

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11-K

FOR ANNUAL REPORTS OF EMPLOYEE STOCK PURCHASE, SAVINGS
AND SIMILAR PLANS PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

(Mark One)

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

for the ten months ended December 31, 1993

OR

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

Commission file number 1-5975

A. Full title of plan: Humana Retirement and Savings Plan
(formerly Humana Thrift Plan)

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

Humana Inc.
500 West Main Street
Louisville, Kentucky 40202

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REPORT OF INDEPENDENT ACCOUNTANTS

To the Retirement and Savings Plan Committee
Humana Inc.

We have audited the accompanying statements of net assets available for benefits of the Humana Retirement and Savings Plan (the "Plan") as of December 31, 1993 and February 28, 1993, and the related statements of changes in net assets available for benefits for the ten months ended December 31, 1993. 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 in accordance with generally accepted auditing standards. 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. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 1993 and February 28, 1993, and the changes in net assets available for benefits for the ten months ended December 31, 1993, in conformity with generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules listed on page 2 are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are 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. The Fund information in footnote #7 is presented for purposes of additional analysis rather than to present the changes in net assets available for plan benefits of each fund. The supplemental schedules and Fund information have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

COOPERS & LYBRAND

Louisville, Kentucky
June 24, 1994

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HUMANA RETIREMENT AND SAVINGS PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 1993 and February 28, 1993

| ASSETS | December 31, 1993 | February 28, 1993 |
|-------------------------------------|----------------------|----------------------|
| Investments: | | |
| Common stocks | \$ 90,340,238 | \$135,858,409 |
| ILA Treasury Portfolio | | 66,957 |
| NCC Funds Government Portfolio | 5,345,816 | 8,584,642 |
| NCB Capital Preservation Fund | 11,426,678 | |
| Investment contracts | 35,307,589 | 99,524,798 |
| Collateralized mortgage obligations | | 4,906,319 |
| Bonds and asset-backed securities | 3,202,886 | 16,531,085 |
| Total investments | 145,623,207 | 265,472,210 |
| Cash | 3,619 | |

| | | |
|---|-------------|-------------|
| Receivable from participating employers for participant withholdings and employer contributions | 7,354,120 | 1,075,692 |
| Accrued interest and dividends | 1,032,047 | 7,091,755 |
| Total assets | 154,012,993 | 273,639,657 |

LIABILITIES AND NET ASSETS
AVAILABLE FOR BENEFITS

| | | |
|--|---------------|---------------|
| Cash overdraft | | 4,466,535 |
| Forfeited employer contributions available to reduce future employer contributions | | 98,788 |
| Total liabilities | | 4,565,323 |
| Net assets available for benefits | \$154,012,993 | \$269,074,334 |

The accompanying notes are an integral part of the financial statements.

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HUMANA RETIREMENT AND SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the ten months ended December 31, 1993

Additions to net assets:

Investment income:

| | |
|---|---------------|
| Net appreciation in fair value of investments | \$ 45,269,220 |
| Interest | 3,294,953 |
| | 48,564,173 |

Contributions:

| | |
|--|-------------|
| Participants | 6,425,270 |
| Employer | 9,043,532 |
| Forfeited employer contributions | (706,995) |
| Transfer from Humana Basic Retirement Plan | 257,294,446 |
| Total additions | 320,620,426 |

Deductions from net assets:

| | |
|-------------------------------|-------------|
| Benefits paid to participants | 17,049,511 |
| Administrative expenses | 165,182 |
| Transfer to Galen Plan | 418,467,074 |

| | |
|------------------------------------|---------------|
| Total deductions | 435,681,767 |
| Net decrease | (115,061,341) |
| Net assets available for benefits: | |
| Beginning of period | 269,074,334 |
| End of period | \$154,012,993 |

The accompanying notes are an integral part of the financial statements.

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NOTES TO FINANCIAL STATEMENTS

1. Reorganization:

On August 27, 1992, Humana Inc.'s ("Humana") board of directors (the "Board") authorized management to proceed with the separation of Humana into two publicly held corporations, one to operate the acute-care hospital business and the other to operate the health plan business (the "Spinoff"). The Spinoff was approved by Humana's stockholders on February 18, 1993 and was completed on March 1, 1993. The Spinoff was effected through the distribution to stockholders of Humana of all of the outstanding shares of common stock of a new publicly-traded hospital holding company, Galen Health Care, Inc. ("Galen"). Immediately after the Spinoff, Humana continued to operate the health plan business and Galen operated the hospital business.

