



HEALTH QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2008
OF THE CONDITION AND AFFAIRS OF THE

Aetna Health Inc. (a Maine corporation)

NAIC Group Code 0001 0001 NAIC Company Code 95517 Employer's ID Number 01-0504252
(Current Period) (Prior Period)

Organized under the Laws of **Maine**

State of Domicile or Port of Entry **Maine**

Country of Domicile **United States**

Licensed as business type: Life, Accident & Health []

Property/Casualty []

Hospital, Medical & Dental Service or Indemnity []

Dental Service Corporation []

Vision Service Corporation []

Health Maintenance Organization [X]

Other []

Is HMO Federally Qualified? Yes []

No [X]

Incorporated/Organized **October 3, 1995**

Commenced Business **April 10, 1996**

Statutory Home Office **175 Running Hill Road, Suite 301**

South Portland ME 04106-3220

(Street and Number)

(City, State and Zip Code)

Main Administrative Office **980 Jolly Road**

(Street and Number)

..... **Blue Bell PA 19422-1904**

(City, State and Zip Code)

..... **800-872-3862**

(Area Code) (Telephone Number)

Mail Address **980 Jolly Road, U11S**

(Street and Number or P. O. Box)

..... **Blue Bell PA 19422-1904**

(City, State and Zip Code)

Primary Location of Books and Records **980 Jolly Road**

(Street and Number)

..... **Blue Bell PA 19422-1904**

(City, State and Zip Code)

..... **800-872-3862**

(Area Code) (Telephone Number)

Internet Website Address **www.aetna.com**

Statutory Statement Contact **Alicia Helene Bolton**

(Name)

..... **215-775-6508**

(Area Code) (Telephone Number) (Extension)

..... **Aetna.HMOReporting@aetna.com**

(E-mail Address)

..... **215-775-6790**

(Fax Number)

OFFICERS

Michael Wayne Hudson, President

OTHER

Elaine Rose Cofrancesco, Treasurer

Edward Chung-I Lee, Vice President and Secretary

Gregory Stephen Martino, Vice President

Alicia Helene Bolton, Principal Financial Officer and Controller

Kevin James Casey, Senior Investment Officer

Dawn Marie Schoen, Assistant Controller

DIRECTORS OR TRUSTEES

Michael Edward Morris

Margaret Ann Spann

David Andrew Swords

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manuals except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)

Michael Wayne Hudson
President

(Signature)

Edward Chung-I Lee
Vice President and Secretary@

(Signature)

Alicia Helene Bolton
Principal Financial Officer and Controller@@

State of..... Connecticut

County of..... Middlesex

Subscribed and sworn to before me this

____ day of _____ 2008

State of..... Connecticut

County of..... Hartford

@Subscribed and sworn to before me this

____ day of _____ 2008

State of..... Pennsylvania

County of..... Montgomery

@@Subscribed and sworn to before me this

____ day of _____ November 2008

NOTARY PUBLIC (Seal)

NOTARY PUBLIC (Seal)

NOTARY PUBLIC (Seal)

- a. Is this an original filing? Yes [X] No []
- b. If no: 1. State the amendment number...
- 2. Date filed
- 3. Number of pages attached

Statement as of September 30, 2008 of the Aetna Health Inc. (a Maine corporation)

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	30,355,510	0	30,355,510	34,380,358
2. Stocks:				
2.1 Preferred stocks.....	0	0	0	0
2.2 Common stocks.....	0	0	0	0
3. Mortgage loans on real estate:				
3.1 First liens.....	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	0	0	0	0
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances).....	0	0	0	0
5. Cash (\$.....0), cash equivalents (\$.....5,331,283) and short-term investments (\$.....4,237).....	5,335,520	0	5,335,520	7,472,951
6. Contract loans (including \$.....0 premium notes).....	0	0	0	0
7. Other invested assets.....	0	0	0	0
8. Receivables for securities.....	0	0	0	0
9. Aggregate write-ins for invested assets.....	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9).....	35,691,030	0	35,691,030	41,853,309
11. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
12. Investment income due and accrued.....	310,157	0	310,157	418,272
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection.....	1,755,815	579,276	1,176,539	1,447,968
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	0	0	0	0
13.3 Accrued retrospective premiums.....	0	0	0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers.....	0	0	0	66,504
14.2 Funds held by or deposited with reinsured companies.....	0	0	0	0
14.3 Other amounts receivable under reinsurance contracts.....	0	0	0	0
15. Amounts receivable relating to uninsured plans.....	0	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon.....	360,651	0	360,651	0
16.2 Net deferred tax asset.....	3,648,934	2,458,555	1,190,379	1,515,821
17. Guaranty funds receivable or on deposit.....	0	0	0	0
18. Electronic data processing equipment and software.....	0	0	0	0
19. Furniture and equipment, including health care delivery assets (\$.....0).....	0	0	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0	0
21. Receivables from parent, subsidiaries and affiliates.....	4,385,966	0	4,385,966	150,391
22. Health care (\$.....235,525) and other amounts receivable.....	235,525	0	235,525	208,931
23. Aggregate write-ins for other than invested assets.....	722,562	0	722,562	480,632
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 through 23).....	47,110,640	3,037,831	44,072,809	46,141,828
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
26. TOTALS (Lines 24 and 25).....	47,110,640	3,037,831	44,072,809	46,141,828

DETAILS OF WRITE-INS

0901.....	0	0	0	0
0902.....	0	0	0	0
0903.....	0	0	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	0	0	0	0
2301. Current state income tax receivable.....	702,688	0	702,688	480,632
2302. Medicare Part D Low Income Cost Share Receivable.....	17,111	0	17,111	0
2303. Medicare Part D Catastrophic Coverage Receivable.....	2,763	0	2,763	0
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	722,562	0	722,562	480,632

