

AETNA INC /PA/
Form 424B3
March 04, 2014
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Registration No. 333-178272

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

Subject to Completion, dated March 4, 2014

PRELIMINARY PROSPECTUS SUPPLEMENT

March , 2014

(To Prospectus Dated December 2, 2011)

\$

\$ % Senior Notes Due 20

\$ % Senior Notes Due 20

We are offering \$ aggregate principal amount of our % senior notes due 20 (the 20 Notes) and \$ aggregate principal amount of our % senior notes due 20 (the 20 Notes). The 20 Notes and the 20 Notes are collectively referred to in this prospectus supplement as the Notes. The offering and sale of each series of Notes is not conditioned on the sale of the other series of Notes.

The 20 Notes will bear interest at a rate of % per year and will mature on , 20 . The 20 Notes will bear interest at a rate of % per year and will mature on , 20 . Interest on the Notes of each series is payable on and of each year, beginning , 2014. We may redeem the Notes of either series at any time, in whole or in part, at the redemption prices described in this prospectus supplement.

We intend to use the entire net proceeds of this offering, together with other available resources, to redeem all of our outstanding 6.000% Senior Notes due 2016 (the 2016 Notes). See Use of Proceeds.

The Notes will be unsecured senior obligations of our company and will rank equally with all of our other existing and future unsecured and unsubordinated indebtedness, and will be structurally subordinated to certain indebtedness assumed in connection with our acquisition of Coventry Health Care, Inc. (Coventry). See Description of the Notes.

The Notes will not be listed on any securities exchange. Currently, there is no public market for the Notes.

Investing in the Notes involves risks. See Risk Factors beginning on page S-3 of this prospectus supplement.

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 related prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

| | Public Offering Price ⁽¹⁾ | Underwriting Discounts and Commissions | Proceeds to Aetna Inc. (before expenses) |
|---------------|--------------------------------------|--|--|
| Per 20 Note | % | % | % |
| 20 Note Total | \$ | \$ | \$ |
| Per 20 Note | % | % | % |
| 20 Note Total | \$ | \$ | \$ |
| Total | \$ | \$ | \$ |

(1) Plus accrued interest, if any, from , 2014, if settlement occurs after that date.

The Notes will be available for delivery in registered book-entry form only through the facilities of The Depository Trust Company (DTC) for the benefit of its direct and indirect participants, including Euroclear System (Euroclear) and Clearstream Banking, S.A. (Clearstream), to purchasers on or about , 2014.

Joint Book-Running Managers

BofA Merrill Lynch

Credit Suisse

RBS

US Bancorp

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We have not, and the underwriters have not, authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus supplement and in the accompanying prospectus or in any free writing prospectus prepared by us or on our behalf or to which we have referred you. Neither we nor the underwriters take any responsibility for, or provide any assurance as to the reliability of, any other information that others may give you. If information in this prospectus supplement is inconsistent with the accompanying prospectus, you should rely on this prospectus supplement.

This prospectus supplement and the accompanying prospectus may only be used where it is legal to sell these securities. The information in this prospectus supplement and the accompanying prospectus may only be accurate as of the date of this prospectus supplement, the accompanying prospectus or the information incorporated by reference herein or therein, and the information in any free writing prospectus may only be accurate as of the date of such free writing prospectus. Our business, financial condition, results of operations and/or prospects may have changed since those dates.

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In this prospectus supplement and the accompanying prospectus, all references to Aetna, the Company, we, us and our refer to Aetna Inc. and its consolidated subsidiaries, unless otherwise indicated or the context otherwise requires. The underwriters refers to the financial institutions named on the front cover of this prospectus supplement.

We are offering the Notes globally for sale in those jurisdictions in the United States, Europe, Asia and elsewhere where it is lawful to make such offers. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons who receive this prospectus supplement and the accompanying prospectus should inform themselves about and observe any such restrictions. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. See Underwriting.