In connection with the Spinoff, effective March 1, 1993, Humana merged the Humana Thrift Plan and the Humana Basic Retirement Plan to form one plan, the Humana Retirement and Savings Plan (the "Plan"), with combined net assets valued at approximately \$526,369,000. Concurrently, the assets of the Plan which were attributable to the benefits accrued by Galen employee participants, valued at approximately \$418,467,000, were transferred from the Plan to the newly formed Galen Retirement and Savings Plan (the "Galen Plan").

As a result of each Humana stockholder receiving one share of common stock of Galen, the stock funds of the Plan and the Galen Plan held the other company's common stock. However, pursuant to the Employee Benefits Allocation Agreement, entered into as part of the Spinoff, Humana common stock held by the Galen Plan was exchanged for the Galen common stock held by the Humana Plan. The exchange was based upon the relative fair market value of each such common stock subsequent to the Spinoff.

In conjunction with the merger of the plans, the year end was changed to December 31 to correspond with the company year end.

2. Summary of Plan:

The Plan is a qualified, trusteed plan subject to the Employee Retirement Income Security Act of 1974. The Plan maintains two accounts, the Thrift Account and the Retirement Account.

Any employee of Humana and its subsidiaries who has completed at least one year of continuous service with a sponsoring employer and has complied with certain other service requirements is eligible to participate in the Thrift Account of the Plan. A participant, through payroll deductions, may contribute not less than 1% nor more than 6% of the participant's compensation per pay period. An amount equal to 50% of the participant's contributions is contributed by the employer. The Board, at its option, may increase this matching percentage up to 100%. Participants who contribute the maximum 6% amount are eligible to make additional voluntary contributions of amounts which do not exceed 4% of their annual compensation. These voluntary contributions are not eligible for employer matching contributions.

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NOTES TO FINANCIAL STATEMENTS, Continued

2. Summary of Plan, continued:

After an employee completes two years of service, Humana makes annual contributions to the Retirement Account equal to 4% of each participating employee's qualifying compensation earned during the Plan year, plus 4% of any compensation that exceeds the Social Security taxable wage base. Contribution amounts are computed as of the end of each Plan year and are nonforfeitable.

Contributions to the Plan by or on behalf of highly compensated employees may be restricted in amount and as to timing so as to meet various requirements of the Internal Revenue Code of 1986 ("IRC") as amended.

If the employer terminates the Plan, the entire interest of each participant shall become nonforfeitable and distributable generally as benefits to withdrawing participants.

Contributions to the Plan are invested by National City Trust Company ("Trustee") in three separate funds as follows:

Interest Income Fund: In obligations of the United States and United States Government agencies, bonds, asset-backed securities, debentures, notes or other evidences of indebtedness, shares of preferred stock and any other property, the rate of return from which is established by the instruments evidencing the investments, including principal and interest contracts.

Stock Index Fund: In shares of the State Street Flagship Domestic Index Fund which invests exclusively in securities which attempt to match the return of the Standard and Poor's 500 Index.

Humana Common Stock Fund: In Humana common stock or, if shares of such stock are not available for purchase or such purchase is not authorized by law, U. S. Treasury Bills, commercial paper, certificates of deposit and money market funds. All employer contributions to the Thrift Account are invested in this fund. Employer contributions may be made in cash, in shares of Humana common stock, or a combination thereof.

A participant may allocate his/her contributions to the various funds, in the Thrift Account, in increments of not less than 25%. In the absence of such allocation, the participant's contributions

are invested in the Interest Income Fund. In connection with a change in allocation of a participant's future contributions among the three Plan funds and a change in the investment of existing accounts ("Transfers"), the value of Transfers to or from the Humana Common Stock Fund will reflect the price or prices at which all shares are purchased, sold or transferred by the Trustee before, on or after the employee's monthly election rather than transferring strictly based on the value at the monthly closing price.

When purchasing or selling Humana common stock, the Trustee must first offer to purchase the stock from or sell it to Humana at a price not less favorable than could be obtained from an independent source. If Humana declines to participate in the transaction, the Trustee may execute the purchase or sale in the market or otherwise. No brokerage commissions are paid on Humana stock transactions with Humana.

