

CIGNA CORP  
Form 11-K  
June 16, 2015

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2014

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to \_\_\_\_

Commission File Number 1-08323

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

Cigna 401(k) Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Cigna Corporation  
900 Cottage Grove Road  
Bloomfield, Connecticut 06002

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### Required Information

Financial statements and schedules for the Cigna 401(k) Plan, prepared in accordance with the financial reporting requirements of the Employee Retirement Income Security Act of 1974, are contained in this Annual Report on Form 11-K.

### Exhibits

Exhibits are listed in the Index to Exhibits.

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CIGNA 401(k) PLAN

Financial Statements and  
Supplemental Schedule

December 31, 2014 and 2013

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Report of Independent Registered Public Accounting Firm

To the Participants and Administrator of

the Cigna 401(k) Plan:

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of Cigna 401(k) Plan (the "Plan") at December 31, 2014 and 2013, and the changes in net assets available for benefits for the years ended December 31, 2014 and 2013 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule of Assets (Held at End of Year) are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP  
Philadelphia, Pennsylvania  
June 16, 2015

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## CIGNA 401(k) PLAN

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	As of December 31,	
	2014	2013
	(In thousands)	
Assets		
Investments, at fair value (See Notes 4, 5 and 6)	\$4,342,315	\$3,978,568
Notes receivable	86,823	75,017
Employer contribution receivable	4,949	4,017
Net assets available for benefits, at fair value	4,434,087	4,057,602
Adjustment from fair value to contract value for fully benefit-responsive investment contracts (See Note 2)	(80,656 )	(69,387 )
Net assets available for benefits	\$4,353,431	\$3,988,215

The accompanying Notes to the Financial Statements are an integral part of these statements.

## CIGNA 401(k) PLAN

## STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	For the Years Ended December 31,	
	2014	2013
	(In thousands)	
Investment income		
Net appreciation in fair value of investments (See Note 5)	\$208,119	\$634,520
Interest	60,844	60,900
Dividends	255	277
	269,218	695,697
Interest income on notes receivable from participants	2,211	2,012
Net investment income	271,429	697,709
Contributions		
Employee contributions	171,341	166,337
Employer contributions	93,812	92,723
Rollover contributions	25,122	23,831
Other additions (See Note 1)	12,506	-
Total contributions	302,781	282,891
Deductions		
Benefits paid to participants	(261,768 )	(239,996 )
Plan expenses	(2,648 )	(2,831 )
Total deductions	(264,416 )	(242,827 )
Net increase	309,794	737,773
Transfers from other plans (See Note 3)	55,422	-

Net assets available for benefits		
Beginning of year	3,988,215	3,250,442
End of year	\$4,353,431	\$3,988,215

The accompanying Notes to the Financial Statements are an integral part of these statements.

CIGNA 401(k) PLAN  
NOTES TO THE FINANCIAL STATEMENTS

Note 1 – Description of the Plan

The following description of the Cigna 401(k) Plan (the Plan) provides general information only. A more complete explanation of the features and benefits available under the Plan, a defined contribution plan, is contained in the Plan's Summary Plan Description and Prospectus. Generally, all U.S.-based employees of Cigna Corporation (Cigna) and its participating subsidiaries are eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Plan Administration

The Cigna Corporation Retirement Plan Committee, which is comprised of three members of Cigna's management, is the primary Plan fiduciary. This committee delegates responsibility for administration of the Plan to the Plan Administrator, a Cigna employee, and responsibility for the Plan's financial management to Cigna's Chief Financial Officer (CFO). The Plan Administrator and CFO have arranged with Prudential Retirement Insurance and Annuity Company (PRIAC) to perform the primary administrative, recordkeeping and asset management functions on behalf of the Plan. The Retirement Plan Committee is responsible for, among other things, selecting and monitoring the Plan's investments.

Investments

The Plan's investment options include a fixed group annuity contract (the Fixed Income Fund), which is a benefit-responsive investment contract (see Note 6); the Cigna Stock Fund that invests in Cigna common stock; and pooled separate accounts that invest in a variety of underlying funds. Participants may transfer assets among the investment options, subject to certain restrictions. For example, transfers involving assets invested in the Cigna Stock Fund may be subject to any restrictions imposed under Cigna Corporation's Policy on Securities Transactions and Insider Trading. See Notes 4, 5 and 6 for additional information regarding the Plan's investment options.

