HUMANA INC
Form 424B5
December 14, 2017
Table of Contents

Filed pursuant to Rule 424(b)(5)
Registration No. 333-202623

The information in this preliminary prospectus supplement and the accompanying prospectus is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and they are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION

PRELIMINARY PROSPECTUS SUPPLEMENT DATED DECEMBER 14, 2017

Prospectus Supplement

December , 2017

(To Prospectus dated March 9, 2015)

$

Humana Inc.

$ % Senior Notes due 20

$ % Senior Notes due 20

The 20 notes will bear interest at % per year and the 20 notes will bear interest at % per year. Interest on the notes is payable on and of each year, beginning on , 2018. The 20 notes will mature on , 20 and the 20 notes will mature on , 20 . Interest on the notes will accrue from , 2017.

At our option, we may redeem the 20 notes and the 20 notes, in whole or in part, before their maturity date at the applicable redemption prices described in this prospectus supplement under the caption Description of the Notes Optional Redemption. If a change of control triggering event as described in this prospectus supplement occurs, unless we have exercised our option to redeem the notes, we will be required to offer to repurchase the notes at the price described in this prospectus supplement under the caption Description of the Notes Offer to Repurchase Upon Change of Control Triggering Event.

The notes will be our unsecured senior obligations and will rank equally with all of our other existing and future unsecured senior indebtedness.

Investing in the notes involves risks that are described in the Risk Factors sections beginning on page S-4 of this prospectus supplement and in other documents incorporated by reference in this prospectus supplement and the accompanying prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per 20 Note	Total	Per 20 Note	Total
Public Offering Price(1)	%	$	%	$
Underwriting Discount	%	$	%	$
Proceeds to Humana Inc. (before expenses)(1)	%	$	%	$

(1) Plus accrued interest, if any, from , 2017.

The notes will not be listed on any securities exchange. Currently, there are no public markets for the notes.

The underwriters expect to deliver the notes to purchasers on or about , 2017 through The Depository Trust Company, including its participants Clearstream Banking S.A. and Euroclear Bank S.A./N.V.

Joint Book-Running Managers

BofA Merrill Lynch **Citigroup** **J.P. Morgan**

Table of Contents

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any related free writing prospectus prepared by us. We and the underwriters have not authorized any other person to provide you with different information and we take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. If anyone provides you with different or inconsistent information, you should not rely on it. We and the underwriters are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted.

You should not assume that the information contained in this prospectus supplement, the accompanying prospectus, any related free writing prospectus prepared by us, or the documents incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front cover of this prospectus supplement, the accompanying prospectus, any free writing prospectus prepared by us or the documents incorporated by reference.

TABLE OF CONTENTS

Prospectus Supplement

Prospectus

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

These offering materials consist of two documents and the information incorporated by reference in these two documents: this prospectus supplement, which describes the terms of the notes that we are currently offering, and the accompanying prospectus, which provides general information about us and our debt securities, some of which may not apply to the notes that we are currently offering. If information in this prospectus supplement, or the information incorporated by reference in this prospectus supplement, is inconsistent with, updates or changes the information in the accompanying prospectus or the information incorporated by reference in the accompanying prospectus, this prospectus supplement, or the information incorporated by reference in this prospectus supplement, will apply and will supersede that information in the accompanying prospectus or the information incorporated by reference in the accompanying prospectus. In addition, the information in this prospectus supplement may add to, update or change the information incorporated by reference in this prospectus supplement and accordingly will supersede that information.

It is important for you to read and consider all information contained in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, referred to in Incorporation of Certain Documents by Reference in this prospectus supplement and the accompanying prospectus.

Unless otherwise specified, all references in this prospectus supplement to:

- Humana, the issuer, we, us, our and the Company are to Humana Inc., a Delaware corporation, and consolidated subsidiaries, unless the context otherwise requires; and

- underwriters are to the firms listed in Underwriting in this prospectus supplement.

FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and any documents we incorporate by reference in this prospectus supplement and the accompanying prospectus may include both historical and forward-looking statements. The forward-looking statements are made within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and we are including this statement for purposes of complying with these safe harbor provisions. We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions, including information set forth under Risk Factors beginning on page S-4 of this prospectus supplement, matters described in this prospectus supplement and the accompanying prospectus and in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, including the Risk Factors contained in certain documents incorporated by reference in this prospectus supplement.