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NOTES TO FINANCIAL STATEMENTS, Continued

2. Summary of Plan, continued:

The value of a participant's interest, including employer contributions, is generally payable upon the occurrence of one of the following events: (1) the participant's retirement on or after the date he/she attains age 65; (2) the participant's early retirement after attaining age 55 and having been credited with three years of service prior to August 31, 1989, but only two years subsequent to that date; (3) a determination by Humana upon competent medical or other evidence that, by reason of permanent and total disability, the participant is incapable of performing the duties of his/her work; or (4) the participant's death. Employee contributions are nonforfeitable. Participants who withdraw prior to being credited with four years of participation are eligible to receive generally the value of employer contributions at the withdrawal date, exclusive of those made during the two years preceding withdrawal. Employer contributions become totally nonforfeitable after the participant is credited with four years of participation in the Plan.

Employer contributions forfeited as a result of withdrawal following termination of employment will be available to reduce the amount of subsequent employer contributions to the Thrift Account. If a former participant is re-employed prior to five consecutive one-year breaks in service and repays the amount of his/her distribution, then any forfeited employer contributions are restored to his/her account.

A participant may generally withdraw an amount from the Thrift Account equal to the value of the participant's account as of the valuation date following the date the withdrawal request is received by the Plan Administrator. In addition, the Plan contains restrictions relating to minimum withdrawals and the frequency of withdrawals.

Benefits under the Plan are payable to withdrawing participants including retirees as follows:

- (a) A lump sum distribution in cash or, in the event of a distribution from the Humana Common Stock Fund partially or totally in Humana common stock, or
- (b) Monthly, quarterly or annual installments for a period of 5, 10, 15 or 20 years not to exceed the life expectancy of the participant, or the joint and last survivor expectancy of the participant and designated beneficiary, or
- (c) A life annuity form of payment, or
- (d) A life annuity with guaranteed payments.

Operating expenses of the Plan are paid by the Plan.

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NOTES TO FINANCIAL STATEMENTS, Continued

2. Summary of Plan, continued:

There were approximately 12,000 and 34,000 participants at December 31, 1993 and February 28, 1993, respectively, who had allocated their contributions to one or more funds as follows:

| | December 31, 1993 | February 28, 1993 |
|--------------------------|-------------------|-------------------|
| Humana Common Stock Fund | 7,768 | 15,359 |
| Stock Index Fund | 4,780 | 7,697 |
| Interest Income Fund | 10,166 | 24,894 |

Humana has the right, under the Plan, to discontinue its contribution at any time and to terminate the Plan subject to the provisions of the Employee Retirement Income Security Act of 1974. If the Plan is terminated, the interest of each participant would continue to be nonforfeitable and would be distributed as determined by Humana.

Effective January 1, 1994, a new account, the Pretax Savings Account, was added to the Plan. A participant, through pretax payroll deductions, may contribute not less than 1% nor more than 6% of the participants' compensation per pay period. An amount equal to 50% of the participant's contribution is contributed by the employer. Participants who contribute the maximum 6% amount are eligible to make additional pretax contributions of amounts which do not exceed 8% of their annual compensation. These voluntary contributions are not eligible for employer contributions. With the addition of the Pretax Savings Account, no contributions will be made to the Thrift Account after December 31, 1993.

3. Summary of Significant Accounting Policies:

Benefits are recorded when paid.

Net appreciation in fair value of investments consists of both realized gains or losses and unrealized appreciation or depreciation.

Investments in securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the period; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean between the last reported bid and asked prices.

The fair values of units in the ILA Treasury Portfolio, the NCC Funds Government Portfolio, and the NCB Capital Preservation Fund are determined by the Trustee based upon the securities comprising the funds. The fair values for those securities represent the last recorded sale of the year. In the absence of recorded sales, and for securities not listed on a national securities exchange, the fair values represent the mean of bid and asked prices obtained from brokers.

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NOTES TO FINANCIAL STATEMENTS, Continued

3. Summary of Significant Accounting Policies, continued:

The Interest Income Fund investments include investment contracts, collateralized mortgage obligations, bonds and asset-backed securities. Each investment contract is carried at fair value, which represents contributions plus interest earned and paid at specified rates. The collateralized mortgage obligations, bonds and asset-backed securities are recorded at fair value. These securities are not listed on a national securities exchange. The fair values represent the mean of bid and asked prices obtained from brokers. The rates of interest for the collateralized mortgage obligations generally are floating rates based on the London Interbank Offered Rate. The rates of interest for bonds and asset-backed securities are fixed.