Effective July 1, 2014, the Plan uses an age-appropriate Moderate target portfolio under Prudential Retirement's GoalMaker® asset allocation program (GoalMaker) as its default investment option. Before July 1, 2014, the Plan used an age-appropriate Conservative target portfolio under GoalMaker. GoalMaker meets the requirements to be a Qualified Default Investment Alternative (QDIA) under federal law. Participants are invested in the QDIA if they have not made their own investment allocation election or may be invested due to a plan merger if they do not elect how their old plan account should be invested after the merger of plans.

Employee Contributions

The Plan permits employees to make pre-tax (regular and catch-up), after-tax (Puerto Rico participants only through December 31, 2013) and Roth contributions (regular and catch-up). The contribution rate maximum is 80% of a participant's eligible pay. This is a total limit that applies to all employee contributions. As a result of the Plan's use of a "qualified automatic contribution arrangement" safe harbor, highly-compensated employees are not subject to a separate contribution rate limit.

The Plan uses an automatic contribution rate increase program called Contribution Accelerator. If an eligible participant's pre-tax contribution rate is at least 1% but less than 6% (7% effective January 1, 2014), the contribution rate is automatically increased 1% at the beginning of each year until it reaches 6% (7% effective January 1,



2014). Eligible participants can opt out of Contribution Accelerator or change the date when the increase would go into effect each year.

CIGNA 401(k) PLAN  
NOTES TO THE FINANCIAL STATEMENTS

All employees, however, are still subject to the annual dollar limit set by the Internal Revenue Service (IRS). Employee contributions may be invested in any combination of investment options offered by the Plan subject to certain other Internal Revenue Code (IRC) limitations and any restrictions imposed under Cigna Corporation's Policy on Securities Transactions and Insider Trading.

#### Employer Contributions

All employees are eligible for employer-matching contributions as soon as they join the Plan.

The Plan provides for several kinds of matching contributions, including a regular match and a variable match. Regular matching contributions are made at the same time employee contributions are made, typically bi-weekly.

The Plan also provides a "true-up" matching contribution after the close of each Plan year. The true-up match is an added employer contribution, if needed to make the year's total matching contributions equal to what they would have been if made only once, based on the participant's total annual eligible earnings, after the close of a year on a "look-back" basis. That is, the true-up match provides otherwise missed regular matching contributions for eligible participants caused by changes in an employee's contributions rates during the year.

All types of matching contributions (regular, variable, true-up) are collectively referred to as "employer contributions."

The maximum effective regular matching contribution is equal to 4.5% of a participant's eligible earnings. The actual match rate is equal to: 100% of the participant's first 3% of pay contributed (a 3% of pay match), plus 50% of the participant's next 3% of pay contributed (a 1.5% of pay match). The company match rate applies to pre-tax, after-tax (if Puerto Rico), Roth contributions and catch-up contributions – to the extent those contributions are part of an employee's first 6% of pay contributed.

The variable matching contribution is an annually-determined discretionary contribution that may be up to 2% of a participant's eligible earnings. There were no variable matching contributions for the years ended December 31, 2014 and 2013.

#### Rollover Contributions

The Plan may accept rollover contributions. Rollover contributions represent distributions received from other "eligible retirement plans," as defined in IRC section 401(a)(31)(E). Distributions from other plans are subject to certain conditions to be eligible for rollover into the Plan.

#### Settlement of Class Action Lawsuit

During 2014, the Plan received \$12,506,134 as a result of the settlement of the Nolte v. Cigna class action lawsuit. Cigna Corporation entered into a Settlement Agreement in this matter, effective November 14, 2013, the effective settlement date. The foregoing amount represents the total sum allocated to class members who had an active account in the Plan on June 18, 2014. The specific allocation amount for each class member was determined by the Settlement Administrator in accordance with the terms of the Settlement Agreement. Allocations made under the Plan were invested in accordance with the class member's investment elections on file with the Plan, and, if no

elections were on file, the amounts were invested in the Plan's Qualified Default Investment Alternative (see Note 1). The class members included any Plan participant who had an account balance at any time between April 1, 1999 and May 31, 2013. Any class member who did not have an active account in the Plan on June 18, 2014, received a check payable from the Settlement Administrator outside of the Plan.