Statement as of September 30, 2008 of the Aetna Health Inc. (a Maine corporation)
LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded).....	13,479,765	239,142	13,718,907	14,079,779
2. Accrued medical incentive pool and bonus amounts.....	0	0	0	0
3. Unpaid claims adjustment expenses.....	272,870	0	272,870	279,470
4. Aggregate health policy reserves.....	179,782	0	179,782	144,730
5. Aggregate life policy reserves.....	0	0	0	0
6. Property/casualty unearned premium reserve.....	0	0	0	0
7. Aggregate health claim reserves.....	328,357	0	328,357	360,400
8. Premiums received in advance.....	0	0	0	0
9. General expenses due or accrued.....	0	0	0	0
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)).....	0	0	0	748,250
10.2 Net deferred tax liability.....	0	0	0	0
11. Ceded reinsurance premiums payable.....	0	0	0	24,203
12. Amounts withheld or retained for the account of others.....	0	0	0	0
13. Remittances and items not allocated.....	0	0	0	0
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current).....	0	0	0	0
15. Amounts due to parent, subsidiaries and affiliates.....	1,252,404	0	1,252,404	0
16. Payable for securities.....	0	0	0	0
17. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers).....	0	0	0	0
18. Reinsurance in unauthorized companies.....	0	0	0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0	0	0
20. Liability for amounts held under uninsured plans.....	0	0	0	0
21. Aggregate write-ins for other liabilities (including \$.....0 current).....	0	0	0	0
22. Total liabilities (Lines 1 to 21).....	15,513,178	239,142	15,752,320	15,636,832
23. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
24. Common capital stock.....	XXX	XXX	1,000,000	1,000,000
25. Preferred capital stock.....	XXX	XXX	0	0
26. Gross paid in and contributed surplus.....	XXX	XXX	9,700,000	9,700,000
27. Surplus notes.....	XXX	XXX	0	0
28. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	0	0
29. Unassigned funds (surplus).....	XXX	XXX	17,620,489	19,804,996
30. Less treasury stock, at cost:				
30.1 .....0.000 shares common (value included in Line 24 \$.....0).....	XXX	XXX	0	0
30.2 .....0.000 shares preferred (value included in Line 25 \$.....0).....	XXX	XXX	0	0
31. Total capital and surplus (Lines 23 to 29 minus Line 30).....	XXX	XXX	28,320,489	30,504,996
32. Total liabilities, capital and surplus (Lines 22 and 31).....	XXX	XXX	44,072,809	46,141,828

DETAILS OF WRITE-INS

2101.	0	0	0	0
2102.	0	0	0	0
2103.	0	0	0	0
2198. Summary of remaining write-ins for Line 21 from overflow page.....	0	0	0	0
2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above).....	0	0	0	0
2301.			0	0
2302.			0	0
2303.			0	0
2398. Summary of remaining write-ins for Line 23 from overflow page.....	XXX	XXX	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	XXX	XXX	0	0
2801.			0	0
2802.			0	0
2803.			0	0
2898. Summary of remaining write-ins for Line 28 from overflow page.....	XXX	XXX	0	0
2899. Totals (Lines 2801 thru 2803 plus 2898) (Line 28 above).....	XXX	XXX	0	0

Statement as of September 30, 2008 of the Aetna Health Inc. (a Maine corporation)
STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member months.....	XXX.....	300,503	339,964	446,621
2. Net premium income (including \$.....0 non-health premium income).....	XXX.....	115,706,535	119,881,967	159,046,046
3. Change in unearned premium reserves and reserve for rate credits.....	XXX.....	42,754	44,645	42,725
4. Fee-for-service (net of \$.....0 medical expenses).....	XXX.....	0	0	0
5. Risk revenue.....	XXX.....	0	0	0
6. Aggregate write-ins for other health care related revenues.....	XXX.....	0	0	0
7. Aggregate write-ins for other non-health revenues.....	XXX.....	0	0	0
8. Total revenues (Lines 2 to 7).....	XXX.....	115,749,289	119,926,612	159,088,771
Hospital and Medical:				
9. Hospital/medical benefits.....	713,825	77,962,026	81,779,745	108,532,309
10. Other professional services.....	0	0	0	0
11. Outside referrals.....	854,237	854,237	839,706	1,125,018
12. Emergency room and out-of-area.....	103,348	5,167,415	5,645,140	7,474,782
13. Prescription drugs.....	0	12,208,030	12,141,443	16,243,459
14. Aggregate write-ins for other hospital and medical.....	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....	0	0	0	0
16. Subtotal (Lines 9 to 15).....	1,671,410	96,191,708	100,406,034	133,375,568
Less:				
17. Net reinsurance recoveries.....	0	232,111	181,095	247,599
18. Total hospital and medical (Lines 16 minus 17).....	1,671,410	95,959,597	100,224,939	133,127,969
19. Non-health claims (net).....	0	0	0	0
20. Claims adjustment expenses, including \$.....694,318 cost containment expenses.....	0	2,020,026	2,208,933	2,800,886
21. General administrative expenses.....	0	12,385,584	12,233,034	14,778,460
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only).....	0	77,806	(99,974)	(79,602)
23. Total underwriting deductions (Lines 18 through 22).....	1,671,410	110,443,013	114,566,932	150,627,713
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX.....	5,306,276	5,359,680	8,461,058
25. Net investment income earned.....	0	1,757,784	1,690,428	2,232,768
26. Net realized capital gains (losses) less capital gains tax of \$.....34,936.....	0	(864,323)	(416,147)	(546,440)
27. Net investment gains or (losses) (Lines 25 plus 26).....	0	893,461	1,274,281	1,686,328
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)].....	0	0	0	0
29. Aggregate write-ins for other income or expenses.....	0	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX.....	6,199,737	6,633,961	10,147,386
31. Federal and foreign income taxes incurred.....	XXX.....	(1,413,842)	2,045,083	3,668,315
32. Net income (loss) (Lines 30 minus 31).....	XXX.....	7,613,579	4,588,878	6,479,071