We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference might not occur. There may also be other risks that we are unable to predict at this time.

S-i

Table of Contents

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Securities and Exchange Commission, or SEC, allows us to incorporate by reference into this prospectus supplement and the accompanying prospectus information contained in documents that we file with it. This means that we can disclose important information to you by referring you to those documents. The information incorporated by reference into this prospectus supplement and the accompanying prospectus is an important part of this prospectus supplement and the accompanying prospectus, and information we file later with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings we will make with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act, prior to the termination of the offering to which this prospectus supplement relates (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with SEC rules, including Current Reports on Form 8-K furnished under Item 2.02 and Item 7.01 (including any financial statements or exhibits relating thereto furnished pursuant to Item 9.01)):

- our Annual Report on Form 10-K for the fiscal year ended December 31, 2016, filed with the SEC on February 17, 2017 (including the information specifically incorporated by reference into the Annual Report on Form 10-K from our Definitive Proxy Statement on Schedule 14A filed with the SEC on March 8, 2017);

- our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2017, June 30, 2017 and September 30, 2017, filed with the SEC on May 3, 2017, August 2, 2017 and November 8, 2017, respectively; and

- our Current Reports on Form 8-K filed with the SEC on February 8, 2017 (only that portion of the current report filed on that date that relates to Item 5.02), February 15, 2017 (only that portion of the current report filed on that date that relates to Items 1.01 and 1.02), February 27, 2017, March 16, 2017 (only that portion of the current report filed on that date that relates to Items 1.01 and 2.03), April 3, 2017, April 21, 2017 (as amended by the amendment to the Current Report on Form 8-K filed on July 5, 2017), May 22, 2017, June 19, 2017, July 5, 2017, August 21, 2017, November 13, 2017, November 22, 2017, November 29, 2017 (only that portion of the current report filed on that date that relates to Item 2.04), December 14, 2017, December 14, 2017 and December 14, 2017.

You may request a copy of these filings at no cost, by writing or telephoning us at the following address:

500 West Main Street

Louisville, Kentucky 40202

(502) 580-1000

Attn: Investor Relations

You may also obtain a copy of these filings from our Internet website at www.humana.com. Please note, however, that the information on our Internet website, other than the documents listed above, is not intended to be incorporated by reference into this prospectus supplement or the accompanying prospectus and should not be considered a part of this prospectus supplement or the accompanying prospectus.

Table of Contents

SUMMARY

Humana Inc.

Headquartered in Louisville, Kentucky, we are a leading health and well-being company focused on making it easy for people to achieve their best health with clinical excellence through coordinated care. Our strategy integrates care delivery, the member experience, and clinical and consumer insights to encourage engagement, behavior change, proactive clinical outreach and wellness for the millions of people we serve across the country. As of September 30, 2017, we had approximately 13.8 million members in our medical benefit plans, as well as approximately 6.9 million members in our specialty products. For the nine months ended September 30, 2017, approximately 78.7% of our total premiums and services revenue were derived from contracts with the federal government. During 2016, 75% of our total premiums and services revenue were derived from contracts with the federal government, including 14% derived from our individual Medicare Advantage contracts in Florida with the Centers for Medicare and Medicaid Services, or CMS, under which we provided health insurance coverage to approximately 598,100 members as of December 31, 2016.

We manage our business with four reportable segments: Retail, Group and Specialty, Healthcare Services and Individual Commercial. In addition, the Other Businesses category includes businesses that are not individually reportable because they do not meet the quantitative thresholds required by generally accepted accounting principles. These segments are based on a combination of the type of health plan customer and adjacent businesses centered on well-being solutions for our health plans and other customers, as described below. These segment groupings are consistent with information used by our Chief Executive Officer to assess performance and allocate resources.

The Retail segment consists of Medicare benefits, marketed to individuals or directly via group accounts. In addition, the Retail segment also includes our contract with CMS to administer the Limited Income Newly Eligible Transition, or LI-NET, prescription drug plan program and contracts with various states to provide Medicaid, dual eligible, and Long-Term Support Services benefits, collectively our state-based contracts. The Group and Specialty segment consists of employer group commercial fully-insured medical and specialty health insurance benefits marketed to individuals and employer groups, including dental, vision, and other supplemental health and voluntary insurance benefits and financial protection products, as well as administrative services only, or ASO products. In addition, our Group and Specialty segment includes military services business, primarily our TRICARE South Region contract. The Healthcare Services segment includes services offered to our health plan members as well as to third parties, including pharmacy solutions, provider services, and clinical care service, as well as services and capabilities to promote wellness and advance population health. The Individual Commercial segment consists of our individual commercial fully-insured medical health insurance benefits. We report under the category of Other Businesses those businesses which do not align with the reportable segments described above, primarily our closed-block long-term care insurance policies.