CIGNA 401(k) PLAN  
NOTES TO THE FINANCIAL STATEMENTS

### Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of a) the employer contribution and b) investment earnings, net of expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account balance.

### Vesting

Employee contributions and related investment earnings are fully vested at all times.

Employer contributions made after 2009 and related investment earnings become fully vested upon completion of two years of service for employees hired after December 31, 2009. For employees hired before January 1, 2010, such employer contributions vest 20% after one year of service, and 100% after two years of service. Employer contributions made before January 1, 2010 continue to vest gradually at the rate of 20% for each year of vesting service and are fully vested after five years. Employer contributions made at any time and related investment earnings become fully vested earlier when an employee reaches age 65; dies; becomes totally and permanently disabled; or continues to be employed by a participating Cigna company that is sold and does not maintain a successor plan. Early vesting also would occur if Cigna discontinues matching contributions or terminates the Plan.

Participants earn a year of vesting service if they have at least 1,000 hours of service during the calendar year.

### Forfeitures

A participant who is not fully vested forfeits any unvested employer contributions and related investment earnings upon termination of employment. Forfeited amounts are restored if a participant returns to Cigna before incurring five consecutive one-year breaks in service. Otherwise, forfeited amounts are used to reduce future employer contributions. Employer contributions were reduced by forfeited amounts of approximately \$1.6 million in 2014 and \$2.4 million in 2013.

### Notes Receivable

The notes receivable amount represents the unpaid principal balance on unpaid loans. The Plan permits participants to borrow a portion of their vested Plan account, subject to certain limitations, at an annual rate of interest with a specified repayment period. The minimum amount that may be borrowed is \$1,000; the maximum total loan amount is the lesser of \$50,000 or 50% of the participant's vested account balance. A participant may have no more than two outstanding loans. Loan terms range from 12 to 60 months or up to 120 months if the loan is used to buy or build a participant's primary residence. The annual interest rate for a Plan loan is 2% plus the yield of actively traded U.S. Treasury securities, adjusted by the U.S. Treasury Department to 3-year or 7-year constant maturities. The maximum Plan loan interest rate is the bank prime loan rate that is in effect on the same date that the applicable Treasury rate is determined. Loan interest rates remain fixed during the term of the loan. The loan is secured by the participant's account balance. PRIAC charges a \$50 fee to process Plan loans.



CIGNA 401(k) PLAN  
NOTES TO THE FINANCIAL STATEMENTS

#### Payment of Benefits

Participants may withdraw funds subject to the requirements of the Plan. Upon termination of employment for any reason, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested account balance, monthly installments over a period of years, an annuity, or a combination of these forms of payment. If the vested account balance is more than \$1,000 but not more than \$5,000 and the participant does not agree within 80 days to accept a lump sum, the amount will automatically be rolled over to an Individual Retirement Account or Individual Retirement Annuity (IRA) sponsored by a Prudential Retirement affiliate. The IRA will be invested in an investment product designed to preserve principal and provide a reasonable rate of return and liquidity. All related expenses will be charged to the IRA. If a Plan participant with a balance greater than \$5,000 terminates and does not withdraw funds, the account becomes inactive. Inactive plan participants can request withdrawals at any time. Also, when a participant reaches age 70 ½, required minimum distributions must be made in accordance with IRS formulas. To the extent a participant's account is invested in the Cigna Stock Fund, the participant may elect to receive such amounts in shares of Cigna common stock.

#### Plan Expenses

Administrative expenses and investment management fees are deducted separately, and participant accounts are directly charged, on a quarterly basis, with the same administrative fee regardless of their investment options. As of December 31, 2012 and through March 31, 2013, the annualized fee was 0.09% of a participant's account balance up to a maximum of \$210. Effective April 1, 2013, the annualized fee was adjusted to 0.08% of the participant's account balance, and remained in effect through March 31, 2014. Starting April 1, 2014, the annualized fee was decreased to 0.05%, where it remained through December 31, 2014. The maximum annual fee has remained capped at \$210.

Brokers' commissions resulting from buying or selling stock in the Cigna Stock Fund are paid from the participants' accounts and have been reflected as a reduction of the Cigna Stock Fund's investment income in these financial statements. Fees related to mutual fund investments are netted against investment returns of each fund. Other costs associated with the operation of the Plan, including trustee and legal fees, are paid by Cigna.