DETAILS OF WRITE-INS

0601.	XXX.....	0	0	0
0602.	XXX.....	0	0	0
0603.	XXX.....	0	0	0
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX.....	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....	XXX.....	0	0	0
0701.	XXX.....	0	0	0
0702.	XXX.....	0	0	0
0703.	XXX.....	0	0	0
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX.....	0	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above).....	XXX.....	0	0	0
1401.	0	0	0	0
1402.	0	0	0	0
1403.	0	0	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	0	0	0	0
2901.	0	0	0	0
2902.	0	0	0	0
2903.	0	0	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0	0	0

Statement as of September 30, 2008 of the **Aetna Health Inc. (a Maine corporation)**
STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
33. Capital and surplus prior reporting year.....	30,504,996	27,218,445	27,218,445
34. Net income or (loss) from Line 32.....	7,613,579	4,588,878	6,479,071
35. Change in valuation basis of aggregate policy and claim reserves.....	0	0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0.....	0	0	0
37. Change in net unrealized foreign exchange capital gain or (loss).....	0	0	0
38. Change in net deferred income tax.....	(608,360)	(413,903)	(173,150)
39. Change in nonadmitted assets.....	(189,726)	767,957	1,380,630
40. Change in unauthorized reinsurance.....	0	0	0
41. Change in treasury stock.....	0	0	0
42. Change in surplus notes.....	0	0	0
43. Cumulative effect of changes in accounting principles.....	0	0	0
44. Capital changes:			
44.1 Paid in.....	0	0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0	0
44.3 Transferred to surplus.....	0	0	0
45. Surplus adjustments:			
45.1 Paid in.....	0	0	0
45.2 Transferred to capital (Stock Dividend).....	0	0	0
45.3 Transferred from capital.....	0	0	0
46. Dividends to stockholders.....	(9,000,000)	(4,400,000)	(4,400,000)
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0	0
48. Net change in capital and surplus (Lines 34 to 47).....	(2,184,507)	542,932	3,286,551
49. Capital and surplus end of reporting period (Line 33 plus 48).....	28,320,489	27,761,377	30,504,996

DETAILS OF WRITE-INS

4701.	0	0	0
4702.	0	0	0
4703.	0	0	0
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above).....	0	0	0

Statement as of September 30, 2008 of the Aetna Health Inc. (a Maine corporation)

CASH FLOW

	1 Current Year to Date	2 Prior Year Ended December 31
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	115,481,117	159,529,452
2. Net investment income.....	1,626,580	2,151,599
3. Miscellaneous income.....	0	0
4. Total (Lines 1 through 3).....	117,107,697	161,681,051
5. Benefit and loss related payments.....	96,312,602	134,372,036
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	14,412,210	17,619,822
8. Dividends paid to policyholders.....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	(270,005)	4,528,778
10. Total (Lines 5 through 9).....	110,454,807	156,520,636
11. Net cash from operations (Line 4 minus Line 10).....	6,652,890	5,160,415
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	6,523,998	926,216
12.2 Stocks.....	0	0
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	133
12.7 Miscellaneous proceeds.....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	6,523,998	926,349
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	3,089,218	2,962,851
13.2 Stocks.....	0	0
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	0	0
13.6 Miscellaneous applications.....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	3,089,218	2,962,851
14. Net increase (decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	3,434,780	(2,036,502)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0
16.5 Dividends to stockholders.....	9,000,000	4,400,000
16.6 Other cash provided (applied).....	(3,225,101)	(1,103,966)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(12,225,101)	(5,503,966)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(2,137,431)	(2,380,053)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	7,472,951	9,853,004
19.2 End of period (Line 18 plus Line 19.1).....	5,335,520	7,472,951
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001	0	0

Statement as of September 30, 2008 of the **Aetna Health Inc. (a Maine corporation)**

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at End of:										
1. Prior Year.....	34,662	9	34,653	.0	.0	.0	.0	.0	.0	.0
2. First Quarter.....	33,984	8	33,583	.0	.0	.0	.0	393	.0	.0
3. Second Quarter.....	33,229	9	32,729	.0	.0	.0	.0	491	.0	.0
4. Third Quarter.....	31,886	9	31,335	.0	.0	.0	.0	542	.0	.0
5. Current Year.....	0	0	0	.0	.0	.0	.0	.0	.0	.0
6. Current Year Member Months.....	300,503	77	296,413	.0	.0	.0	.0	4,013	.0	.0
Total Member Ambulatory Encounters for Period:										
7. Physician.....	197,857	50	191,471	.0	.0	.0	.0	6,336	.0	.0
8. Non-Physician.....	76,218	19	75,136	.0	.0	.0	.0	1,063	.0	.0
9. Total.....	274,075	69	266,607	.0	.0	.0	.0	7,399	.0	.0
10. Hospital Patient Days Incurred.....	5,337	.0	5,066	.0	.0	.0	.0	271	.0	.0
11. Number of Inpatient Admissions.....	1,490	.0	1,423	.0	.0	.0	.0	.67	.0	.0
12. Health Premiums Written (a).....	115,706,535	64,614	112,983,702	.0	.0	.0	.0	2,658,219	.0	.0
13. Life Premiums Direct.....	0	.0	0	.0	.0	.0	.0	.0	.0	.0
14. Property/Casualty Premiums Written.....	0	.0	0	.0	.0	.0	.0	.0	.0	.0
15. Health Premiums Earned.....	115,749,289	64,614	113,026,456	.0	.0	.0	.0	2,658,219	.0	.0
16. Property/Casualty Premiums Earned.....	0	.0	0	.0	.0	.0	.0	.0	.0	.0
17. Amount Paid for Provision of Health Care Services.....	96,611,217	31,858	95,089,906	.0	.0	.0	.0	1,489,453	.0	.0
18. Amount Incurred for Provision of Health Care Services.....	96,191,708	31,528	94,103,961	.0	.0	.0	.0	2,056,219	.0	.0

007

(a) For health premiums written: Amount of Medicare Title XVIII exempt from state taxes or fees \$.....2,658,219.

