %
<u>Net Income</u>			
Aetna Inc.	\$ 437.8	\$ 431.6	1.4 %
Aetna Inc. per common share	\$.95	\$.85	11.8 %
Weighted average common shares - diluted	461.6	509.1	(9.3) %
<u>Operating Margin</u>			
Business Segments - Pretax Operating Margin ⁽¹⁾	9.5 %	9.8 %	(.3) pts.
Total Company - Pretax Operating Margin ⁽¹⁾	8.8 %	10.3 %	(1.5) pts.
Total Company - After-tax Net Income Margin	5.1 %	5.6 %	(.5) pts.
<u>Revenue by Segment</u> ⁽¹⁾			
Health Care	\$ 7,952.3	\$ 7,137.5	11.4 %
Group Insurance	527.2	512.5	2.9 %
Large Case Pensions	140.0	147.2	(4.9) %
Total Revenue	\$ 8,619.5	\$ 7,797.2	10.5 %
Operating Expenses as a percentage of Revenue ⁽¹⁾	18.0 %	18.0 %	- pts.

Refer to page 10 for an explanation of footnotes and definitions of terms used.

Health Care and Group Insurance Statistics

(Millions)	Three Months Ended		Change
	March 31, 2009	March 31, 2008	
Health Care			
Premiums			
Commercial	\$ 5,322.0	\$ 4,883.4	9.0 %
Medicare	1,461.1	1,227.5	19.0 %
Medicaid	209.1	142.6	46.6 %
Health Care	\$ 6,992.2	\$ 6,253.5	11.8 %
Health Care Costs			
Commercial	\$ 4,346.3	\$ 3,897.8	11.5 %
Medicare	1,268.3	1,056.1	20.1 %
Medicaid	189.6	132.3	43.3 %
Health Care	\$ 5,804.2	\$ 5,086.2	14.1 %
Medical Benefit Ratios			
Commercial	81.7 %	79.8 %	1.9 pts.
Medicare	86.8 %	86.0 %	.8 pts.
Medicaid	90.7 %	92.8 %	(2.1) pts.
Health Care	83.0 %	81.3 %	1.7 pts.
Group Insurance			
Benefit ratio	86.3 %	88.8 %	(2.5) pts.

	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
Days Claims Payable	41.6	41.3	42.9	43.9	44.4

Refer to page 10 for an explanation of footnotes and definitions of terms used.

Health Care Membership

(Thousands)	March 31, 2009			December 31, 2008			March 31, 2008		
	Insured	ASC	Total	Insured	ASC	Total	Insured	ASC	Total
<u>Products</u>									
Medical:									
Commercial	5,656	12,060	17,716	5,595	10,893	16,488	5,387	10,901	16,288
Medicare	419	-	419	366	-	366	350	14	364
Medicaid	284	647	931	207	640	847	174	641	815
Total Medical	6,359	12,707	19,066	6,168	11,533	17,701	5,911	11,556	17,467
Consumer-Directed Health Plans ⁽²⁾			1,795			1,431			1,359
Dental:									
Commercial	5,214	7,640	12,854	5,012	7,494	12,506	5,008	7,584	12,592
Medicare & Medicaid	245	381	626	229	374	603	216	394	610
Network Access ⁽³⁾	-	1,056	1,056	-	1,015	1,015	-	964	964
Total Dental	5,459	9,077	14,536	5,241	8,883	14,124	5,224	8,942	14,166
Pharmacy:									
Commercial			9,997			9,846			9,746
Medicare PDP (stand-alone)			322			375			369
Medicare Advantage PDP			223			195			181
Medicaid			26			25			22
Total Pharmacy Benefit Management Services			10,568			10,441			10,318
Mail Order ⁽⁴⁾			672			657			633
Total Pharmacy			11,240			11,098			10,951
<u>Regions</u>									
Northeast	1,238	1,667	2,905	1,138	1,533	2,671	1,117	1,534	2,651
Mid-Atlantic	1,076	1,894	2,970	1,062	1,776	2,838	1,075	1,766	2,841
Southeast	978	2,065	3,043	969	1,814	2,783	956	1,821	2,777
North Central	893	2,492	3,385	877	2,227	3,104	884	2,239	3,123
Southwest	675	2,328	3,003	683	2,058	2,741	662	2,043	2,705
West	1,231	2,134	3,365	1,181	1,990	3,171	1,022	2,004	3,026
Other	268	127	395	258	135	393	195	149	344
Total Medical	6,359	12,707	19,066	6,168	11,533	17,701	5,911	11,556	17,467 ⁽³⁾
Percent of Total	33.4%	66.6%	100.0%	34.8%	65.2%	100.0%	33.8%	66.2%	100.0%

Refer to page 10 for an explanation of footnotes and definitions of terms used.