#### Plan Termination

Cigna intends to continue the Plan indefinitely, but reserves the right to discontinue employer contributions or terminate the Plan in whole or in part at any time. If contributions are discontinued or the Plan is terminated, affected participants will become fully vested. Upon Plan termination, net assets of the Plan will be distributed in the manner Cigna elects in accordance with the Plan document and in accordance with ERISA and its related regulations.

#### Plan Trustee

For the years ended December 31, 2014 and 2013, Prudential Bank & Trust, FSB, was the Trustee for the Plan.

CIGNA 401(k) PLAN  
NOTES TO THE FINANCIAL STATEMENTS

Note 2 - Significant Accounting Policies

Recent Accounting Pronouncements

In May 2015, the Financial Accounting Standards Board issued ASU 2015-07, Fair Value Measurement (Topic 820) Disclosures for Investments in Certain Entities that Calculate Net Asset Value (NAV) per Share (or Its Equivalent) (the "Update"), which removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the NAV per share practical expedient. The reporting entity should continue to disclose information on investments for which fair value is measured at NAV (or its equivalent) as a practical expedient to help users understand the nature and risks of the investments and whether the investments, if sold, are probable of being sold at amounts different from NAV. The Update is effective for public entities for fiscal years beginning after December 15, 2015. The Plan is still evaluating the effect this update will have on its disclosures and measurement of Plan assets.

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP).

As required by ASC 962 "Defined Contribution Pension Plans," the Plan reports fully benefit-responsive investment contracts at fair value in the Statement of Net Assets Available for Benefits. The adjustment of the fully benefit-responsive investment contracts from fair value to contract value is separately disclosed on the Statement to determine net assets available for benefits. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Valuation of Investments and Income Recognition

Plan investments are reported at fair value. The fair value of Cigna common stock is based upon its quoted market price. Fair value of pooled separate accounts is measured by the net unit value, which is based on the fair value of the underlying assets of the account. Plan management determines the estimated fair value of the Fixed Income Fund by approximating the market value of the underlying investments by discounting expected future investment cash flow from both investment income and repayment of principal. The estimate of fair value is then adjusted back to contract value to reflect the fact that withdrawals from the Fixed Income Fund are at contract value.

Purchases and sales of securities are recorded on a trade-date basis. Interest is recognized when earned. Dividends are recognized on the ex-dividend date. Net appreciation includes gains and losses on investments bought and sold, as well as held during the year.





CIGNA 401(k) PLAN  
NOTES TO THE FINANCIAL STATEMENTS

Payment of Benefits

Benefits are recorded when paid.

Note 3 – Plan Merger

On December 31, 2014, the Cigna Health Management (CHM) 401(k) Plan was merged into the Plan. In connection with this merger, \$55.1 million in assets were transferred from the CHM 401(k) Plan into the Plan.

In addition, \$0.3 million of outstanding loans taken by CHM 401(k) Plan participants were transferred into the Plan on December 31, 2014. These loans were reamortized to reflect Cigna's pay schedule. The reamortization changed the amount of each loan payment, but did not change the total amount of any outstanding loan or the amount of time within which such loan is to be repaid.

Note 4 - Fair Value Measurements

The Plan carries financial instruments, except notes receivable, at fair value in the financial statements. Fair value is defined as the price at which an asset could be exchanged in an orderly transaction between market participants at the balance sheet date.

Fair values are based on quoted market prices when available. When market prices are not available, fair value is generally estimated using discounted cash flow analyses, incorporating current market inputs for similar financial instruments with comparable terms and credit quality. In instances where there is little or no market activity for the same or similar instruments, the Plan estimates fair value using methods, models and assumptions that the Plan believes a hypothetical market participant would use to determine a current transaction price. These valuation techniques involve some level of estimation and judgment by the Plan which becomes significant with increasingly complex instruments or pricing models.