4. Investments:

The following table sets forth the fair value of investments at December 31, 1993. Investments that represent 5% or more of the Plan's net assets as well as investments in excess of \$2,000,000 as of December 31, 1993 have been separately identified:

| | Par or Maturity Value/Number of Units or Shares | Fair Value |
|--|---|---------------|
| Common stocks: | | |
| Humana Inc. | 4,174,765 | \$ 74,123,681 |
| State Street Flagship Domestic Index Fund | 233,013 | 16,216,557 |
| | | 90,340,238 |
| NCC Funds Government Portfolio | 5,345,816 | 5,345,816 |

| | | |
|---|--------------|---------------|
| NCB Capital Preservation Fund | 11,426,678 | 11,426,678 |
| Investment contracts at contract value: | | |
| Bankers Trust Co. | \$ 2,038,836 | 2,038,836 |
| Canada Life Insurance Co. | \$ 3,000,000 | 3,000,000 |
| New York Life Insurance Co. | \$ 3,890,761 | 3,890,761 |
| New York Life Insurance Co. | \$ 2,858,694 | 2,858,694 |
| Protective Life Insurance Co. | \$ 2,330,991 | 2,330,991 |
| Provident Life & Accident Insurance Co. | \$ 2,084,215 | 2,084,215 |
| Others | \$19,104,092 | 19,104,092 |
| | | 35,307,589 |
| Bonds and asset-backed securities: | | |
| Various | \$ 3,163,159 | 3,202,886 |
| | | \$145,623,207 |

Continued

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NOTES TO FINANCIAL STATEMENTS, Continued

4. Investments, continued:

During the ten months ended December 31, 1993, the Plan's investments (including investments bought, sold and held during the period) appreciated (depreciated) in value as follows:

| | |
|-------------------------------------|--------------|
| Common stocks | \$45,328,717 |
| Collateralized mortgage obligations | (6,556) |
| Bonds and asset-backed securities | (52,941) |
| | \$45,269,220 |

The per share price of Humana common stock was \$17.75 at December 31, 1993.

5. Reconciliation of Financial Statements to Form 5500:

The following is a reconciliation of net assets available for benefits per the accompanying financial statements to the Form 5500:

| | December 31, 1993 | February 28, 1993 |
|--|----------------------|----------------------|
| Net assets available for benefits per the financial statements | \$154,012,993 | \$269,074,334 |
| Amount allocated to withdrawn participants | (2,260,295) | |
| Net assets available for benefits per the Form 5500 | \$151,752,698 | \$269,074,334 |

Amounts allocated to withdrawing participants are recorded on the Form 5500 for benefit claims that have been processed and approved for payment prior to December 31 but not yet paid as of that date.

6. Income Tax Status:

The Plan is a qualified employees' trust under Section 401(a) of the IRC, as amended, and as such is subject to Internal Revenue Service regulations for such plans and is exempt from federal income taxes under Section 501(a). Participation in the Plan could affect a participant's ability to make a tax-deductible contribution to an Individual Retirement Account (IRA).

Employee contributions made to the Thrift Account in the Plan are made with after-tax dollars, but investment earnings accumulate tax-deferred until money is withdrawn from the Plan. The Tax Reform Act of 1986 changed the way in which withdrawals from this type of plan are taxed.

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NOTES TO FINANCIAL STATEMENTS, Continued

6. Income Tax Status, continued:

Certain amounts contributed before January 1, 1987 can be withdrawn without current taxes on the amount withdrawn. The withdrawal is considered to be after-tax contributions from the period before the Tax Reform Act and does not include investment earnings. If amounts withdrawn are greater than pre-1987 contributions, such amounts are first considered to come proportionately from post-1986 contributions (after-tax) and from investment earnings on the contributions. Any distributions in excess of these amounts come from vested Company contributions. The portion attributed to investment earnings and vested Company contributions is taxed as income when withdrawn. In addition, if a participant is younger than age 59 1/2, the taxed amount will also be subject to a 10% penalty tax for early withdrawal unless the withdrawal is for reasons specified in the tax law, including retirement after age 55, disability or death.

If a lump-sum distribution is made from the Plan, a participant may continue to defer current taxation by transferring the portion that has not been previously taxed to an IRA within 60 days. The amount rolled over is not taxable until the participant (or the participant's beneficiary, if the participant dies) withdraws from the IRA (generally after age 59 1/2). The amount withdrawn each year is then taxable as ordinary income.