Statements of Net Income (Loss) by Segment

(Millions)	Health Care	Group Insurance	Large Case Pensions	Total Business Segments	Corporate Financing	Consolidated
Three Months Ended March 31, 2009						
Revenue:						
Premiums	\$ 6,992.2	\$ 435.4	\$ 49.7	\$ 7,477.3	\$ -	\$ 7,477.3
Fees and other revenue	862.4	27.7	2.9	893.0	-	893.0
Net investment income	97.7	64.1	87.4	249.2	-	249.2
Total revenue, excluding net realized capital (losses) gains ⁽¹⁾	7,952.3	527.2	140.0	8,619.5	-	8,619.5
Benefits and expenses:						
Health care costs	5,804.2	-	-	5,804.2	-	5,804.2
Current and future benefits	-	375.6	127.7	503.3	-	503.3
Operating expenses:						
Selling expenses	299.1	23.4	-	322.5	-	322.5
General and administrative expenses	1,101.7	68.4	.9	1,171.0	58.8 ⁽⁵⁾	1,229.8
Total operating expenses	1,400.8	91.8	.9	1,493.5	58.8	1,552.3
Interest expense	-	-	-	-	61.5	61.5
Amortization of other acquired intangible assets	22.8	1.7	-	24.5	-	24.5
Total benefits and expenses	7,227.8	469.1	128.6	7,825.5	120.3	7,945.8
Operating earnings (loss), excluding income taxes	724.5	58.1	11.4	794.0	(120.3)	673.7
Income taxes	255.1	16.0	2.2	273.3	(42.2)	231.1
Operating earnings (loss)	469.4	42.1	9.2	520.7	(78.1)	442.6
Net realized capital (losses) gains, net of tax	(5.8)	4.0	(3.0)	(4.8)	-	(4.8)
Net income (loss)	\$ 463.6	\$ 46.1	\$ 6.2	\$ 515.9	\$ (78.1)	\$ 437.8
Three Months Ended March 31, 2008						
Revenue:						
Premiums	\$ 6,253.5	\$ 423.3	\$ 51.9	\$ 6,728.7	\$ -	\$ 6,728.7
Fees and other revenue	797.0	25.2	3.1	825.3	-	825.3
Net investment income	87.0	64.0	92.2	243.2	-	243.2
Total revenue, excluding net realized capital losses ⁽¹⁾	7,137.5	512.5	147.2	7,797.2	-	7,797.2
Benefits and expenses:						
Health care costs	5,086.2	-	-	5,086.2	-	5,086.2
Current and future benefits	-	375.9	133.0	508.9	-	508.9
Operating expenses:						
Selling expenses	279.3	24.5	-	303.8	-	303.8
General and administrative expenses	1,066.1	63.8	4.0	1,133.9	(36.8) ⁽⁵⁾	1,097.1
Total operating expenses	1,345.4	88.3	4.0	1,437.7	(36.8)	1,400.9
Interest expense	-	-	-	-	54.4	54.4
Amortization of other acquired intangible assets	26.1	1.7	-	27.8	-	27.8
Total benefits and expenses	6,457.7	465.9	137.0	7,060.6	17.6	7,078.2
Operating earnings (loss), excluding income taxes	679.8	46.6	10.2	736.6	(17.6)	719.0
Income taxes	241.2	12.4	1.9	255.5	(6.1)	249.4
Operating earnings (loss)	438.6	34.2	8.3	481.1	(11.5)	469.6
Net realized capital losses, net of tax	(14.0)	(19.2)	(4.8)	(38.0)	-	(38.0)
Net income (loss)	\$ 424.6	\$ 15.0	\$ 3.5	\$ 443.1	\$ (11.5)	\$ 431.6

Refer to page 10 for an explanation of footnotes and definitions of terms used.