Statement as of September 30, 2008 of the Aetna Health Inc. (a Maine corporation)

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims Unpaid (Reported)						
Aging estimated based on claims in process of adjudication as of 09/30/08.....	0	0	0	0	0	0
0199999. Individually Listed Claims Unpaid.....	0	0	0	0	0	0
0299999. Aggregate Accounts Not Individually Listed-Uncovered.....	37,130	0	0	0	237	37,367
0399999. Aggregate Accounts Not Individually Listed-Covered.....	2,297,062	93	1,716	0	1,323	2,300,194
0499999. Subtotals.....	2,334,192	93	1,716	0	1,560	2,337,561
0599999. Unreported Claims and Other Claim Reserves.....						11,381,346
0799999. Total Claims Unpaid.....						13,718,907

UNDERWRITING AND INVESTMENT EXHIBIT

Analysis of Claims Unpaid - Prior Year - Net of Reinsurance

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical).....	12,356,124	82,533,529	1,091,333	12,381,740	13,447,457	14,440,179
2. Medicare Supplement.....	0	0	0	0	0	0
3. Dental only.....	0	0	0	0	0	0
4. Vision only.....	0	0	0	0	0	0
5. Federal Employees Health Benefits Plan Premiums.....	0	0	0	0	0	0
6. Title XVIII - Medicare.....	0	1,489,453	0	574,191	0	0
7. Title XIX - Medicaid.....	0	0	0	0	0	0
8. Other health.....	0	0	0	0	0	0
9. Health subtotal (Lines 1 to 8).....	12,356,124	84,022,982	1,091,333	12,955,931	13,447,457	14,440,179
10. Healthcare receivables (a).....	0	235,525	0	0	0	208,931
11. Other non-health.....	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts.....	0	0	0	0	0	0
13. Totals.....	12,356,124	83,787,457	1,091,333	12,955,931	13,447,457	14,231,248

600

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

No significant change.

Note 2 - Accounting Changes and Corrections of Errors

No significant change.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

Note 5 - Investments

No significant change.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

- A. The components of the net deferred tax assets recognized in the Company's Statutory Statements of Assets, Liabilities, Capital and Surplus at September 30, 2008 and December 31, 2007 were as follows:

	September 30, 2008	December 31, 2007
Gross deferred tax assets	\$3,984,338	\$4,560,060
Gross deferred tax liabilities	(335,404)	(302,766)
Net deferred tax asset	3,648,934	4,257,294
Less: Deferred tax asset nonadmitted	(2,458,555)	(2,741,473)
Net admitted deferred tax asset	\$1,190,379	\$1,515,821
Decrease in nonadmitted asset	\$282,918	-

- B. There are no deferred tax liabilities that were not recognized at September 30, 2008 or December 31, 2007.

- C.1 The provisions for income taxes for the periods ended September 30, 2008 and December 31, 2007 were as follows:

	September 30, 2008	December 31, 2007
Federal income tax on operations	\$(1,413,842)	\$3,668,315
Federal income tax (benefit) on net capital gains	34,936	(2,057)
Federal income taxes incurred	\$(1,378,906)	\$3,666,258

Statement as of September 30, 2008 of the Aetna Health Inc. (a Maine corporation)

C.2 The tax effects of temporary differences that gave rise to deferred tax assets and liabilities at September 30, 2008 and December 31, 2007 were as follows:

	September 30, 2008	December 31, 2007
Deferred tax assets:		
Goodwill	\$3,141,636	\$3,637,683
Investments	506,239	189,917
Discounted unpaid losses	93,624	679,255
Premiums received in advance	5,710	8,703
Uncollected premiums – nonadmitted	202,747	37,321
Premium deficiency reserve	34,371	7,139
Other	11	42
Gross deferred tax assets	<u>3,984,338</u>	<u>4,560,060</u>
Nonadmitted deferred tax assets	<u>(2,458,555)</u>	<u>(2,741,473)</u>
Admitted deferred tax assets	1,525,783	1,818,587
Deferred tax liabilities:		
Allowance for billing adjustment	202,747	247,864
Investments	132,657	54,902
Gross deferred tax liabilities	<u>335,404</u>	<u>302,766</u>
Net admitted deferred tax assets	<u>\$1,190,379</u>	<u>\$1,515,821</u>

During 2001, the Company was allocated tax goodwill in the amount of \$26,614,432 that was created upon the acquisition of the NYLCare health business in 1998. The unamortized balances of this tax goodwill were \$8,976,103 and \$10,393,380 at September 30, 2008 and December 31, 2007, respectively. For tax purposes this goodwill will be amortized in future periods.