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SUMMARY

This summary highlights selected information about Aetna and this offering. It does not contain all of the information that may be important to you in deciding whether to purchase the Notes. We encourage you to read the entire prospectus supplement, the accompanying prospectus and the documents that we have filed with the Securities and Exchange Commission (the "SEC") that are incorporated by reference herein prior to deciding whether to purchase the Notes.

THE COMPANY

We are one of the nation's leading diversified health care benefits companies, serving people with information and resources to help them in consultation with their health care professionals make better informed decisions about their health care. We offer a broad range of traditional, voluntary and consumer-directed health insurance products and related services, including medical, pharmacy, dental, behavioral health, group life and disability plans, medical management capabilities, Medicaid health care management services, Medicare Advantage and Medicare supplement plans, workers' compensation administrative services and health information technology products and services. Our customers include employer groups, individuals, college students, part-time and hourly workers, health plans, health care providers, governmental units, government-sponsored plans, labor groups and expatriates. Our operations are conducted in three business segments: Health Care, Group Insurance and Large Case Pensions.

Our principal executive offices are located at 151 Farmington Avenue, Hartford, Connecticut 06156, and our telephone number is (860) 273-0123. Internet users can obtain information about Aetna and its services at <http://www.aetna.com>. This text is not an active link, and our website and the information contained on that site, or connected to that site, are not incorporated into this prospectus supplement.

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THE OFFERING

The offering terms of the Notes are summarized below solely for your convenience. This summary is not a complete description of the Notes. You should read the full text and more specific details contained elsewhere in this prospectus supplement and the accompanying prospectus. For a more detailed description of the Notes, see the discussion under the caption "Description of the Notes" beginning on page S-7 of this prospectus supplement.

| | |
|-----------------------------------|---|
| Issuer | Aetna Inc. |
| Notes Offered | \$ _____ aggregate principal amount of _____ % senior notes due 20____ (the "20____ Notes") and \$ _____ aggregate principal amount of _____ % senior notes due 20____ (the "20____ Notes"). The 20____ Notes and the 20____ Notes are collectively referred to in this prospectus supplement as the "Notes." The offering and sale of each series of Notes is not conditioned on the sale of the other series of Notes. |
| Maturity | The 20____ Notes will mature on _____, 20____. The 20____ Notes will mature on _____, 20____. |
| Interest Payment Dates | _____ and _____, beginning _____, 2014. |
| Optional Redemption | <p>At any time prior to _____, 20____ (_____ months prior to the maturity date of the 20____ Notes), we may redeem the 20____ Notes, in whole or in part, at the redemption price described in this prospectus supplement, plus any interest accrued but not paid to the date of redemption. At any time on or after _____, 20____ (_____ months prior to the maturity date of the 20____ Notes), we may redeem the 20____ Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the 20____ Notes being redeemed, plus any interest accrued but not paid to the date of redemption.</p> <p>At any time prior to _____, 20____ (_____ months prior to the maturity date of the 20____ Notes), we may redeem the 20____ Notes, in whole or in part, at the redemption price described in this prospectus supplement, plus any interest accrued but not paid to the date of redemption. At any time on or after _____, 20____ (_____ months prior to the maturity date of the 20____ Notes), we may redeem the 20____ Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the 20____ Notes being redeemed, plus any interest accrued but not paid to the date of redemption.</p> <p>We are not required to establish a sinking fund to retire or repay the Notes of either series.</p> |
| Repurchase upon Change of Control | Upon the occurrence of both (1) a Change of Control (as defined in "Description of the Notes") and (2) a related downgrade of the rating of the Notes of a series below an investment grade rating by each of the Rating Agencies (as defined in "Description of the Notes") within a specified period, we will be required to make an offer to purchase all of the Notes of such series at a price equal to 101% of the principal amount of the Notes of such series, plus any accrued and unpaid |

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interest to the date of repurchase. See Description of the Notes Repurchase Upon a Change of Control.