Balance Sheets

(Millions)	March 31, 2009			December 31, 2008		
	Health Care and Group Insurance	Large Case Pensions	Consolidated	Health Care and Group Insurance	Large Case Pensions	Consolidated
Assets						
Current assets:						
Cash and cash equivalents	\$ 1,494.2	\$ 253.1	\$ 1,747.3	\$ 1,023.5	\$ 156.0	\$ 1,179.5
Investments	623.6	112.5	736.1	542.8	163.2	706.0
Premiums receivable, net	816.0	-	816.0	616.4	-	616.4
Other receivables, net	632.1	32.5	664.6	521.4	32.9	554.3
Accrued investment income	123.5	66.1	189.6	126.1	67.5	193.6
Collateral received under securities loan agreements	502.1	134.0	636.1	538.8	210.8	749.6
Income taxes receivable	-	-	-	121.1	43.8	164.9
Deferred income taxes	236.1	61.1	297.2	257.5	44.0	301.5
Other current assets	501.9	128.1	630.0	448.3	4.3	452.6
Total current assets	4,929.5	787.4	5,716.9	4,195.9	722.5	4,918.4
Long-term investments	10,370.0	5,301.7	15,671.7	10,412.4	5,751.0	16,163.4
Reinsurance recoverables	992.6	8.8	1,001.4	1,000.7	9.6	1,010.3
Goodwill	5,085.6	-	5,085.6	5,085.6	-	5,085.6
Other acquired intangible assets, net	642.9	-	642.9	667.4	-	667.4
Property and equipment, net	460.3	32.3	492.6	433.0	34.5	467.5
Deferred income taxes	579.4	249.0	828.4	551.6	227.1	778.7
Other long-term assets	816.9	-	816.9	841.3	-	841.3
Separate Accounts assets	1.0	5,721.4	5,722.4	1.6	5,918.3	5,919.9
Total assets	\$ 23,878.2	\$ 12,100.6	\$ 35,978.8	\$ 23,189.5	\$ 12,663.0	\$ 35,852.5
Liabilities and shareholders' equity						
Current liabilities:						
Health care costs payable	\$ 2,683.9	\$ -	\$ 2,683.9	\$ 2,393.2	\$ -	\$ 2,393.2
Future policy benefits	142.7	600.6	743.3	145.1	614.6	759.7
Unpaid claims	555.3	.9	556.2	559.0	.8	559.8
Unearned premiums	368.4	12.5	380.9	232.1	6.5	238.6
Policyholders' funds	761.4	35.7	797.1	712.4	42.0	754.4
Collateral payable under securities loan agreements	502.1	134.0	636.1	538.8	210.8	749.6
Short-term debt	100.0	-	100.0	215.7	-	215.7
Accrued expenses and other current liabilities	1,881.4	32.0	1,913.4	1,799.0	84.8	1,883.8
Total current liabilities	6,995.2	815.7	7,810.9	6,595.3	959.5	7,554.8
Future policy benefits	1,899.1	4,806.2	6,705.3	1,926.9	4,838.5	6,765.4
Unpaid claims	1,295.3	-	1,295.3	1,271.2	-	1,271.2
Policyholders' funds	593.2	503.4	1,096.6	618.9	552.8	1,171.7
Long-term debt	3,638.6	-	3,638.6	3,638.3	-	3,638.3
Other long-term liabilities	1,324.4	21.4	1,345.8	1,328.1	16.7	1,344.8
Separate Accounts liabilities	1.0	5,721.4	5,722.4	1.6	5,918.3	5,919.9
Total liabilities	15,746.8	11,868.1	27,614.9	15,380.3	12,285.8	27,666.1
Shareholders' equity	8,131.4	232.5	8,363.9	7,809.2	377.2	8,186.4
Total liabilities and shareholders' equity	\$ 23,878.2	\$ 12,100.6	\$ 35,978.8	\$ 23,189.5	\$ 12,663.0	\$ 35,852.5

Refer to page 10 for an explanation of footnotes and definitions of terms used.