The Plan is responsible for determining fair value, as well as the appropriate level within the fair value hierarchy, based on the significance of unobservable inputs. The Plan reviews methodologies, processes and controls of third-party pricing services and compares prices on a test basis to those obtained from other external pricing sources or internal estimates. The Plan performs ongoing analyses of both prices received from third-party pricing services and those developed internally to determine that they represent appropriate estimates of fair value. The controls completed by the Plan and third-party pricing services include reviewing to ensure that prices do not become stale and whether changes from prior valuations are reasonable or require additional review. Exceptions identified during these processes indicate that adjustments to prices are infrequent and do not significantly impact valuations.

The Plan's financial assets carried at fair value have been classified based upon a hierarchy defined by GAAP. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest ranking to fair values determined using methodologies and models with significant unobservable inputs (Level 3). An asset's classification is based on the lowest level input that is significant to its measurement. For example, a financial asset carried at fair value would be classified in Level 3 if unobservable inputs were significant to the instrument's fair value, even though the measurement may be derived using inputs that are both observable (Levels 1 and 2) and unobservable (Level 3).



CIGNA 401(k) PLAN  
NOTES TO THE FINANCIAL STATEMENTS

## Financial Assets Carried at Fair Value

The following table provides information as of December 31, 2014 and 2013 about the Plan's financial assets carried at fair value on a recurring basis.

2014

(In thousands)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets at fair value:				
Common stocks	\$ 612,254	\$ -	\$ -	\$ 612,254
Pooled separate accounts:				
Fixed maturities	-	80,670	-	80,670
Equity securities	-	1,849,590	-	1,849,590
Fixed Income Fund	-	-	1,799,801	1,799,801
Total assets at fair value	\$ 612,254	\$ 1,930,260	\$ 1,799,801	\$ 4,342,315

2013

(In thousands)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets at fair value:				
Common stocks	\$ 564,427	\$ -	\$ -	\$ 564,427
Pooled separate accounts:				
Fixed maturities	-	75,283	-	75,283
Equity securities	-	1,629,815	-	1,629,815
Fixed Income Fund	-	-	1,709,043	1,709,043
Total assets at fair value	\$ 564,427	\$ 1,705,098	\$ 1,709,043	\$ 3,978,568

## Level 1 Financial Assets

Inputs include unadjusted quoted prices for identical assets in active markets accessible at the measurement date. Active markets provide pricing data for trades occurring at least weekly and include exchanges and dealer markets.

Level 1 assets consist of shares of Cigna common stock valued at the closing price reported on the active markets on which Cigna stock is traded.

## Level 2 Financial Assets

Inputs include quoted prices for similar assets in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves. An instrument is classified in Level 2 if the Plan determines that unobservable inputs are insignificant.

CIGNA 401(k) PLAN  
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Level 2 assets consist of investments in pooled separate accounts of PRIAC, investing in fixed income and equity security mutual funds. Such investments are valued at the NAV of shares held by the Plan at the end of the year. The NAV is used as a practical expedient to fair value. The NAV is based upon the fair value which is based upon the underlying assets held by the fund less its liabilities. There have been no significant transfers between Level 1 and Level 2 assets for the years ended December 31, 2014 and 2013.

Refer to the table below for information related to investments measured at fair value based on NAV.

#### Level 3 Financial Assets

Certain inputs for instruments classified in Level 3 are unobservable (supported by little or no market activity) and significant to their resulting fair value measurement. Unobservable inputs reflect the Plan's best estimate of what hypothetical market participants would use to determine a transaction price for the asset at the reporting date.

Level 3 assets consist of the Fixed Income Fund. The fund invests in a fixed-income portfolio within PRIAC's general account, which is invested primarily in public and private bonds and commercial mortgages, and is valued on an aggregate basis.

#### Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

The following table represents the Plan's Level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, as of December 31, 2014 and 2013, respectively, and the significant unobservable inputs and the ranges of values for those inputs.

Instrument	Fair Value 12/31/2014 (in thousands)	Fair Value 12/31/2013 (in thousands)	Principal Valuation Technique	Unobservable Inputs	Range of Significant Input Values (2014; 2013)
Fixed Income Fund	\$ 1,799,801	\$ 1,709,043	Discounted Cash Flow	Contractual Minimum Crediting Rate*; Composite Market Value Factor	1.015441 - 1.065958; (1.054726 Composite); .993757 - 1.1072453; (1.042318 Composite)

\* See Note 6 for average range

CIGNA 401(k) PLAN  
NOTES TO THE FINANCIAL STATEMENTS

## Fair Value of Investments in Entities that Use NAV

The following table summarizes investments measured at fair value based on NAV per share as of December 31, 2014 and 2013, respectively.

