

Annamarie T. Hagan  
Vice President  
Chief Accounting Officer and Corporate Controller

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January 15, 2009



LETTER OF COMMENT NO. 53

Routing TL14A  
1601 Chestnut Street  
Philadelphia, PA 19192  
Telephone 215.761.1206  
Facsimile 215.761.5613  
annmarie.hagan@cigna.com

Mr. Russell Golden  
Technical Director  
Financial Accounting Standards Board  
401 Merritt 7, PO Box 5116  
Norwalk, CT 06856-5116

Re: File Reference Proposed FSP SFAS 107-a

Dear Mr. Golden:

CIGNA Corporation appreciates the opportunity to share our views on the proposed FASB Staff Position (FSP), *Disclosures about Certain Financial Assets: An Amendment of FASB Statement No. 107* (SFAS 107-a). We support the Board's objective to increase the comparability of information about certain financial assets that have related economic characteristics but different reporting measurement attributes. However, we are extremely concerned about the mandatory implementation date for annual reporting periods ending after December 15, 2008 and urge the FASB to require these disclosures only after annual reporting for 2008.

We are dismayed by early application of these proposals since our preparers do not have ready access to the significant amount of data and resources required to develop the needed processes and controls in order for us to be compliant in the next 30 days. Therefore, we respectfully request that the FASB give strong consideration to the alternate date proposed. Our rationale for this position is discussed below.

The proposed amendment requires disclosure of the incurred loss amount for certain financial assets. For debt securities classified as held-to-maturity or available-for-sale, this amount is the present value of expected future cash flows discounted at the security's effective interest rate. Expected future cash flows may differ from the implied cash flows used to determine fair value based on a current exit price model as required by FASB Statement No. 157. The proposed FSP would also require entities to disclose the pro forma income from continuing operations as if these financial assets were carried at fair value with changes recognized in earnings and as if carried at the incurred loss amount with changes recognized through earnings.

We believe the incurred loss amount may be a useful measurement attribute and support continuing to investigate its application in the impairment model. However, it is not a valuation method we currently use, and would require development of the processes and systems necessary to compile the data and reliably calculate asset values on this basis. Our current valuation model primarily uses contractual cash flows discounted using current market yields to determine an exit price for each holding, while the incurred loss model would require the development of an alternative

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stream of cash flows, most likely determined by modeling the expected cash flows of the underlying entity. Given the significant number of investments held and the considerable effort required to obtain or develop the key inputs required to measure the incurred loss values, and determine the impact on earnings from continuing operations, we believe it would be extremely difficult to meet the proposed implementation date. The significant additional effort would involve a very broad range of individuals, including investment professionals, systems experts, accountants and auditors, all of whom have little if any uncommitted time given requirements for year end financial statement preparation, both for our SEC and statutory filings. In addition, we believe the requirement to disclose the pro forma income from continuing operations under two alternative valuation models would add unnecessary complexity and potential confusion for financial statement users. Given the potential for significantly different results between the various methodologies, we believe a reconciliation of the methodologies would be required further adding to the implementation effort.

If we can provide further information or clarification of our comments, please call me or Nancy Ruffino at 860.226.4632.

Sincerely,

Annmarie T. Hagan