Condensed Statements of Cash Flows

(Millions)	Three Months Ended					
	March 31, 2009			March 31, 2008		
	Health Care and Group Insurance	Large Case Pensions	Consolidated	Health Care and Group Insurance	Large Case Pensions	Consolidated
Cash flows from operating activities:						
Net income	\$ 431.6	\$ 6.2	\$ 437.8	\$ 428.1	\$ 3.5	\$ 431.6
Adjustments to reconcile net income to net cash provided						
by (used for) operating activities:						
Net realized capital losses	1.8	3.0	4.8	51.1	7.4	58.5
Depreciation and amortization	97.0	-	97.0	88.2	-	88.2
Equity in earnings of affiliates, net	7.5	2.7	10.2	20.9	8.9	29.8
Stock-based compensation expense	37.2	-	37.2	31.7	-	31.7
(Accretion) amortization of net investment (discount) premium	(9.8)	(6.7)	(16.5)	4.4	.5	4.9
Changes in assets and liabilities:						
Accrued investment income	2.6	1.4	4.0	(3.7)	(1.6)	(5.3)
Premiums due and other receivables	(257.4)	.5	(256.9)	(265.1)	.9	(264.2)
Income taxes	214.6	2.1	216.7	183.1	4.0	187.1
Other assets and other liabilities	(63.5)	(5.2)	(68.7)	(48.5)	2.0	(46.5)
Health care and insurance liabilities	414.6	(52.9)	361.7	470.0 ⁽⁶⁾	(88.6)	381.4
Other, net	(.5)	(.5)	(1.0)	.4	-	.4
Net cash provided by (used for) operating activities	875.7	(49.4)	826.3	960.6	(63.0)	897.6
Cash flows from investing activities:						
Proceeds from sales and maturities of investments	1,876.4	614.3	2,490.7	2,210.9	592.9	2,803.8
Cost of investments purchased	(1,968.1)	(319.2)	(2,287.3)	(2,685.2)	(553.9)	(3,239.1)
Additions of property, equipment and software	(88.6)	-	(88.6)	(82.7)	-	(82.7)
Net cash (used for) provided by investing activities	(180.3)	295.1	114.8	(557.0)	39.0	(518.0)
Cash flows from financing activities:						
Net (repayment) issuance of short-term debt	(114.8)	-	(114.8)	258.9	(10.2)	248.7
Deposits and interest credited for investment contracts	-	1.9	1.9	-	2.0	2.0
Withdrawals of investment contracts	-	(3.9)	(3.9)	-	(1.1)	(1.1)
Common shares issued under benefit plans	3.7	-	3.7	13.0	-	13.0
Stock-based compensation tax benefits	3.6	-	3.6	17.0	-	17.0
Common shares repurchased	(263.8)	-	(263.8)	(552.6)	-	(552.6)
Intersegment dividend	147.7	(147.7)	-	-	-	-
Other, net	(1.1)	1.1	-	9.9	.2	10.1
Net cash used for financing activities	(224.7)	(148.6)	(373.3)	(253.8)	(9.1)	(262.9)
Net increase (decrease) in cash and cash equivalents	470.7	97.1	567.8	149.8	(33.1)	116.7
Cash and cash equivalents, beginning of period	1,023.5	156.0	1,179.5	1,140.8	113.2	1,254.0
Cash and cash equivalents, end of period	\$ 1,494.2	\$ 253.1	\$ 1,747.3	\$ 1,290.6	\$ 80.1	\$ 1,370.7

Refer to page 10 for an explanation of footnotes and definitions of terms used.