Corporate Information

Our principal executive offices are located at 500 West Main Street, Louisville, Kentucky 40202, and our telephone number is (502) 580-1000.

Recent Developments

On November 29, 2017, we issued redemption notices to redeem our $300 million aggregate principal amount of 6.30% senior notes due August 1, 2018 (the 6.30% Notes) and our $500 million aggregate principal amount of 7.20% senior notes due June 15, 2018 (the 7.20% Notes and together with the 6.30% Notes, the 2018 Notes) on

December 29, 2017 (the Redemption Date) at a redemption price equal to the greater of (i) 100% of the principal amount thereof and (ii) the sum of the present values of the remaining scheduled payments on the 2018 Notes to be redeemed consisting of principal and interest, exclusive of interest accrued to the Redemption Date, discounted to the Redemption Date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Yield plus (a) 30 basis points for the 6.30% Notes and (b) 50 basis points for the 7.20% Notes, plus in each case, accrued interest to the Redemption Date.

Table of Contents

THE OFFERING

The following summary contains basic information about the notes and is not intended to be complete. For a more complete understanding of the notes, please refer to the section entitled Description of the Notes in this prospectus supplement and Description of the Debt Securities in the accompanying prospectus.

Issuer	Humana Inc.
Notes Offered	$ initial aggregate principal amount of % Senior Notes due 20 (referred to as the 20 notes) and $ initial aggregate principal amount of % Senior Notes due 20 (referred to as the 20 notes). We refer to the 20 notes and the 20 notes collectively as the notes.
Interest Rate	The 20 notes will bear interest at a rate of % per year and the 20 notes will bear interest at a rate of % per year.
Maturity Date	The 20 notes will mature on , 20 and the 20 notes will mature on , 20 .
Interest Payment Dates	and of each year, commencing on , 2018.
Ranking	The notes will be our unsecured senior obligations and will rank equally with all of our existing and future unsecured and unsubordinated indebtedness. The notes will be effectively junior to any of our existing and future secured indebtedness to the extent of the assets securing that indebtedness, and will be structurally subordinated to any indebtedness and other liabilities of our subsidiaries. As of September 30, 2017, after giving effect to this offering and the use of proceeds therefrom, we would have had $ of senior debt that ranks equal in right of payment with the notes and no secured debt that would be effectively senior to the notes.
Optional Redemption	Prior to , 20 (months prior to their maturity date) in the case of the 20 notes and prior to , 20 (months prior to their maturity date) in the case of the 20 notes, we may redeem the applicable series of notes, in whole or in part, at any time at the make whole redemption price described in Description of the Notes Optional Redemption in this prospectus supplement. Commencing on , 20 (months prior to their maturity date), we may redeem the 20 notes, in whole, or from time to time in part, at a redemption price equal to 100% of the principal amount of

the 20 notes being redeemed plus accrued and unpaid interest to the redemption date. Commencing on , 20 (months prior to their maturity date), we may redeem the 20 notes, in whole, or from time to time in part, at a redemption price equal to 100% of the principal amount of the 20 notes being redeemed plus accrued and unpaid interest to the redemption date.

S-2

Table of Contents

Change of Control	Upon a Change of Control Triggering Event (as defined under Description of the Notes Offer to Repurchase Upon Change of Control Triggering Event), we will be required to make an offer to repurchase from holders of the notes all or a portion of their notes at the purchase price described in Description of the Notes Offer to Repurchase Upon Change of Control Triggering Event in this prospectus supplement.
Covenants	The indenture and the respective supplemental indentures governing each series of notes will contain covenants that, subject to exceptions and qualifications: limit our ability and the ability of our subsidiaries to create liens, and limit our ability to consolidate, merge or transfer all or substantially all of our assets. See Description of the Notes Covenants in this prospectus supplement.
Use of Proceeds	We estimate that our net proceeds from this offering, less underwriters discounts and our estimated costs of the offering, will be approximately $. We intend to use approximately $ of the net proceeds to redeem our 2018 Notes. We will use any net proceeds not applied to the foregoing use for general corporate purposes, which may include repurchases of shares of our common stock. See Use of Proceeds in this prospectus supplement.
Additional Issuances	We may re-open either series of notes and issue an unlimited aggregate principal amount of additional notes of such series in the future. See Description of the Notes Additional Issuances in this prospectus supplement.
Risk Factors	See Risk Factors beginning on page S-4 of this prospectus supplement and the other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus for a discussion of certain factors you should carefully consider before deciding to invest in the notes.