A lump-sum distribution that is eligible for this special treatment is a payment of the entire balance in the Plan account (contributions, vested Company contributions and earnings on these balances), but only if the distribution is payable because of:

- (a) death or disability,
- (b) reaching age 59 1/2, or
- (c) discontinuance of employment with the Company

If a distribution is not rolled over, the tax treatment depends on several factors - age, length of participation in the Plan, the

portion taken as current income (if any) and a decision on which of the tax treatments available is most advantageous.

If a participant receives a qualifying lump-sum distribution from the Plan, has participated in the Plan for at least five years before the year in which a distribution is made and if the participant is at least age 59 1/2, five-year averaging is available. (If age 50 or older on January 1, 1986, ten-year averaging at 1986 rates can be used.) The use of averaging is a one-time option.

If a participant rolls over only part of the distribution into an IRA, the participant must include the remainder in ordinary income and may not use averaging treatment to compute the tax.

Regardless of years of participation in the Plan, if a participant receives a lump-sum distribution (as described above) that includes Humana common stock that has appreciated in value since it was purchased by the Trustee, the participant may defer paying tax on that appreciation until the stock is sold. This option also applies to the portion of a distribution of Humana common stock that was purchased with employee contributions, even if the distribution does not qualify as a lump-sum distribution.

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NOTES TO FINANCIAL STATEMENTS, Continued

6. Income Tax Status, continued:

A distribution before age 59 1/2 of amounts other than employee contributions that is not rolled over is generally subject to a 10% penalty tax in addition to the regular income tax. However, this additional tax does not apply to distributions made for reasons specified in the tax law, including death, disability or retirement after age 55.

Effective January 1, 1993, any distribution that has not previously been taxed is subject to a 20% federal tax withholding by the sponsoring employer unless the participant has elected a direct transfer to an IRA or the qualified plan of another employer at the distribution date.

Continued

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NOTES TO FINANCIAL STATEMENTS, Continued

7. Activity by Fund for the Ten Months Ended December 31, 1993:

| | Interest Income Fund | Stock Index Fund | Humana Common Stock Fund | Total |
|--------------------------|----------------------------|------------------------|--------------------------------|-------|
| Additions to net assets: | | | | |
| Investment income: | | | | |
| Net appreciation | | | | |

| | | | | |
|---|---------------|--------------|---------------|---------------|
| (depreciation) in fair value of investments | \$ (59,497) | \$ 1,115,949 | \$ 44,212,768 | \$ 45,269,220 |
| Interest | 3,278,951 | 2,005 | 13,997 | 3,294,953 |
| | 3,219,454 | 1,117,954 | 44,226,765 | 48,564,173 |
| Contributions: | | | | |
| Participants | 2,873,448 | 1,729,469 | 1,822,353 | 6,425,270 |
| Employer | 4,288,695 | 1,769,696 | 2,985,141 | 9,043,532 |
| Forfeited employer contributions | | | (706,995) | (706,995) |
| Transfer from Humana Basic Retirement Plan | 184,376,569 | 45,913,207 | 27,004,670 | 257,294,446 |
| Total additions | 194,758,166 | 50,530,326 | 75,331,934 | 320,620,426 |
| Deductions from net assets: | | | | |
| Benefits paid to participants | 9,123,767 | 1,306,574 | 6,619,170 | 17,049,511 |
| Administrative expenses | 79,344 | 28,110 | 57,728 | 165,182 |
| Interfund transfers | (1,269,512) | (839,930) | 2,109,442 | |
| Transfer to Galen Plan | 259,771,446 | 49,923,656 | 108,771,972 | 418,467,074 |
| Total deductions | 267,705,045 | 50,418,410 | 117,558,312 | 435,681,767 |
| Net increase (decrease) | (72,946,879) | 111,916 | (42,226,378) | (115,061,341) |
| Net assets available for benefits: | | | | |
| Beginning of period | 132,642,663 | 17,976,840 | 118,454,831 | 269,074,334 |
| End of period | \$ 59,695,784 | \$18,088,756 | \$ 76,228,453 | \$154,012,993 |