Investment Portfolio
At March 31, 2009

(Millions)	Supporting Non-Experience-Rated Products				Supporting Experience-Rated and Discontinued Products in Large Case Pensions		Total Portfolio	
	Health Care and Group Insurance	Large Case Pensions	Total	Percent	Total	Percent	Total	Percent
Debt and equity securities:								
Debt securities:								
U.S. corporate securities	\$ 3,662.7	\$ 213.8	\$ 3,876.5	29.6%	\$ 2,085.8	41.3%	\$ 5,962.3	32.9%
Residential mortgage-backed securities	1,072.1	139.5	1,211.6	9.2%	65.1	1.3%	1,276.7	7.0%
Commercial mortgage-backed securities	546.6	33.2	579.8	4.4%	254.6	5.0%	834.4	4.6%
Other asset-backed securities	272.0	41.6	313.6	2.4%	34.4	.7%	348.0	1.9%
States, municipalities and political subdivisions	1,823.2	-	1,823.2	13.9%	54.8	1.1%	1,878.0	10.3%
U.S. government securities	833.0	16.2	849.2	6.5%	133.3	2.6%	982.5	5.4%
Foreign securities	1,306.3	89.8	1,396.1	10.7%	669.5	13.2%	2,065.6	11.4%
Redeemable preferred securities	106.5	10.4	116.9	.9%	103.7	2.1%	220.6	1.2%
Total debt securities	9,622.4	544.5	10,166.9	77.6%	3,401.2	67.3%	13,568.1	74.7%
Equity securities	.8	5.2	6.0	.1%	23.8	.5%	29.8	.2%
Total debt and equity securities	9,623.2	549.7	10,172.9	77.7%	3,425.0	67.8%	13,597.9	74.9%
Mortgage loans	839.4	14.9	854.3	6.5%	799.6	15.8%	1,653.9	9.1%
Other investments:								
Real estate	105.0	.4	105.4	.8%	66.6	1.3%	172.0	.9%
Hedge funds	133.7	-	133.7	1.0%	335.6	6.6%	469.3	2.6%
Private equity	84.1	11.3	95.4	.7%	211.1	4.2%	306.5	1.7%
Other	208.2	-	208.2	1.6%	-	-	208.2	1.2%
Total other investments	531.0	11.7	542.7	4.1%	613.3	12.1%	1,156.0	6.4%
Total investments	10,993.6	576.3	11,569.9	88.3%	4,837.9	95.7%	16,407.8	90.4%
Cash and cash equivalents	1,494.2	35.1	1,529.3	11.7%	218.0	4.3%	1,747.3	9.6%
Total investments, cash and cash equivalents	\$ 12,487.8	\$ 611.4	\$ 13,099.2		\$ 5,055.9		\$ 18,155.1	

Average credit quality

A+

A

A+

A

A+

Refer to page 10 for an explanation of footnotes and definitions of terms used.

Reconciliations of Certain Reported Amounts to the Most Directly Comparable GAAP Measure

(Millions, except per common share data)	Three Months Ended		
	March 31, 2009	March 31, 2008	
Summary of Results			
Operating Earnings - Business Segments	\$ 520.7	\$ 481.1	
Corporate Financing interest expense	(39.9)	(35.4)	
Operating earnings before Corporate Financing pension (expense) benefit	480.8	445.7	
Corporate Financing pension (expense) benefit ⁽⁵⁾	(38.2)	23.9	
Operating earnings	442.6	469.6	
Net realized capital losses	(4.8)	(38.0)	
Net income (GAAP measure)	\$ 437.8	\$ 431.6	
Weighted average common shares - diluted	461.6	509.1	
Summary of Results Per Common Share			
Operating Earnings - Business Segments	\$ 1.13	\$.95	
Corporate Financing interest expense	(.09)	(.08)	Change
Operating earnings before Corporate Financing pension (expense) benefit	1.04	.87	19%
Corporate Financing pension (expense) benefit ⁽⁵⁾	(.08)	.05	
Operating earnings	.96	.92	4%
Net realized capital losses	(.01)	(.07)	
Net income (GAAP measure)	\$.95	\$.85	12%
Health Care			
Reconciliation of Revenue			
Revenue, excluding net realized capital losses	\$ 7,952.3	\$ 7,137.5	
Net realized capital losses	(5.8)	(21.5)	
Total revenue (GAAP measure)	\$ 7,946.5	\$ 7,116.0	
Commercial Medical Benefit Ratio:			
Premiums	\$ 5,322.0	\$ 4,883.4	
Health care costs (GAAP measure)	4,346.3	3,897.8	
Unfavorable development of prior-period health care cost estimates	37.7	-	
Health care costs - Adjusted	\$ 4,308.6	\$ 3,897.8	
Commercial Medical Benefit Ratio (GAAP measure)	81.7%	79.8%	
Commercial Medical Benefit Ratio - Adjusted	81.0%	79.8%	
Group Insurance			
Reconciliation of Revenue			
Revenue, excluding net realized capital gains (losses)	\$ 527.2	\$ 512.5	
Net realized capital gains (losses)	4.0	(29.6)	
Total revenue (GAAP measure)	\$ 531.2	\$ 482.9	
Large Case Pensions			
Reconciliation of Revenue			
Revenue, excluding net realized capital losses	\$ 140.0	\$ 147.2	
Net realized capital losses	(3.0)	(7.4)	
Total revenue (GAAP measure)	\$ 137.0	\$ 139.8	

Refer to page 10 for an explanation of footnotes and definitions of terms used.

