

AETNA INC /PA/  
Form DEFA14A  
April 05, 2013

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Schedule 14A (Rule 14a-101)**  
**Information Required in Proxy Statement**

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the Securities**  
**Exchange Act of 1934 (Amendment No. )**

Filed by the Registrant

Filed by a Party other than the Registrant

**Check the appropriate box:**

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**AETNA INC.**

*(Name of Registrant as Specified In Its Charter)*

*(Name of Person(s) Filing Proxy Statement, if other than the Registrant)*

**Payment of Filing Fee (Check the appropriate box):**

**No fee required.**

**Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.**

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

**Fee paid previously with preliminary materials.**

**Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.**

- (1) Amount Previously Paid:
  - (2) Form, Schedule or Registration Statement No.:
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  - (4) Date Filed:
-

**Aetna proxy statement available; executive compensation explained**

Aetna's 2013 proxy statement, which includes compensation information for Aetna's five highest paid executives, is now available. Given the public's interest in executive pay and administrative costs of health insurers, we anticipate the proxy statement may receive some media attention. You may also have questions of your own. The following explains some key aspects of our executive compensation philosophy.

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**Executive compensation is tied to performance and varies from year-to-year.** Executive pay varies significantly each year, increasing or decreasing in value according to how well the company performs. Aetna's financial performance in 2012 was solid, including pre-tax operating margins in high single digits, strong shareholder returns and excellent progress on strategic initiatives. But Aetna did not fully meet all of the performance goals it set for itself in 2012. As a result, the annual bonus plan was funded at 74.4 percent of target. Bonus amounts for individual executives varied according to the performance of their own organizations.

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**Aetna's executive compensation philosophy reinforces the importance of delivering value to our shareholders.** The largest component of our top executives' pay is multi-year equity-based compensation, which aligns the interests of our executives with those of our shareholders. The value of Aetna's equity-based compensation depends on Aetna's stock price and whether Aetna achieves financial goals set at the time of the grant. Some equity-based grants expire with no value. In other words, executive compensation has some elements of certainty (base salary) and other elements that represent potential, but not guaranteed value.

Aetna's performance goals, along with the salaries and variable pay for Aetna's most senior leaders, are reviewed and approved each year by the Aetna Board of Directors' Committee on Compensation and Organization. Our executives' compensation is designed to be competitive with that of other large health insurers as well as other companies we compete against for talent and capital. Ultimately, pay decisions for senior leadership are based on the competitive environment and each executive's contributions toward achieving financial and other goals that are linked to the Company's business strategy.