Table of Contents

RISK FACTORS

Before making a decision to invest in the notes, you should carefully consider the following:

- *the risk factors described below and those contained in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus; and*

- *the other information included in this prospectus supplement, the accompanying prospectus and incorporated by reference in this prospectus supplement and the accompanying prospectus.*

Risks Associated with the Notes

Our Ability to Obtain Funds from Our Subsidiaries Is Limited and the Notes Will Be Structurally Subordinated to All Liabilities of Our Subsidiaries

Because we operate as a holding company, the notes are structurally subordinated to all existing and future indebtedness and other liabilities of our subsidiaries. Our subsidiaries are the operating entities which generate revenues. As a result, we will be dependent upon dividends, administrative expense reimbursements, and intercompany transfers of funds from our subsidiaries to meet our payment obligations on the notes. However, all of our subsidiaries that earn premiums are regulated by state departments of insurance. In most states, we are required to seek prior approval by these state regulatory authorities before we transfer money or pay dividends from these subsidiaries that exceed specified amounts, or, in some states, any amount. We are also required by law to maintain specific prescribed minimum amounts of capital in these subsidiaries. See Management s Discussion and Analysis of Financial Condition and Results of Operations Future Sources and Uses of Liquidity Regulatory Requirements in our Form 10-Q for the quarterly period ended September 30, 2017, which is incorporated by reference in this prospectus supplement. In addition, we normally notify the state departments of insurance prior to making payments that do not require approval. Accordingly, since the premiums earned by these subsidiaries account for substantially all of our total revenues, we cannot guarantee that sufficient funds will be available to us to pay interest on or the principal of the notes. In addition, in the event of our bankruptcy, liquidation or any similar proceeding, holders of notes will be entitled to payment only after the holders of any indebtedness and other liabilities of our subsidiaries have been paid or provided for by these subsidiaries, including the claims of our members. In addition, the indenture under which each series of notes will be issued does not restrict us or our subsidiaries from incurring additional indebtedness.

We Have Financial and Operating Restrictions in Our Debt Instruments That May Have an Adverse Effect on Our Operations

Agreements governing our existing indebtedness contain covenants that limit our ability to incur additional indebtedness, to create liens or other encumbrances, to make certain payments and investments, including dividend payments, and to sell or otherwise dispose of assets and merge or consolidate with other entities. Our credit facility also requires us to meet certain financial ratios and tests. As of September 30, 2017, after taking into account these ratios and tests (and prior to the issuance of notes offered hereby), we had the ability to incur up to an additional approximately $8.3 billion under such ratios, including $2.0 billion of borrowing capacity under our credit facility. Agreements we enter into in the future governing indebtedness could also contain significant financial and operating restrictions.

A failure to comply with the obligations contained in our current or future credit facilities or indentures could result in an event of default or an acceleration of debt under other instruments that may contain cross-acceleration or cross-default provisions. We cannot be certain that we would have, or be able to obtain, sufficient funds to make these accelerated payments.

Table of Contents

The Notes Are Unsecured Obligations and Will Be Structurally Subordinated to the Obligations of Our Subsidiaries

The notes will not be secured by any of our assets and will be effectively subordinated to any of our existing and future secured indebtedness to the extent of the value of the assets securing that indebtedness. Accordingly, in the event of our bankruptcy, liquidation or any similar proceeding, holders of the notes will be entitled to payment only after the holders of any of our secured indebtedness have been paid to the extent of the value of the assets securing that indebtedness. As of September 30, 2017, we had no secured indebtedness outstanding. In addition, the indenture governing our existing notes and the notes being offered hereby permit us to incur additional indebtedness, including secured indebtedness.