Reconciliations of Certain Reported Amounts to the Most Directly Comparable GAAP Measure (continued)

(Millions)	Three Months Ended		
	March 31, 2009	March 31, 2008	
Reconciliation to Income Before Income Taxes			
Operating earnings before income taxes, excluding interest expense, Corporate Financing pension (expense) benefit and amortization of other acquired intangible assets	(A)	\$ 818.5	\$ 764.4
Corporate Financing pension (expense) benefit ⁽⁵⁾		(58.8)	36.8
Operating earnings before income taxes, excluding interest expense and amortization of other acquired intangible assets	(B)	759.7	801.2
Interest expense		(61.5)	(54.4)
Amortization of other acquired intangible assets		(24.5)	(27.8)
Net realized capital losses		(4.8)	(58.5)
Income before income taxes (GAAP measure)		\$ 668.9	\$ 660.5
Reconciliation to Net Income			
Operating earnings, excluding interest expense, Corporate Financing pension expense and amortization of other acquired intangible assets		\$ 536.6	\$ 499.2
Corporate Financing pension (expense) benefit ⁽⁵⁾		(38.2)	23.9
Operating earnings, excluding interest expense and amortization of other acquired intangible assets		498.4	523.1
Interest expense, net of tax		(39.9)	(35.4)
Amortization of other acquired intangible assets, net of tax		(15.9)	(18.1)
Net realized capital losses, net of tax		(4.8)	(38.0)
Net income (GAAP measure)	(C)	\$ 437.8	\$ 431.6
Reconciliation of Revenue			
Revenue, excluding net realized capital losses	(D)	\$ 8,619.5	\$ 7,797.2
Net realized capital losses		(4.8)	(58.5)
Total revenue (GAAP measure)	(E)	\$ 8,614.7	\$ 7,738.7
Operating Margin			
Business Segments - Pretax Operating Margin ⁽¹⁾	(A)/(D)	9.5 %	9.8 %
Total Company - Pretax Operating Margin ⁽¹⁾	(B)/(D)	8.8 %	10.3 %
Total Company - After-tax Net Income Margin	(C)/(E)	5.1 %	5.6 %
Reconciliation of Operating Expenses			
Operating expenses excluding Corporate Financing pension (expense) benefit	(F)	\$ 1,493.5	\$ 1,437.7
Less: Corporate Financing pension (expense) benefit ⁽⁵⁾		(58.8)	36.8
Total operating expenses (GAAP measure)	(G)	\$ 1,552.3	\$ 1,400.9
Operating Expenses as a % of Revenue			
Total operating expenses as a % of revenue ⁽⁵⁾	(G)/(D)	18.0 %	18.0 %
Operating expenses as a % of revenue excluding Corporate Financing pension (expense) benefit	(F)/(D)	17.3 %	18.4 %
Total operating expenses as a % of total revenue (GAAP measure)	(G)/(E)	18.0 %	18.1 %
Health Care and Group Insurance Operating Cash Flows as a Percentage of Operating Earnings			
Net cash provided by operating activities: Health Care, Group Insurance and Corporate Financing (H)		\$ 875.7	\$ 960.6
Operating earnings: Health Care, Group Insurance and Corporate Financing excluding Corporate Financing pension (expense) benefit (I)		471.6	437.4
Corporate Financing pension (expense) benefit ⁽⁵⁾		(38.2)	23.9
Operating earnings: Health Care, Group Insurance and Corporate Financing		433.4	461.3
Net realized capital losses		(1.8)	(33.2)
Net income: Health Care, Group Insurance and Corporate Financing (J)		\$ 431.6	\$ 428.1
Operating cash flow as a percentage of operating earnings excluding Corporate Financing pension (expense) benefit (H)/(I)		185.7%	219.6%
Operating cash flow as a percentage of net income (H)/(J)		202.9%	224.4%

Refer to page 10 for an explanation of footnotes and definitions of terms used.