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HUMANA RETIREMENT AND SAVINGS PLAN
PLAN #002 EIN #61-0647538
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
December 31, 1993
(Item 27a of Form 5500)

| Issuer | Stated Issuer Rate | Maturity Date | Par or Maturity Value/Number of Units or Shares | Cost | Fair Value |
|--|--------------------|---------------|---|---------------|---------------|
| Common stocks: | | | | | |
| Humana Inc. | | | 4,174,765 | \$ 34,140,246 | \$ 74,123,681 |
| State Street Flagship Domestic Index Fund | | | 233,013 | 13,585,309 | 16,216,557 |
| | | | | 47,725,555 | 90,340,238 |
| NCC Funds Government Portfolio | | | 5,345,816 | 5,345,816 | 5,345,816 |
| NCB Capital Preservation Fund | | | 11,426,678 | 11,426,678 | 11,426,678 |
| | | | | 16,772,494 | 16,772,494 |
| Investment contracts at contract value: | | | | | |
| Bankers Trust Co. | 8.83% | 06/1999 | \$1,506,991 | 1,506,991 | 1,506,991 |
| Bankers Trust Co. | 8.54% | 04/1997 | \$2,038,836 | 2,038,836 | 2,038,836 |
| Canada Life Insurance Co. | 5.71% | 09/1998 | \$3,000,000 | 3,000,000 | 3,000,000 |
| Commonwealth Life Insurance Co. | | | \$1,412,388 | 1,412,388 | 1,412,388 |
| Confederation Life Insurance Co., Group Annuity Contract | 8.46% | 05/1996 | \$ 711,780 | 711,780 | 711,780 |
| Confederation Life Insurance Co., Group Annuity Contract | 9.34% | 05/1994 | \$1,398,595 | 1,398,595 | 1,398,595 |
| Confederation Life Insurance Co., Group Annuity Contract | 9.44% | 05/1995 | \$ 996,492 | 996,492 | 996,492 |
| Hartford Life Insurance Co. | 9.18% | 11/1994 | \$ 284,712 | 284,712 | 284,712 |
| Life Insurance Co. of Georgia, Group Annuity Contract | 8.20% | 10/1994 | \$1,631,694 | 1,631,694 | 1,631,694 |

| | | | | | |
|---|-------|---------|-------------|-----------|-----------|
| Massachusetts Mutual Life Insurance Co., Group Annuity Contract | 9.13% | 05/1994 | \$ 854,136 | 854,136 | 854,136 |
| Massachusetts Mutual Life Insurance Co., Group Annuity Contract | 9.13% | 05/1994 | \$1,398,595 | 1,398,595 | 1,398,595 |

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HUMANA RETIREMENT AND SAVINGS PLAN
PLAN #002 EIN #61-0647538
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES, Continued
December 31, 1993
(Item 27a of Form 5500)

| Issuer | Stated Issuer Rate | Maturity Date | Par or Maturity Value/Number of Units or Shares | Cost | Fair Value |
|---|--------------------|---------------|---|---------------|---------------|
| Metropolitan Life Insurance Co. | 8.30% | 01/1998 | \$ 389,919 | 389,919 | 389,919 |
| Metropolitan Life Insurance Co. | 8.60% | 11/1994 | \$ 186,523 | 186,523 | 186,523 |
| Metropolitan Life Insurance Co. | 8.55% | 01/1998 | \$ 746,093 | 746,093 | 746,093 |
| New York Life Insurance Co., Group Annuity Contract | 7.42% | 05/1997 | \$3,890,761 | 3,890,761 | 3,890,761 |
| New York Life Insurance Co., Group Annuity Contract | 7.43% | 05/1997 | \$2,858,694 | 2,858,694 | 2,858,694 |
| Ohio National Life Insurance Co., Group Annuity Contract | 8.65% | 11/1994 | \$ 569,423 | 569,423 | 569,423 |
| Ohio National Life Insurance Co., Group Annuity Contract | 8.65% | 11/1994 | \$1,165,496 | 1,165,496 | 1,165,496 |
| Ohio National Life Insurance Co., Group Annuity Contract | 9.39% | 05/1995 | \$ 932,396 | 932,396 | 932,396 |
| Ohio National Life Insurance Co., Group Annuity Contract | 9.39% | 05/1995 | \$ 569,424 | 569,424 | 569,424 |
| Principal Mutual Life Insurance Co. | 8.62% | 05/1997 | \$ 878,504 | 878,504 | 878,504 |
| Principal Mutual Life Insurance Co. | 8.62% | 05/1998 | \$ 878,504 | 878,504 | 878,504 |
| Protective Life Insurance Co., Group Annuity Contract | 8.70% | 05/1996 | \$ 996,492 | 996,492 | 996,492 |
| Protective Life Insurance Co., Group Annuity Contract | 9.62% | 05/1995 | \$2,330,991 | 2,330,991 | 2,330,991 |
| Provident Life Insurance Co., Group Annuity Contract | 7.70% | 05/1997 | \$1,595,935 | 1,595,935 | 1,595,935 |
| Provident Life and Accident Insurance Co., Group Annuity Contract | 7.72% | 05/1997 | \$2,084,215 | 2,084,215 | 2,084,215 |
| | | | | 35,307,589 | 35,307,589 |
| Bonds and asset-backed securities: | | | | | |
| Case Equipment Trust | 5.40% | 12/1995 | \$ 392,827 | 392,520 | 396,402 |
| GMAC Grantor Trust | 6.75% | 06/1996 | \$1,003,731 | 1,031,490 | 1,022,862 |
| GMAC Grantor Trust | 4.50% | 09/1997 | \$ 939,370 | 935,407 | 941,418 |
| Select Auto Receivable Trust | 7.40% | 05/1996 | \$ 827,231 | 842,353 | 842,204 |
| | | | | 3,201,770 | 3,202,886 |
| | | | | \$103,007,408 | \$145,623,207 |