Ranking

The Notes will be our senior unsecured and unsubordinated obligations and will rank equally with all of our other existing and future unsecured and unsubordinated indebtedness, and will be structurally subordinated to certain indebtedness assumed in connection with our acquisition of Coventry. See Description of the Notes.

Additional Issuances

In the future we may, without the consent of the holders of the Notes of a series, increase the aggregate principal amount of Notes of such series offered on the same terms and conditions (except that the public offering price, issue date and first interest payment date may vary), but we may do so only if such additional Notes are fungible for tax purposes with the originally issued Notes.

Use of Proceeds

We intend to use the entire estimated \$ in net proceeds after deducting underwriting discounts and commissions and estimated offering expenses from this offering, together with other available resources, to redeem all of our outstanding 6.000% Senior Notes due 2016 (the 2016 Notes). See Use of Proceeds.

Covenants

The indenture for the Notes limits our ability to consolidate with or merge with or into any other person (other than in a merger or consolidation in which we are the surviving person) or sell our property or assets as, or substantially as, an entirety to any person. This covenant is subject to important qualifications and limitations. See Description of Debt Securities Consolidation, Merger and Sale of Assets in the accompanying prospectus.

The indenture for the Notes does not restrict our ability to incur additional indebtedness. Under the terms of the Notes, the holders of the Notes will not have the benefit of the covenant in the indenture for the Notes described under Description of Debt Securities Limitations on Liens on Common Stock of Principal Subsidiaries in the accompanying prospectus.

No Cross-Acceleration Event of Default

Under the terms of the Notes, the holders of the Notes will not have the benefit of the cross-acceleration event of default in the indenture for the Notes described in the fourth bullet under Description of Debt Securities Events of Default and Notice Thereof in the accompanying prospectus.

Minimum Denominations

The Notes will be issued and may be transferred only in minimum denominations of \$2,000 and multiples of \$1,000 in excess thereof.

Risk Factors

For a discussion of factors you should carefully consider before deciding to purchase the Notes, see Forward-Looking Information/Risk Factors beginning on page 46 of our 2013 Aetna Annual Report, Financial Report to Shareholders (the 2013 Annual Report), incorporated by reference in, and filed with the SEC as an exhibit to, our Annual Report on Form 10-K for the fiscal year ended December 31, 2013.

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The following table shows our capitalization on a consolidated basis as of December 31, 2013 and as adjusted for (i) the sale of \$ aggregate principal amount of the 2014 Notes and \$ aggregate principal amount of the 2014 Notes and (ii) the redemption of all of our outstanding 2016 Notes. See "Use of Proceeds" in this prospectus supplement.

| | Actual (audited) | As Adjusted (unaudited) |
|---|---------------------|----------------------------|
| | (Millions) | |
| Short-term debt and current portion of long-term debt: | | |
| Senior notes, 6.3% due 2014(1) | \$ 387.3 | \$ 387.3 |
| Commercial paper program | | |
| Total short-term debt and current portion of long-term debt | \$ 387.3 | \$ 387.3 |
| Long term debt: | | |
| Senior notes, % due 2014, offered hereby | | |
| Senior notes, % due 2014, offered hereby | | |
| Senior notes, 6.125% due 2015 | 240.6 | 240.6 |
| Senior notes, 6.000% due 2016 | 748.9 | |
| Senior notes, 5.95% due 2017 | 434.2 | 434.2 |
| Senior notes, 1.75% due 2017 | 248.9 | 248.9 |
| Senior notes, 1.5% due 2017 | 498.2 | 498.2 |
| Senior notes, 6.5% due 2018 | 494.9 | 494.9 |
| Senior notes, 3.95% due 2020 | 744.3 | 744.3 |
| Senior notes, 5.45% due 2021 | 702.3 | 702.3 |
| Senior notes, 4.125% due 2021 | 494.8 | 494.8 |
| Senior notes, 2.75% due 2022 | 985.1 | 985.1 |
| Senior notes, 6.625% due 2036 | 769.8 | 769.8 |
| Senior notes, 6.75% due 2037 | 530.6 | 530.6 |
| Senior notes, 4.5% due 2042 | 480.1 | 480.1 |
| Senior notes, 4.125% due 2042 | 492.6 | 492.6 |
| Total long-term debt | \$ 7,865.3 | \$ |
| Shareholders' equity: | | |
| Common stock (\$.01 par value; 2.6 billion shares authorized, 362.2 million shares issued and outstanding) and additional paid-in capital | \$ 4,382.2 | \$ 4,382.2 |
| Retained earnings | 10,555.4 | 10,555.4 |
| Accumulated other comprehensive loss | (912.1) | (912.1) |
| Total Aetna shareholders' equity | 14,025.5 | 14,025.5 |
| Total Capitalization | \$ 22,278.1 | \$ |