The change in net deferred income taxes was comprised of the following:

	September 30, 2008	December 31, 2007	Change
Gross deferred tax assets	\$3,984,338	\$4,560,060	\$(575,722)
Less: Gross deferred tax liabilities	<u>(335,404)</u>	<u>(302,766)</u>	<u>(32,638)</u>
Net deferred tax asset	\$3,648,934	\$4,257,294	(608,360)
Less: Tax effect of unrealized gains (losses)			-
Change in net deferred income tax			<u>\$(608,360)</u>

D. The provision for Federal income taxes is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes. The items causing this difference are as follows:

	September 30, 2008	Effective tax rate	December 31, 2007	Effective tax rate
Provision computed as statutory rate	\$2,182,135	35.0%	\$3,550,865	35.0%
Permanent items	(460)	0.0%	-	-
Change in nonadmitted assets and other	(165,425)	(2.7)%	288,543	2.8%
2006 IRS Adjustment - Section 482 adjustment	(1,597,799)	(25.6)%	-	-
2007 True-up, including Section 482 adjustment	<u>(1,188,997)</u>	<u>(19.1)%</u>	<u>-</u>	<u>-</u>
Total	<u>\$ (770,546)</u>	<u>(12.4)%</u>	<u>\$3,839,408</u>	<u>37.8%</u>
Federal and foreign income taxes incurred	\$(1,378,906)	(22.1)%	\$3,666,258	36.1%
Change in net deferred income taxes	608,360	9.7%	173,150	1.7%
Total statutory income taxes	<u>\$ (770,546)</u>	<u>(12.4)%</u>	<u>\$3,839,408</u>	<u>37.8%</u>

Beginning in 2007, the Company entered into the Internal Revenue Service's (the IRS) Compliance Assurance Program. Under this program, the IRS undertakes audit procedures during the tax year and as the return is prepared for filing. As a result, the IRS provides the Company contemporaneous feedback on positions it takes in its tax returns.

The IRS is currently performing an audit of the Company's 2006 tax return and has adjusted the Company's 2006 taxable income pursuant to Section 482 of the Internal Revenue Code (Section 482 Adjustment). The Company has agreed with this adjustment. Furthermore, the Company has reflected a similar adjustment to its 2007 taxable income. The tax effect of the 2006 and 2007 adjustments was recognized in the three and nine months ended September 30, 2008. The Company expects to accrue an estimate of the Section 482 Adjustment to its 2008 taxable income during the fourth quarter of 2008.

E.1 At September 30, 2008, the Company had no net capital loss or net operating loss carryforwards for tax purposes.

E.2 The amount of Federal income taxes incurred that is available for recoupment in the event of future net losses is \$1,992,392 and \$1,311,959 for the years ended December 31, 2008 and 2007, respectively.

F.1 No significant change.

F.2 In accordance with the written tax sharing agreement, the Company's current Federal income tax provisions are generally computed as if the Company were filing a separate Federal income tax return; current income tax benefits, including those resulting from net operating losses, are recognized to the extent realized in the consolidated return. Pursuant to this agreement, the Company has the enforceable right to recoup Federal income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to Federal income taxes.

Note 10 - Information Concerning Parent, Subsidiaries and Affiliates

As of and for the period ending September 30, 2008, the Company had the following significant transaction with affiliates:

The Company entered into an insolvency agreement with Aetna Health Insurance Company (AHIC) (formerly Corporate Health Insurance Company), a wholly-owned subsidiary of Aetna Inc., effective January 1, 2008. This agreement was approved by the Maine Bureau of Insurance. This agreement provides that in the event that the Company ceases operations or becomes insolvent, AHIC will continue to pay benefits for any members confined as inpatients on the date of insolvency until their discharge. This agreement also provides that AHIC will continue benefits for any member until the end of the contract period for which premium has been paid, but for no longer than thirty-one days. AHIC will also make available to members, for a period of thirty-one days, replacement insurance policies.

Note 11 - Debt

No significant change.

Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

No significant change.

Note 13 - Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

On June 13, 2008, the Company paid \$9,000,000 as an extraordinary dividend to its parent. This distribution was approved by the Maine Bureau of Insurance on June 12, 2008.

Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

Note 16 - Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

No significant change.

Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

No significant change.

B. Transfer and Servicing of Financial Assets

No significant change.

C. Wash Sales

The Company did not have any wash sales for the period ending September 30, 2008.

Note 18 - Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

No significant change.

Note 19 - Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

No significant change.

Note 20 - Other Items

No significant change.

Note 21 - Events Subsequent

No significant change.

Note 22 - Reinsurance

No significant change.

Note 23 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 24 - Change in Incurred Losses and Loss Adjustment Expenses

No significant change.

Note 25 - Intercompany Pooling Arrangements

No significant change.

Note 26 - Structured Settlements

No significant change.

Note 27 - Health Care Receivables

No significant change.

Note 28 - Participating Policies

No significant change.

Note 29 - Premium Deficiency Reserves

No significant change.

Note 30 - Anticipated Salvage and Subrogation

No significant change.

Statement as of September 30, 2008 of the Aetna Health Inc. (a Maine corporation)
GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
 If yes, complete the Schedule Y-Part 1 - Organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] N/A []
 If yes, attach an explanation.

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2007.....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2004.....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 08/24/2005.....
- 6.4 By what department or departments?

 Maine Bureau of Insurance

- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [X] No [] N/A []
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]

- 8.4 If the response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator].

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

- 9.11 If the response to 9.1 is No, please explain:
- _____

- 9.2 Has the code of ethics for senior managers been amended? Yes [] No [X]

- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- _____

- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

Statement as of September 30, 2008 of the Aetna Health Inc. (a Maine corporation)
GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....0

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes No

11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$.....0

13. Amount of real estate and mortgages held in short-term investments: \$.....0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds.....	\$.....0	\$.....0
14.22 Preferred Stock.....	\$.....0	\$.....0
14.23 Common Stock.....	\$.....0	\$.....0
14.24 Short-Term Investments.....	\$.....0	\$.....0
14.25 Mortgage Loans on Real Estate.....	\$.....0	\$.....0
14.26 All Other.....	\$.....0	\$.....0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$.....0	\$.....0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above.....	\$.....0	\$.....0

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes No

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No
 If no, attach a description with this statement.