Indebtedness of our subsidiaries and obligations and liabilities of our subsidiaries will be structurally senior to the notes since, in the event of our bankruptcy, liquidation, dissolution, reorganization or other winding up, the assets of our subsidiaries will be available to pay the notes only after the subsidiaries indebtedness and obligations and liabilities are paid in full. Because we stand as an equity holder, rather than a creditor, of our subsidiaries, creditors of those subsidiaries will have their debt satisfied out of the subsidiaries assets before our creditors, including the noteholders. Because our operations are and will be conducted by our subsidiaries, these subsidiaries have incurred and will continue to incur significant obligations and liabilities.

We May Not Have the Ability to Raise the Funds Necessary to Finance the Offer to Repurchase the Notes Upon a Change of Control Triggering Event

Upon the occurrence of a Change of Control Triggering Event with respect to a series of notes offered hereby, we will be required to offer to repurchase all outstanding notes of such series at the purchase price described in this prospectus supplement. See Description of the Notes Offer to Repurchase Upon Change of Control Triggering Event. There are similar change of control provisions in nine of our ten outstanding series of senior notes. We cannot assure you that we will have sufficient funds available upon a Change of Control Triggering Event to make any required repurchases of the notes offered hereby or the other series of senior notes having similar Change of Control provisions. In addition, the Change of Control that triggers the Change of Control Triggering Event may also result in a default under our credit facility. Any failure to purchase tendered notes would constitute a default under the indenture governing the notes offered hereby and each other series of notes that has similar Change of Control provisions. A default could result in the declaration of the principal and interest on all the notes and our other indebtedness to be due and payable. The terms Change of Control and Change of Control Triggering Event are defined under Description of the Notes.

Liquid Trading Markets for the Notes May Not Develop

There has not been an established trading market for either series of notes. We do not intend to apply for listing of the notes on any securities exchange or for quotation through any automated dealer quotation system. Although the underwriters have informed us that they currently intend to make a market for each series of notes, they have no obligation to do so and may discontinue making a market at any time without notice. The liquidity of any market for the notes will depend on the number of holders of the notes, our performance, the market for similar securities, the interest of securities dealers in making a market in the notes and other factors. Liquid trading markets may not develop for the notes. In the absence of active trading markets, you may not be able to transfer the notes within the time or at the price you desire.

Other Risks

Proposed changes to U.S. tax laws may, if enacted, have a material adverse impact on our business.

The U.S. House of Representatives and the U.S. Senate have each passed versions of tax reform legislation that would, among other things, significantly impact U.S. taxation of corporations, and have formed a conference committee to resolve the differences between the House and Senate versions. Although the House and Senate versions differ in certain respects, each includes provisions that would, if enacted, reduce the U.S. corporate tax rate, introduce a capital investment deduction, limit the interest deduction, limit the use of net operating losses to offset future taxable income, and make extensive changes to the international tax system, including the taxation of the accumulated foreign earnings of U.S. multinational corporations. A reduction in the U.S. corporate tax rate may significantly decrease the value of our deferred tax assets, which could result in a reduction of net income in the period in which the change is enacted. We cannot predict which, if any, of these proposals will be enacted into law, the timing or effective date of any such enactment or the resulting impact any such enactment will have on us.

Table of Contents

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our consolidated ratio of earnings to fixed charges for the periods indicated:

	For the nine months ended September 30, 2017	For the nine months ended September 30, 2016	For the year ended December 31,				
			2016	2015	2014	2013	2012
Ratio of earnings to fixed charges(1)(2)	17.7x	12.1x	7.2x	10.6x	9.1x	9.9x	11.7x

Notes

(1) For the purposes of determining the ratio of earnings to fixed charges, earnings consist of income before income taxes and fixed charges. Fixed charges include gross interest expense, amortization of deferred financing expenses and an amount equivalent to interest included in rental charges. One-third of rental expense represents a reasonable approximation of the interest amount.

(2) There are no shares of preferred stock outstanding.

Table of Contents

CAPITALIZATION

The following table sets forth historical cash and cash equivalents and capitalization as of September 30, 2017:

- on an actual basis; and
- on an as adjusted basis to reflect the issuance and sale of the notes and the receipt and use of the estimated net proceeds thereof, including in connection with the redemption of our 2018 Notes.