Footnotes

- (1) In order to provide a comparison that we believe provides useful information regarding our underlying performance, all operating earnings metrics exclude net realized capital gains and losses and other items, if any, from net income. In addition, operating margins exclude interest expense and amortization of other acquired intangible assets. Also, revenue excludes net realized capital gains and losses. We use these measures to assess business performance and to make decisions regarding our operations and allocation of resources among our businesses. For a reconciliation of financial measures calculated under U.S. generally accepted accounting principles ("GAAP"), refer to page 8-9.
- (2) Represents members in consumer-directed health plans included in our Commercial medical membership.
- (3) Represents members in products that allow these members access to our dental provider network for a nominal fee.
- (4) Represents members who purchased medications through our mail order pharmacy operations during the quarterly period and included in pharmacy membership.
- (5) The Corporate Financing segment includes interest expense on our outstanding debt and, beginning in 2009, the financing components of our pension and other postretirement benefit plan expenses (herein referred to as "pension expense"). We continue to allocate the operating component of this expense (i.e., the service cost and prior service cost) to our business segments. The following table depicts the components of our pension expense in the first quarter of 2009 and 2008. Prior periods have been reclassified to reflect this change.

(Millions)	Three Months Ended	
	March 31, 2009	March 31, 2008
Pretax - Pension Expense		
Operating component (allocated by business segments)	\$ 10.6	\$ 9.4
Financing component (allocated to Corporate Financing segment)	58.8	(36.8)
Total pension expense (benefit) - pretax	\$ 69.4	\$ (27.4)
After tax - Pension Expense		
Operating component (allocated by business segments)	\$ 6.9	\$ 6.1
Financing component (allocated to Corporate Financing segment)	38.2	(23.9)
Total pension expense (benefit) - after tax	\$ 45.1	\$ (17.8)

- (6) Includes approximately \$127 million of cash proceeds for the three months ended March 31, 2008 for premium stabilization funds received from a large customer.

Definitions

Administrative Services Contracts ("ASC") include all medical and dental products offered on an employer-funded basis. Under employer-funded plans, the plan sponsor assumes all or a majority of health care cost, utilization or other risk.

Benefit Ratios are calculated by dividing benefit costs by premiums. Various product level versions of this metric are provided and are calculated using this base formula. For example, the Total Medical Benefit Ratio is calculated by dividing health care costs by health care premiums.

Commercial includes all medical, dental and other health care products except Medicare and Medicaid.

Days Claims Payable is calculated by dividing the health care costs payable at each quarter end by the health care costs per day in each respective quarter.

Insured includes all medical, dental and other health care products for which we assume all or a majority of health care cost, utilization or other risk.

Operating Earnings exclude net realized capital gains (losses) and other items, if any, from net income.

Operating Expenses as a % of Revenue are calculated by dividing operating expenses, excluding other items, if any, by revenue, excluding net realized capital gains (losses).

Pretax Operating Margins are calculated by dividing pretax operating earnings, excluding interest expense, Corporate Financing pension and retirement (expense) benefit, amortization of other acquired intangible assets and other items, if any, by revenue, excluding net realized capital gains (losses).

Selling Expenses are comprised of broker commissions, the variable component of our internal sales force compensation and premium taxes.

Balance Sheet Terms

Future Policy Benefits consist primarily of reserves for limited payment pension and annuity contracts in the Large Case Pension business and long-duration group paid-up life and long-term care insurance contracts in the Group Insurance business.

Health Care Costs Payable consist principally of unpaid fee-for-service claims, capitation costs and other amounts due to health care providers pursuant to insured arrangements.

Policyholders' Funds consist primarily of reserves for pension and annuity investment contracts in the Large Case Pension business and customer funds associated with group life and health contracts in the Health Care and Group Insurance business.

Separate Account assets and liabilities in the Large Case Pensions business generally represent funds maintained to meet specific objectives of contract holders who bear the investment risk.

Unpaid Claims consist primarily of reserves associated with certain short-duration group disability and term life insurance contracts in the Group Insurance business.