16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III. Conducting Examinations, G-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes No

16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
State Street Bank and Trust Company	225 Franklin St., Boston, MA 02110

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation.

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
All agreements comply.		

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? Yes No

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
N/A			

16.5 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
N/A		

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes No

17.2 If no, list exceptions:

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Location	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (YES or NO)
------------------------------	------------------------------	------------------------	------------------------	---------------	--------------------------------------	---

NONE

Statement as of September 30, 2008 of the Aetna Health Inc. (a Maine corporation)

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

State, Etc.	1 Active Status	Direct Business Only							
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums and Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 through 7	9 Deposit-Type Contracts
1. Alabama.....AL	N	0	0	0	0	0	0	0	0
2. Alaska.....AK	N	0	0	0	0	0	0	0	0
3. Arizona.....AZ	N	0	0	0	0	0	0	0	0
4. Arkansas.....AR	N	0	0	0	0	0	0	0	0
5. California.....CA	N	0	0	0	0	0	0	0	0
6. Colorado.....CO	N	0	0	0	0	0	0	0	0
7. Connecticut.....CT	N	0	0	0	0	0	0	0	0
8. Delaware.....DE	N	0	0	0	0	0	0	0	0
9. District of Columbia.....DC	N	0	0	0	0	0	0	0	0
10. Florida.....FL	N	0	0	0	0	0	0	0	0
11. Georgia.....GA	N	0	0	0	0	0	0	0	0
12. Hawaii.....HI	N	0	0	0	0	0	0	0	0
13. Idaho.....ID	N	0	0	0	0	0	0	0	0
14. Illinois.....IL	N	0	0	0	0	0	0	0	0
15. Indiana.....IN	N	0	0	0	0	0	0	0	0
16. Iowa.....IA	N	0	0	0	0	0	0	0	0
17. Kansas.....KS	N	0	0	0	0	0	0	0	0
18. Kentucky.....KY	N	0	0	0	0	0	0	0	0
19. Louisiana.....LA	N	0	0	0	0	0	0	0	0
20. Maine.....ME	L	113,048,316	2,658,219	0	0	0	115,706,535	0	0
21. Maryland.....MD	N	0	0	0	0	0	0	0	0
22. Massachusetts.....MA	N	0	0	0	0	0	0	0	0
23. Michigan.....MI	N	0	0	0	0	0	0	0	0
24. Minnesota.....MN	N	0	0	0	0	0	0	0	0
25. Mississippi.....MS	N	0	0	0	0	0	0	0	0
26. Missouri.....MO	N	0	0	0	0	0	0	0	0
27. Montana.....MT	N	0	0	0	0	0	0	0	0
28. Nebraska.....NE	N	0	0	0	0	0	0	0	0
29. Nevada.....NV	N	0	0	0	0	0	0	0	0
30. New Hampshire.....NH	N	0	0	0	0	0	0	0	0
31. New Jersey.....NJ	N	0	0	0	0	0	0	0	0
32. New Mexico.....NM	N	0	0	0	0	0	0	0	0
33. New York.....NY	N	0	0	0	0	0	0	0	0
34. North Carolina.....NC	N	0	0	0	0	0	0	0	0
35. North Dakota.....ND	N	0	0	0	0	0	0	0	0
36. Ohio.....OH	N	0	0	0	0	0	0	0	0
37. Oklahoma.....OK	N	0	0	0	0	0	0	0	0
38. Oregon.....OR	N	0	0	0	0	0	0	0	0
39. Pennsylvania.....PA	N	0	0	0	0	0	0	0	0
40. Rhode Island.....RI	N	0	0	0	0	0	0	0	0
41. South Carolina.....SC	N	0	0	0	0	0	0	0	0
42. South Dakota.....SD	N	0	0	0	0	0	0	0	0
43. Tennessee.....TN	N	0	0	0	0	0	0	0	0
44. Texas.....TX	N	0	0	0	0	0	0	0	0
45. Utah.....UT	N	0	0	0	0	0	0	0	0
46. Vermont.....VT	N	0	0	0	0	0	0	0	0
47. Virginia.....VA	N	0	0	0	0	0	0	0	0
48. Washington.....WA	N	0	0	0	0	0	0	0	0
49. West Virginia.....WV	N	0	0	0	0	0	0	0	0
50. Wisconsin.....WI	N	0	0	0	0	0	0	0	0
51. Wyoming.....WY	N	0	0	0	0	0	0	0	0
52. American Samoa.....AS	N	0	0	0	0	0	0	0	0
53. Guam.....GU	N	0	0	0	0	0	0	0	0
54. Puerto Rico.....PR	N	0	0	0	0	0	0	0	0
55. U.S. Virgin Islands.....VI	N	0	0	0	0	0	0	0	0
56. Northern Mariana Islands.....MP	N	0	0	0	0	0	0	0	0
57. Canada.....CN	N	0	0	0	0	0	0	0	0
58. Aggregate Other alien.....OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal.....XXX		113,048,316	2,658,219	0	0	0	115,706,535	0	0
60. Reporting entity contributions for Employee Benefit Plans.....XXX		0	0	0	0	0	0	0	0
61. Total (Direct Business).....(a)	1	113,048,316	2,658,219	0	0	0	115,706,535	0	0

DETAILS OF WRITE-INS

5801.....	0	0	0	0	0	0	0	0	0
5802.....	0	0	0	0	0	0	0	0	0
5803.....	0	0	0	0	0	0	0	0	0
5898. Summary of remaining write-ins for line 58 from overflow page.....	0	0	0	0	0	0	0	0	0
5899. Total (Lines 5801 thru 5803 plus 5898) (Line 58 above).....	0	0	0	0	0	0	0	0	0