	As of September 30, 2017	
	Actual	As Adjusted
	(in millions)	
Cash and cash equivalents	$ 9,865	$
Long-term debt:		
Notes offered hereby		
Existing Senior Notes	3,977	
Credit facility(1)		
Total long-term debt(2)	$ 3,977	$
Stockholders equity:		
Preferred stock, $1 par value; 10,000,000 shares authorized; none issued		
Common stock; $0.16-2/3 par value; 300,000,000 shares authorized; 198,495,007 shares issued	33	
Capital in excess of par value	2,641	
Retained earnings	13,571	
Accumulated other comprehensive (loss) income	12	
Treasury stock, at cost, 55,712,062 shares	(5,017)	
Total stockholders equity	11,240	
Total capitalization	$ 15,217	$

(1) As of the date of this prospectus supplement, we have no borrowings outstanding under our $2.0 billion revolving credit agreement and no outstanding letters of credit. Accordingly, we have $2.0 billion of remaining borrowing capacity under our revolving credit agreement.

(2) We also have commercial paper and other borrowings due within one year of $953.0 million as of September 30, 2017, of which $803.0 million is represented by the 2018 Notes.

Table of Contents

USE OF PROCEEDS

We estimate that our net proceeds from the issuance and sale of the notes will be approximately $, after deducting underwriters discounts and our estimated offering expenses. We intend to use approximately $ of the net proceeds to redeem our 2018 Notes. We will use any net proceeds not applied to the foregoing use for general corporate purposes, which may include repurchases of shares of our common stock under our share repurchase program as may be authorized by our board from time to time. These repurchases may be effected from time to time in the open market, by block purchases or in privately-negotiated transactions (including pursuant to accelerated share repurchase agreements with investment banks).

If we do not use the net proceeds immediately, we will temporarily invest them in short-term, interest-bearing obligations.

Table of Contents

DESCRIPTION OF THE NOTES

The following description of the notes offered hereby supplements the more general description of the debt securities that appears in the accompanying prospectus. You should read this section together with the section entitled Description of the Debt Securities in the accompanying prospectus. If there are any inconsistencies between the information in this section and the information in the accompanying prospectus, the information in this section controls and will apply to the notes.

Each series of notes will be issued under a base indenture dated as of August 5, 2003, between Humana and The Bank of New York Mellon Trust Company, N.A, as trustee, as supplemented by a separate supplemental indenture to be dated as of , 2017. As used in this section, all references to the indenture mean the indenture for each series of notes, in each case consisting of the base indenture as supplemented by the applicable supplemental indenture. The terms of the notes include those expressly set forth in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939, or the TIA.

This description of the notes is intended to be an overview of the material provisions of the notes and the indenture. Because this description of the notes and the indenture is only a summary, you should refer to the indenture for a complete description of our obligations and your rights.

In this description of the notes, references to Humana , the issuer , we , our and us refer to Humana Inc. and do no include its subsidiaries.

General

The 20 notes:

- will be our senior unsecured obligations;
- will constitute a series of debt securities issued under the indenture and will initially be limited to an aggregate principal amount of $ million;
- will mature on , 20 ;
- will be subject to earlier redemption at the option of the issuer as described under Optional Redemption ;
- will be subject to repurchase by us, in whole or in part, at the option of the holders upon certain specified changes of control as described under Offer to Repurchase Upon Change of Control Triggering Event ;
- will not have the benefit of any sinking fund;

- will be issued in denominations of $2,000 and integral multiples of $1,000 in excess thereof; and

- will be represented by one or more registered notes in global form, but in certain limited circumstances may be represented by notes in certificated form. See Book-Entry Issuance.

Interest on the 20 notes will:

- accrue at the rate of % per annum;

- accrue from , 2017 or the most recent interest payment date on which interest was paid;

- be payable in cash semi-annually in arrears on and of each year, commencing on , 2018;

Table of Contents

- be payable to the holders of record on the and immediately preceding the related interest payment date; and
- be computed on the basis of a 360-day year comprised of twelve 30-day months.

The 20 notes:

- will be our senior unsecured obligations;
- will constitute a series of debt securities issued under the indenture and will initially be limited to an aggregate principal amount of $ million;
- will mature on , 20 ;
- will be subject to earlier redemption at the option of the issuer as described under Optional Redemption ;
- will be subject to repurchase by us, in whole or in part, at the option of the holders upon certain specified changes of control as described under Offer to Repurchase Upon Change of Control Triggering Event ;
- will not have the benefit of any sinking fund;
- will be issued in denominations of $2,000 and integral multiples of $1,000 in excess thereof; and
- will be represented by one or more registered notes in global form, but in certain limited circumstances may be represented by notes in certificated form. See Book-Entry Issuance.