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HUMANA RETIREMENT AND SAVINGS PLAN

PLAN #002 EIN #61-0647538

SCHEDULE OF REPORTABLE TRANSACTIONS

For the ten months ended December 31, 1993

(Item 27d of Form 5500)

| Issuer | Purchase | Sales of Assets | | Gain |
|-----------------------------------|--------------|-----------------|---------------|------|
| | | Selling | Cost of Asset | |
| NCC Funds Government Portfolio | \$81,204,343 | \$84,443,169 | \$84,443,169 | |

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PRO FORMA FINANCIAL INFORMATION

The unaudited pro forma financial information for the Plan includes the Humana Thrift Plan ("historical") adjusted for the transfer of the assets from the Humana Basic Retirement Plan and the transfer of the plan assets accrued by Galen participants to the Galen Plan. The unaudited pro forma Statement of Net Assets Available for Benefits at February 28, 1993, presents the plan financial position assuming the plans were separated as of February 28, 1993. The unaudited pro forma Statement of Changes in Net Assets Available for Benefits for the ten months ended December 31, 1993, the six months ended February 28, 1993, and the year ended August 31, 1992, present the results of operations of the Plan assuming the transfer of the plan assets from the Humana Basic Retirement Plan and the transfer of the plan assets accrued by Galen participants to the Galen Plan had occurred prior to September 1, 1991, and include all material pro forma adjustments necessary for this purpose.

The unaudited pro forma financial information of the Plan should be read in conjunction with the audited financial statements contained in this report. The pro forma data is for informational purposes only and may not necessarily reflect future operations and financial position or what the results of operations or financial position would have been, had the Plan been operated as a separate plan.

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PRO FORMA STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
(Unaudited)
February 28, 1993

| ASSETS | Historical | Pro Forma Adjustments | | Pro Forma |
|--------------------------------|---------------|---|--|---------------|
| | | Transfer of Assets from the Humana Basic Retirement Plan | Transfer of Plan Assets to Galen Plan | |
| Investments: | | | | |
| Common stocks | \$135,858,409 | \$ 56,262,315 | \$ (144,555,872) | \$ 47,564,852 |
| ILA Treasury Portfolio | 66,957 | 5,000,000 | (4,274,565) | 792,392 |
| NCC Funds Government Portfolio | 8,584,642 | 46,767,694 | (45,195,260) | 10,157,076 |
| Investment contracts | 99,524,798 | 107,966,657 | (168,922,605) | 38,568,850 |
| Collateralized mortgage | | | | |