(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

NO CHANGES

Statement as of September 30, 2008 of the Aetna Health Inc. (a Maine corporation)
SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

Response

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

NO

Explanation:

Bar Code:



NONE

Statement as of September 30, 2008 of the **Aetna Health Inc. (a Maine corporation)**
SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions.....	0	0
2.2 Additional investment made after acquisitions.....	0	0
3. Current year change in encumbrances.....	0	0
4. Total gain (loss) on disposals.....	0	0
5. Deduct amounts received on disposals.....	0	0
6. Total foreign exchange change in book/adjusted carrying value.....	0	0
7. Deduct current year's other than temporary impairment recognized.....	0	0
8. Deduct current year's depreciation.....	0	0
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....	0	0
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions.....	0	0
2.2 Additional investment made after acquisitions.....	0	0
3. Capitalized deferred interest and other.....	0	0
4. Accrual of discount.....	0	0
5. Unrealized valuation increase (decrease).....	0	0
6. Total gain (loss) on disposals.....	0	0
7. Deduct amounts received on disposals.....	0	0
8. Deduct amortization of premium and mortgage interest points and commitment fees.....	0	0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....	0	0
10. Deduct current year's other than temporary impairment recognized.....	0	0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Deduct total nonadmitted amounts.....	0	0
13. Statement value at end of current period (Line 11 minus Line 12).....	0	0

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisitions.....	0	0
2.2 Additional investment made after acquisitions.....	0	0
3. Capitalized deferred interest and other.....	0	0
4. Accrual of discount.....	0	0
5. Unrealized valuation increase (decrease).....	0	0
6. Total gain (loss) on disposals.....	0	0
7. Deduct amounts received on disposals.....	0	0
8. Deduct amortization of premium and depreciation.....	0	0
9. Total foreign exchange change in book/adjusted carrying value.....	0	0
10. Deduct current year's other than temporary impairment recognized.....	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Deduct total nonadmitted amounts.....	0	0
13. Statement value at end of current period (Line 11 minus Line 12).....	0	0

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	34,380,358	32,824,853
2. Cost of bonds and stocks acquired.....	3,089,218	2,962,851
3. Accrual of discount.....	249,496	85,119
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals.....	175,228	0
6. Deduct consideration for bonds and stocks disposed of.....	6,523,998	926,216
7. Deduct amortization of premium.....	10,177	17,619
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	1,004,615	548,630
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	30,355,510	34,380,358
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11).....	30,355,510	34,380,358

Statement as of September 30, 2008 of the **Aetna Health Inc. (a Maine corporation)**

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	35,367,880	27,653,061	28,122,381	(206,356)	39,908,398	35,367,880	34,692,204	40,854,739
2. Class 2 (a).....	998,741	0	0	85	998,653	998,741	998,826	998,570
3. Class 3 (a).....	0	0	0	0	0	0	0	0
4. Class 4 (a).....	0	0	0	0	0	0	0	0
5. Class 5 (a).....	0	0	0	0	0	0	0	0
6. Class 6 (a).....	0	0	0	0	0	0	0	0
7. Total Bonds.....	36,366,621	27,653,061	28,122,381	(206,271)	40,907,051	36,366,621	35,691,030	41,853,309
PREFERRED STOCK								
8. Class 1.....	0	0	0	0	0	0	0	0
9. Class 2.....	0	0	0	0	0	0	0	0
10. Class 3.....	0	0	0	0	0	0	0	0
11. Class 4.....	0	0	0	0	0	0	0	0
12. Class 5.....	0	0	0	0	0	0	0	0
13. Class 6.....	0	0	0	0	0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	36,366,621	27,653,061	28,122,381	(206,271)	40,907,051	36,366,621	35,691,030	41,853,309

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(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:
NAIC 1 \$.....5,335,520; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
8299999. Totals.....	4,237	XXX	4,237	310	0

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	208	31,723
2. Cost of short-term investments acquired.....	826,295	899,360
3. Accrual of discount.....	0	0
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals.....	0	0
6. Deduct consideration received on disposals.....	822,266	930,875
7. Deduct amortization of premium.....	0	0
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	4,237	208
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11).....	4,237	208

Sch. DB-Part F-Section 1
NONE

Sch. DB-Part F-Section 2
NONE

SCHEDULE E- VERIFICATION

Cash Equivalents

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	7,472,743	9,821,281
2. Cost of cash equivalents acquired.....	139,907,594	210,086,065
3. Accrual of discount.....	201,946	511,699
4. Unrealized valuation increase (decrease).....	.0	.0
5. Total gain (loss) on disposals.....	.0	.133
6. Deduct consideration received on disposals.....	142,251,000	212,946,435
7. Deduct amortization of premium.....	.0	.0
8. Total foreign exchange change in book/ adjusted carrying value.....	.0	.0
9. Deduct current year's other than temporary impairment recognized.....	.0	.0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	5,331,283	7,472,743
11. Deduct total nonadmitted amounts.....	.0	.0
12. Statement value at end of current period (Line 10 minus Line 11).....	5,331,283	7,472,743

Sch. A-Part 2
NONE

Sch. A-Part 3
NONE

Sch. B-Part 2
NONE

Sch. B-Part 3
NONE

Sch. BA-Part 2
NONE

Sch. BA-Part 3
NONE

Sch. D-Part 3
NONE

Statement as of September 30, 2008 of the **Aetna Health Inc. (a Maine corporation)**