Interest on the 20 notes will:

- accrue at the rate of % per annum;
- accrue from , 2017 or the most recent interest payment date on which interest was paid;
- be payable in cash semi-annually in arrears on and of each year, commencing on , 2018;

- be payable to the holders of record on the and immediately preceding the related interest payment date; and

- be computed on the basis of a 360-day year comprised of twelve 30-day months.

If any interest payment date or maturity date for any series of notes falls on a day that is not a business day, the required payment of principal or interest will be made on the next business day as if made on the date that payment was due, and no interest will accrue on that payment for the period from and after the interest payment date or maturity date, as the case may be, to the date of the payment on the next business day.

Additional Issuances

We may from time to time, without the consent of existing holders, create and issue additional notes having the same terms and conditions as either or both series of notes in all respects, except for issue date, issue price and, if applicable, the first payment of interest on the additional notes. Additional notes issued in this manner will be consolidated with, and will form a single series with, the applicable series of outstanding notes. If any such additional notes are not fungible with the applicable series of outstanding notes for U.S. federal income tax purposes, they will be issued with a different CUSIP number (or other applicable identifying number).

Ranking

The notes will be our senior and unsecured indebtedness and will rank equally with all of our other existing and future senior and unsecured indebtedness. The notes will be effectively junior to any of our existing and

Table of Contents

future secured indebtedness, to the extent of the assets securing that indebtedness, and to all indebtedness and other liabilities of our subsidiaries. As of September 30, 2017, after giving effect to this offering and the use of proceeds therefrom, we would have had $ of senior debt that ranks equal in right of payment with the notes and no secured debt that would be effectively senior to the notes.

Indebtedness of our subsidiaries and obligations and liabilities of our subsidiaries will be structurally senior to the notes since, in the event of our bankruptcy, liquidation, dissolution, reorganization or other winding up, the assets of our subsidiaries will be available to pay the notes only after the subsidiaries indebtedness and obligations and liabilities are paid in full. Because we stand as an equity holder, rather than a creditor, of our subsidiaries, creditors of those subsidiaries will have their debt satisfied out of the subsidiaries assets before our creditors, including the noteholders. Because our operations are and will be conducted by our subsidiaries, these subsidiaries have incurred and will continue to incur significant obligations and liabilities.

Exchange and Transfer

You may exchange or transfer the notes in accordance with the indenture. You will not be required to pay a service charge to exchange or transfer the notes, but you may be required to pay for any tax or other governmental charge associated with the exchange or transfer. The exchange or transfer will only be made if the transfer agent is satisfied with your proof of ownership. See Book-Entry Issuance.

Paying and Paying Agents

We will pay interest, principal and any other money due on the notes at the corporate trust office of the trustee. We may also choose to pay interest by mailing checks or making wire transfers. Regardless of who acts as the paying agent, all money paid by us to a paying agent that remains unclaimed at the end of two years after the amount is due to note holders will be repaid to us. After that two-year period, you may look only to us for payment and not to the trustee, any other paying agent or anyone else. We may also arrange for additional payment offices, and may cancel or change these offices, including our use of the trustee s corporate trust office. We may also choose to act as our own paying agent. We must notify you of changes in identities of the paying agents for the notes.

Optional Redemption

Commencing on , 20 (months prior to their maturity date), we may redeem the 20 notes, in whole, or from time to time in part, at a redemption price equal to 100% of the principal amount of the 20 notes being redeemed plus accrued and unpaid interest to the redemption date. Commencing on , 20 (months prior to their maturity date), we may redeem the 20 notes, in whole, or from time to time in part, at a redemption price equal to 100% of the principal amount of the 20 notes being redeemed plus accrued and unpaid interest to the redemption date.

Prior to , 20 (months prior to their maturity date) in the case of the 20 notes and prior to , 20 (months prior to their maturity date) in the case of the 20 notes, the notes of either or both series will be redeemable, at our option, at any time in whole, or from time to time in part, at a price equal to the greater of:

100% of the principal amount of the notes of such series to be redeemed; or the sum of the present values of the remaining scheduled payments on the notes of such series to be redeemed consisting of principal and interest, exclusive of interest accrued to the date of redemption that would be due if the notes matured on the Applicable Par Call Date, discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Yield plus (1) basis points with respect to the 20 notes or (2) basis points with respect to the 20 notes

plus, in each case, accrued and unpaid interest to the date of redemption.