(1) Our 6.3% Senior Notes due 2014 are due to mature on August 15, 2014.

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USE OF PROCEEDS

Our net proceeds from this offering are estimated to be approximately \$ _____ after deducting underwriting discounts and commissions and estimated offering expenses. We intend to use the entire net proceeds of this offering, together with other available resources, to redeem all of our outstanding 2016 Notes. As of the date of this prospectus supplement, we had \$750 million aggregate principal amount of 2016 Notes outstanding. The 2016 Notes bear a fixed interest coupon of 6.000%. The 2016 Notes are due to mature on June 15, 2016.

On February 7, 2014, we issued an irrevocable notice of redemption for all outstanding 2016 Notes, at a make-whole redemption price calculated as set forth in the 2016 Notes, plus accrued and unpaid interest, with a redemption date set for March 14, 2014.

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The following table sets forth our selected consolidated financial data as of, and for, each of the years ended December 31, 2009 through 2013.

The following information should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and related notes included in our 2013 Annual Report, filed with the SEC and incorporated by reference in this prospectus supplement. For additional information, see Where You Can Find More Information in this prospectus supplement.

| | Years Ended December 31, | | | | |
|---|--------------------------|-------------|--------------------|-------------|-------------|
| | 2013 | 2012 | 2011 (Millions) | 2010 | 2009 |
| INCOME STATEMENT DATA: | | | | | |
| Total revenue | \$ 47,294.6 | \$ 36,599.8 | \$ 33,782.2 | \$ 34,252.0 | \$ 34,769.7 |
| Health care costs | 32,896.0 | 23,728.9 | 21,653.5 | 22,719.6 | 24,061.2 |
| Current and future benefits | 2,350.4 | 2,951.5 | 1,877.7 | 2,016.7 | 2,081.8 |
| Operating expenses | 8,645.4 | 6,876.4 | 6,804.4 | 6,519.0 | 6,383.0 |
| Interest expense | 333.7 | 268.8 | 246.9 | 254.6 | 243.4 |
| Amortization of other acquired intangible assets | 214.6 | 142.0 | 120.7 | 95.2 | 97.2 |
| Reduction of reserve for anticipated future losses on discontinued products | (86.0) | | | | |
| Loss on early extinguishment of long-term debt | | 84.9 | | | |
| Total benefits and expenses | 44,354.1 | 34,052.5 | 30,703.2 | 31,605.1 | 32,866.6 |
| Income from continuing operations before income taxes | 2,940.5 | 2,547.3 | 3,079.0 | 2,646.9 | 1,903.1 |
| Income taxes | 1,028.6 | 887.5 | 1,092.1 | 877.4 | 624.7 |
| Net income including non-controlling interests | 1,911.9 | 1,659.8 | 1,986.9 | 1,769.5 | 1,278.4 |
| Less: net (loss) income attributable to non-controlling interests | (1.7) | 1.9 | 1.2 | 2.7 | 1.9 |
| Net income attributable to Aetna | \$ 1,913.6 | \$ 1,657.9 | \$ 1,985.7 | \$ 1,766.8 | \$ 1,276.5 |
| BALANCE SHEET DATA (AT PERIOD END): | | | | | |
| Total assets | \$ 49,871.8 | | | | |