

CIGNA CORP  
Form 11-K  
June 27, 2008

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2007

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_ to \_\_\_\_

Commission File Number 1-08323

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

CIGNA 401(k) Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

CIGNA Corporation  
Two Liberty Place  
1601 Chestnut Street  
Philadelphia, PA 19192

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Required Information

Financial statements and schedules for the CIGNA 401(k) Plan, prepared in accordance with the financial reporting requirements of the Employee Retirement Income Security Act of 1974, are contained in this Annual Report on Form 11-K.

Exhibits

Exhibits are listed in the [Index to Exhibits](#).

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CIGNA 401(k) PLAN

Financial Statements and  
Supplemental Schedule

December 31, 2007 and 2006

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CIGNA 401(k) PLAN

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Report of Independent Registered Public Accounting Firm

To the Participants and Administrator of  
the CIGNA 401(k) Plan:

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the CIGNA 401(k) Plan (the "Plan") at December 31, 2007 and 2006, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule of Assets (Held at End of Year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP

Philadelphia, Pennsylvania  
June 25, 2008

CIGNA 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	2007	As of December 31, (In thousands)	2006
Assets			
Investments, at fair value (see Notes 4 and 5)	\$ 2,613,288		\$ 2,513,687
Employer contributions receivable	4,896		12,164
Dividends receivable	81		74
Net assets available for benefits, at fair value	2,618,265		2,525,925
Adjustment from fair value to contract value for			
fully benefit-responsive investment contracts (See Note 3)	(9,719)		12,380
Net assets available for benefits	\$ 2,608,546		\$ 2,538,305

The accompanying Notes to the Financial Statements are an integral part of these statements.

## CIGNA 401(k) PLAN

## STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	2007	For the Years Ended December 31, (In thousands)	2006
<b>Investment income</b>			
Net appreciation in fair value of investments (see Note 4)	\$ 144,471		\$ 187,076
Interest	54,201		51,674
Dividends	321		364
Net investment income	198,993		239,114
<b>Contributions</b>			
Employee contributions	98,086		97,571
Employer contributions	35,427		41,574
Rollover contributions	4,491		12,602
Total contributions	138,004		151,747
Benefits paid to participants and other expenses	(266,756)		(272,138)
Net increase	70,241		118,723
Transfers from other plans (See Note 2)	-		1,159
<b>Net assets available for benefits</b>			
Beginning of year	2,538,305		2,418,423
End of year	\$ 2,608,546		\$ 2,538,305

The accompanying Notes to the Financial Statements are an integral part of these statements.





CIGNA 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

Note 1 – Description of the Plan

The following description of the CIGNA 401(k) Plan (the Plan) provides general information only. A more complete explanation of the features and benefits available under the Plan, a defined contribution plan, is contained in the CIGNA 401(k) Plan Summary Plan Description and Prospectus. Generally, all U.S.-based employees of CIGNA Corporation (CIGNA) and its participating subsidiaries are eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Plan Administration

The Corporate Benefit Plan Committee (Committee) is the primary Plan fiduciary. The Committee comprises several members of CIGNA's management. The Committee delegates responsibility for administration of the Plan to the Plan Administrator, a CIGNA employee, and for most financial management responsibility to CIGNA's Chief Financial Officer (CFO). The Plan Administrator and CFO, in turn, have contracted with Prudential Retirement Insurance and Annuity Company (PRIAC) for most administrative, recordkeeping and asset management functions. A group of CIGNA financial and benefits management employees monitors the Plan's investment objectives and performance of the Plan's investment options.

Investments

The Plan's investment options include a fixed group annuity contract (the Fixed Income Fund), which is a benefit-responsive investment contract (see Note 6); the CIGNA Stock Fund that invests in CIGNA common stock; and pooled separate accounts that invest in a variety of underlying funds. The Plan also provides several custom fund investment options that combine the Fixed Income Fund and pooled separate accounts. Participants may transfer assets among the investment options, subject to certain restrictions. See Note 3 and Note 4 for additional information.

Employee Contributions

The Plan permits participants to make tax-deferred contributions by payroll deduction, up to the lesser of 25% of the participant's eligible earnings or the annual dollar limit set by the Internal Revenue Service (IRS). To comply with nondiscrimination requirements of the Internal Revenue Code (IRC), the Plan administrator currently limits the contribution percentage of highly compensated employees to 10% of eligible earnings. Tax-deferred contributions are referred to as "employee contributions." Employee contributions may be invested in any combination of investment options offered by the Plan. Employee contributions are subject to certain other IRC limitations.

A participant who attains age 50 before the end of a plan year may qualify to make additional tax-deferred contributions (called catch-up contributions) for that year, up to the lesser of 25% of eligible earnings or the annual dollar limit set by the IRS. Catch-up contributions are subject to certain limitations to comply with the IRC.

CIGNA 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

Employer Contributions

Participants who have completed one year of eligible service may receive employer-matching contributions. The Plan provides for two kinds of matching contributions – a regular match and a variable match. These matching contributions are collectively referred to as "employer contributions."

The regular matching contribution is an automatic contribution that is equal to 50% of a participant's employee contributions that do not exceed 6% of the participant's eligible earnings. Any employee contributions in excess of 6% of a participant's eligible earnings are not matched by CIGNA. Catch-up contributions are not matched by CIGNA. For most participants, half of the regular matching contributions are invested in the CIGNA Stock Fund. Any matching contributions that are not required to be invested in the CIGNA Stock Fund are invested automatically in the same manner as employee contributions.

The variable matching contribution is an annually-determined discretionary contribution that may be up to 2% of a participant's eligible earnings and is automatically invested in the CIGNA Stock Fund. For the years ended December 31, 2007 and 2006, the variable matching contributions were approximately \$4.9 million and \$12.2 million, respectively.

Effective March 2006, the Plan was amended to allow participants to transfer any automatically-invested (i.e. nonparticipant-directed) employer contributions and related investment results out of the CIGNA Stock Fund and into any other Plan investment option at any time, subject to any restrictions imposed under CIGNA Corporation's Policy on Securities Transactions and Insider Trading.