

**Mary T. Hoeltzel**  
Vice President and Chief Accounting Officer



September 25, 2012

Susan M. Cospers - Technical Director  
Financial Accounting Standards Board  
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Norwalk, CT 06856-5116  
Via email: [director@fasb.org](mailto:director@fasb.org)

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**File Reference No. 2012-200**

Dear Ms. Cospers:

Cigna Corporation (“Cigna”) appreciates the opportunity to share our views on the Financial Accounting Standards Board’s (“FASB,” or “the Board”) Exposure Draft, Disclosures about Liquidity Risk and Interest Rate Risk (“ED”). Cigna and its subsidiaries constitute one of the largest investor-owned health service organizations in the United States, and have operations in select international markets. As of June 30, 2012, Cigna held \$54 billion in assets and \$24 billion of insurance and contractholder liabilities (including separate accounts). Our comments that follow are limited to the scope and ordering decisions of the Board concerning this element of the Financial Instruments project. While we also have concerns with the decision usefulness of several of the liquidity and interest rate risk specifics of this proposal, we believe they will be addressed in comments from other preparers and public accounting firms.

We fully support efforts to provide robust disclosures concerning the risks inherent in various financial instruments, including broader enterprise and management risks related to such instruments. However, we believe that the Board must be deliberate in their decisions to increase the volume of current disclosures related to financial instruments to ensure that the users of financial reporting can focus on risks most critical to each enterprise and are not inundated with voluminous information.

To that end, we do not believe that all insurance enterprises present significant liquidity and interest rate risks addressed by this proposal and recommend that the Board define financial institutions as entities or reportable segments for which the primary business activity is to earn, as a primary source of income, the difference between interest income generated by earning assets and interest paid on borrowed funds. We believe this definition would include reportable segments of insurance enterprises with “spread” business such as universal life insurance, investment contracts and certain annuities. It should properly exclude other reportable segments with earnings primarily from insurance risks such as health care, short and long-term disability, and term life as these products typically do not present significant liquidity or interest rates risks.

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In addition, if the Board believes that reportable segments providing any insurance should remain subject to these requirements, we strongly encourage the Board to consider the ordering of the effective date of these disclosure requirements to follow the effective dates of standards expected to result from the classification and measurement elements of the financial instruments and insurance contracts projects. Based on the Board's current deliberations, these projects could affect both the presentation and measurement of 90% of the current line items of our statements of financial position and net income. Given such dramatic upcoming changes to the financial reporting of enterprises that provide insurance and the draconian systems and procedural changes and efforts to educate users about these changes that will be required for implementation, we believe these proposed liquidity and interest rate risk disclosures should be considered together with the financial instruments and insurance projects and implemented concurrent with or after their effective dates.

If we can provide further information or clarification of our comments, please call me (215-761-1170) or Nancy Ruffino (860-226-4632).

Sincerely,

A handwritten signature in cursive script that reads "Mary T. Hoeltzel". The signature is written in black ink and is positioned above the typed name.

Mary T. Hoeltzel