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value At Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Maturity Date	22 NAIC Design- ation or Market Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.								
Bonds - Special Revenue and Special Assessment																						
186387 AA 4	CLEVELAND OHIO INCOME T 7.500% 05	...	.07/02/2008	MERRILL LYNCH-MUNI.....	.....	1,050,000	1,050,000	1,050,000	.....0	.....0	.....0	.....0	.....0	.....0	1,050,000	.....0	.....0	.....0	.....0	5,310	05/15/2024	1FE.....
31371K TC 5	FED NATL MTGE ASSN POOL 6.000% 09	...	.09/01/2008	Paydown.....	.....	43,030	43,030	43,407	43,384	.....0	.....(354)	.....0	.....(354)	.....0	43,030	.....0	.....0	.....0	.....0	1,706	09/01/2032	1.....
31386T CG 8	FED NATL MTGE ASSN POOL 6.000% 04	...	.09/01/2008	Paydown.....	.....	5,692	5,691	5,478	5,490	.....0	.....202	.....0	.....202	.....0	5,692	.....0	.....0	.....0	.....0	203	04/01/2031	1.....
31388Y FM 9	FED NATL MTGE ASSN POOL 7.000% 09	...	.09/01/2008	Paydown.....	.....	15,840	15,840	16,647	16,599	.....0	.....(759)	.....0	.....(759)	.....0	15,840	.....0	.....0	.....0	.....0	758	09/01/2031	1.....
31401J NN 4	FED NATL MTGE ASSN POOL 5.500% 06	...	.09/01/2008	Paydown.....	.....	56,699	56,699	54,891	54,903	.....0	.....1,796	.....0	.....1,796	.....0	56,699	.....0	.....0	.....0	.....0	2,133	06/01/2033	1.....
31404F WY 5	FED NATL MTGE ASSN POOL 5.500% 01	...	.09/01/2008	Paydown.....	.....	63,570	63,570	65,040	64,983	.....0	.....(1,413)	.....0	.....(1,413)	.....0	63,570	.....0	.....0	.....0	.....0	2,096	01/01/2034	1.....
31414A NJ 7	FED NATL MTGE ASSN POOL 6.000% 12	...	.09/01/2008	Paydown.....	.....	60,656	60,656	61,845	.....0	.....0	.....(1,189)	.....0	.....(1,189)	.....0	60,656	.....0	.....0	.....0	.....0	520	12/01/2037	1.....
3199999.	Total - Bonds - Special Revenue & Assessment.....	.....	.....	.....	.....	1,295,487	1,295,486	1,297,308	185,359	.....0	.....(1,717)	.....0	.....(1,717)	.....0	1,295,487	.....0	.....0	.....0	.....0	12,726	....XXX.....	..XXX...
Bonds - Industrial and Miscellaneous																						
06423A AN 3	BANK ONE CORP NOTES 6.000% 08/01/1	...	.08/01/2008	Maturity.....	.....	1,000,000	1,000,000	999,060	999,842	.....0	.....158	.....0	.....158	.....0	1,000,000	.....0	.....0	.....0	.....0	60,000	08/01/2008	1FE.....
12668G AB 8	COUNTRYWIDE ASSET BACKE 5.513% 1	...	.09/01/2008	Paydown.....	.....	6,678	6,678	4,720	4,720	.....0	.....1,958	.....0	.....1,958	.....0	6,678	.....0	.....0	.....0	.....0	276	08/25/2036	1FE.....
4599999.	Total - Bonds - Industrial & Miscellaneous.....	.....	.....	.....	.....	1,006,678	1,006,678	1,003,780	1,004,562	.....0	.....2,116	.....0	.....2,116	.....0	1,006,678	.....0	.....0	.....0	.....0	60,276	....XXX.....	..XXX...
6099997.	Total - Bonds - Part 4.....	.....	.....	.....	.....	2,302,165	2,302,164	2,301,088	1,189,921	.....0	.....399	.....0	.....399	.....0	2,302,165	.....0	.....0	.....0	.....0	73,002	....XXX.....	..XXX...
6099999.	Total - Bonds.....	.....	.....	.....	.....	2,302,165	2,302,164	2,301,088	1,189,921	.....0	.....399	.....0	.....399	.....0	2,302,165	.....0	.....0	.....0	.....0	73,002	....XXX.....	..XXX...
7499999.	Total - Bonds, Preferred and Common Stocks.....	.....	.....	.....	.....	2,302,165	....XXX.....	2,301,088	1,189,921	.....0	.....399	.....0	.....399	.....0	2,302,165	.....0	.....0	.....0	.....0	73,002	....XXX.....	..XXX...

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

QE05

Sch. DB-Part A-Section 1
NONE

Sch. DB-Part B-Section 1
NONE

Sch. DB-Part C-Section 1
NONE

Sch. DB-Part D-Section 1
NONE

Sch. E-Part 1-Cash
NONE

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations							
SAFEWAY INC. CP 4(2).....		09/26/2008	5.750	10/10/2008	1,535,788	0	1,227
SARA LEE CORP CP 4(2) 144A.....		09/30/2008	5.500	10/07/2008	957,122	0	146
STAPLES INC CP 4(2) 144A.....		09/10/2008	3.200	10/09/2008	1,074,234	0	2,005
VOLKSWAGEN OF AMERICA CP 4(2)144a.....		09/08/2008	2.920	10/07/2008	1,764,139	0	3,291
3999999. Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations.....					5,331,283	0	6,669
4599999. Total - Industrial and Miscellaneous (Unaffiliated).....					5,331,283	0	6,669
Total Bonds							
5499999. Subtotals - Issuer Obligations.....					5,331,283	0	6,669
6099999. Subtotals - Bonds.....					5,331,283	0	6,669
8799999. Total - Cash Equivalents.....					5,331,283	0	6,669