Instrument	Fair Value 12/31/2014 (in thousands)	Fair Value 12/31/2013 (in thousands)	Unfunded Commitments*	Redemption Frequency (if currently eligible)*	Redemption Notice Period*
Pooled separate accounts	\$ 1,930,260	\$ 1,705,098	n/a	Daily	30 days

\*The attributes noted above are effective for December 31, 2014 and 2013.

## Changes in Level 3 Financial Assets Carried at Fair Value

The following table summarizes the changes in financial assets classified in Level 3 for the years ended December 31, 2014 and 2013. Changes in fair value reported in this table may include amounts attributable to both observable and unobservable inputs.

(In thousands)	Level 3 Assets	
	2014	2013
	Fixed Income Fund	Fixed Income Fund
Balance, beginning of year	\$ 1,709,043	\$ 1,638,441
Net change in fair value	11,268	(43,830 )
Purchases	239,579	260,265
Sales	(220,934 )	(206,732 )
Reinvestment of income on investments still held	28,852	27,356
Reinvestment of income on investments sold	31,993	33,543
Balance, end of year	\$ 1,799,801	\$ 1,709,043

CIGNA 401(k) PLAN  
NOTES TO THE FINANCIAL STATEMENTS

## Note 5 - Investments

The following table presents investments that represent 5% or more of the Plan's net assets.

(In thousands)	As of December 31,	
	2014	2013
PRIAC Fixed Income Fund (contract interest rate: 3.70% in 2014 and 3.90% in 2013)	\$1,799,801	\$1,709,043
Cigna Stock Fund (5,949,415 shares in 2014 and 6,451,984 shares in 2013)	\$612,254	\$564,427
PRIAC Dryden S&P 500 Index Fund	\$330,351	\$275,851

During 2014 and 2013, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value as follows:

(In thousands)	For the Years Ended December 31,	
	2014	2013
Cigna common stock	\$92,738	\$229,665
PRIAC pooled separate accounts	115,381	404,855
Net appreciation	\$208,119	\$634,520

CIGNA 401(k) PLAN  
NOTES TO THE FINANCIAL STATEMENTS

Note 6 - Investment Contract with Insurance Company

The Plan has a benefit-responsive investment contract with PRIAC for the Fixed Income Fund. PRIAC maintains the contributions in a general account. The account is credited with interest, whose rate is set by PRIAC, on the underlying investments and charged for participant withdrawals and administrative expenses. The issuer is contractually obligated to repay the principal and accumulated interest which are guaranteed to the Plan. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

The interest rate may be changed at any time (but may not be less than 1.5%). PRIAC must give advance notice of any change in the interest rate to the Plan Administrator. PRIAC sets the interest rate based on the expected investment performance of a pool of assets owned by PRIAC and held in its general account. Average yields for the Fixed Income Fund are as follows:

	2014	2013
Average earnings yield	3.57%	3.71%
Average crediting rate yield	3.48%	3.74%

A Plan sponsor initiated termination of the contract is an event that could limit the ability of the Plan to transact at contract value within 90 days of termination if, at the termination date, the market value of the assets supporting the contract is less than contract value. Other events that could limit the Plan's ability in this regard would be a plan termination or bankruptcy of PRIAC. In these instances, contract value would be paid over time or, at the Plan sponsor's discretion, paid immediately after applying a market value adjustment. The Plan Administrator does not believe that the occurrence of such events is probable.

Note 7 - Tax Status

The Plan's design and current operations are consistent with all IRS requirements for tax exemption. This was confirmed by the IRS through issuance to Cigna of a Determination Letter dated July 24, 2012. Further, management believes that no transaction, plan amendment or other action has been undertaken since issuance of this IRS determination which compromises the Plan's exempt status. The Plan may be subject to IRS audit but there is no such audit currently in progress, nor has there been one in the recent past. Tax years that remain open and subject to an audit based on IRS general procedures include 2011 to 2014.

Accounting principles generally accepted in the United States of America require the Plan's management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. As of December 31, 2014 and 2013, there were no uncertain positions taken that had a material effect on the Plan financial statements or that required disclosure.



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Note 8 - Related Party Transactions and Party in Interest Transactions

The Plan invests in Cigna common stock. During the year ended December 31, 2014, the Plan purchased shares of Cigna common stock for approximately \$23.4 million and sold shares of Cigna common stock for approximately \$68.9 million, and experienced net appreciation of approximately \$93.4 million. During the year ended December 31, 2013, the Plan purchased shares of Cigna common stock for approximately \$18.7 million, sold shares of Cigna common stock for approximately \$59.9 million, and experienced net appreciation of approximately \$229.7 million.

The Plan also invests in the Fixed Income Fund and pooled separate accounts, all administered by PRIAC, the Plan's third party administrator and record-keeper. Activity reported by PRIAC for these investments qualify as party in interest transactions. Fees incurred by the Plan for administrative services are included in Plan expenses and totaled \$2.1 million in 2014, and \$2.3 million in 2013. These have been paid directly to PRIAC.

Note 9 – Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Note 10 – Subsequent Events

We have evaluated all events subsequent to the date the financial statements are available to be issued. There were no subsequent events to report.

SUPPLEMENTAL SCHEDULE

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## CIGNA 401(k) PLAN

FORM 5500 SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS  
(HELD AT END OF YEAR)As of December 31, 2014  
(In thousands)

	Identity of issue, borrower, lessees or similar party	Description		Current Value
* PRIAC	Fixed Income Fund (contract interest rate: 3.70%)	General Account Contract	\$	1,799,801
* Cigna	Cigna Stock Fund	Common Stock	\$	612,254
* PRIAC	Dryden S&P 500 Index	Pooled Separate Account	\$	330,351
* PRIAC	Large Cap Growth Fund	Pooled Separate Account	\$	140,527
	Large Cap Growth Fund/American Century Fund	Pooled Separate Account		140,526
	Large Cap Growth/MFS Fund	Pooled Separate Account	\$	281,053
* PRIAC	International Stock Fund	Pooled Separate Account	\$	119,518
	International Growth/Artisan Partners Fund	Pooled Separate Account	\$	119,518
	International Blend/Lazard Fund	Pooled Separate Account	\$	239,036
* PRIAC	Large Cap Value Fund	Pooled Separate Account	\$	114,680
	Large Cap Value Fund/Wellington Management	Pooled Separate Account	\$	114,679
	Large Cap Value/Barrow Hanley Fund	Pooled Separate Account	\$	229,359
* PRIAC	Small Cap Growth Fund	Pooled Separate Account	\$	77,236
	Small Cap Growth/TimesSquare Fund	Pooled Separate Account	\$	77,235
	Small Cap Growth/Emerald Fund	Pooled Separate Account	\$	154,471
* PRIAC	Mid Cap Value Fund	Pooled Separate Account	\$	74,128
	Mid Cap Value/Cooke & Bieler Fund	Pooled Separate Account	\$	74,128

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	Mid Cap Value/Integrity Fund	Pooled Separate Account		74,128
			\$	148,256
* PRIAC	Mid Cap Growth Fund			
	Mid Cap Growth/Artisan Partners Fund	Pooled Separate Account	\$	71,901
	Mid Cap Growth/Westfield Capital Fund	Pooled Separate Account		71,901
			\$	143,802
* PRIAC	Blackrock Extended Equity Market Index Fund	Pooled Separate Account	\$	125,388
* PRIAC	Small Cap Value Fund			
	Small Cap Value/American Century	Pooled Separate Account	\$	59,378
	Small Cap Value/Vaughan Nelson Fund	Pooled Separate Account		59,378
			\$	118,756
* PRIAC	High Yield Bond Fund	Pooled Separate Account	\$	80,670
* PRIAC	Foreign Stock Index Fund	Pooled Separate Account	\$	79,118
	*Notes receivable from participants (interest rate: 2.36% to 11.50%; maturities 2015-2024)	Participant Loans	\$	86,823

\*Indicates party-in-interest to the Plan  
All investments are participant directed;  
therefore, cost value has been omitted.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Cigna 401(k) PLAN

Date: June 16, 2015

By: /s/ James Wolf  
James Wolf  
Plan Administrator

Index to Exhibits

Number	Description	Method of Filing
23	Consent of Independent Registered Public Accounting Firm	<u>Filed herewith.</u>

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