| | | | | |
|---|---------------|---------------|-----------------|---------------|
| obligations | 4,906,319 | | (4,579,385) | 326,934 |
| Bonds and asset-backed securities | 16,531,085 | 13,932,882 | (24,649,687) | 5,814,280 |
| Total investments | 265,472,210 | 229,929,548 | (392,177,374) | 103,224,384 |
| Cash | | 25,284 | (25,284) | |
| Receivable from participating employers for participant withholdings and employer contributions | 1,075,692 | 22,987,211 | (20,513,803) | 3,549,100 |
| Amount due from broker | | 2,184,487 | (1,844,554) | 339,933 |
| Accrued interest and dividends | 7,091,755 | 2,650,916 | (7,749,289) | 1,993,382 |
| Total assets | 273,639,657 | 257,777,446 | (422,310,304) | 109,106,799 |
| LIABILITIES AND NET ASSETS AVAILABLE FOR BENEFITS | | | | |
| Cash overdraft | 4,466,535 | | (3,382,396) | 1,084,139 |
| Amount due to broker | | 483,000 | (393,098) | 89,902 |
| Forfeited employer contributions available to reduce future employer contributions | 98,788 | | (67,736) | 31,052 |
| Total liabilities | 4,565,323 | 483,000 | (3,843,230) | 1,205,093 |
| Net assets available for benefits | \$269,074,334 | \$257,294,446 | \$(418,467,074) | \$107,901,706 |

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PRO FORMA STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
(Unaudited)
For the ten months ended December 31, 1993

| | Historical | Pro Forma Adjustments Transfer of Assets from the Humana Basic Retirement Plan | Transfer of Plan Assets to Galen Plan | Pro Forma |
|---|---------------|--|--|---------------|
| Additions to net assets: | | | | |
| Investment income: | | | | |
| Net appreciation in fair value of investments | \$ 45,269,220 | | | \$ 45,269,220 |
| Interest | 3,294,953 | | | 3,294,953 |
| | 48,564,173 | | | 48,564,173 |
| Contributions: | | | | |
| Participants | 6,425,270 | | | 6,425,270 |
| Employer | 9,043,532 | | | 9,043,532 |
| Forfeited employer contributions | (706,995) | | | (706,995) |
| Transfer from Humana Basic Retirement Plan | 257,294,446 | \$(257,294,446) | | |
| Total additions | 320,620,426 | (257,294,446) | | 63,325,980 |
| Deductions from net assets: | | | | |
| Benefits paid to participants | 17,049,511 | | | 17,049,511 |
| Administrative expenses | 165,182 | | | 165,182 |
| Transfer to Galen Plan | 418,467,074 | | \$(418,467,074) | |
| Total deductions | 435,681,767 | | (418,467,074) | 17,214,693 |
| Net increase (decrease) | (115,061,341) | (257,294,446) | 418,467,074 | 46,111,287 |
| Net assets available for benefits: | | | | |
| Beginning of period | 269,074,334 | 257,294,446 | (418,467,074) | 107,901,706 |
| End of period | \$154,012,993 | \$ | \$ | \$154,012,993 |

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PRO FORMA STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
(Unaudited)
For the six months ended February 28, 1993

| | Historical | Pro Forma Adjustments | | Pro Forma |
|--|----------------|--|---------------------------------------|----------------|
| | | Transfer of Assets from the Humana Basic Retirement Plan | Transfer of Plan Assets to Galen Plan | |
| Additions to net assets: | | | | |
| Investment income (loss): | | | | |
| Net appreciation (depreciation) in fair value of investments | \$ (6,092,941) | \$ 1,577,382 | \$ 3,244,571 | \$ (1,270,988) |
| Interest | 5,006,650 | 5,239,306 | (8,655,042) | 1,590,914 |
| Dividends | 2,678,759 | 506,564 | (2,382,566) | 802,757 |
| | 1,592,468 | 7,323,252 | (7,793,037) | 1,122,683 |
| Contributions: | | | | |
| Participants | 26,451,848 | | (21,089,256) | 5,362,592 |
| Employer | 9,600,678 | 23,096,157 | (25,801,724) | 6,895,111 |
| Forfeited employer contributions | (322,006) | | 240,796 | (81,210) |
| Total additions | 37,322,988 | 30,419,409 | (54,443,221) | 13,299,176 |
| Deductions from net assets: | | | | |
| Benefits paid to participants | 34,068,357 | 12,380,611 | (36,913,713) | 9,535,255 |
| Administrative expenses | | 9,323 | (7,285) | 2,038 |
| Total deductions | 34,068,357 | 12,389,934 | (36,920,998) | 9,537,293 |
| Net increase (decrease) | 3,254,631 | 18,029,475 | (17,522,223) | 3,761,883 |
| Net assets available for benefits: | | | | |
| Beginning of period | 265,819,703 | 239,264,971 | (400,944,851) | 104,139,823 |
| End of period | \$269,074,334 | \$257,294,446 | \$ (418,467,074) | \$107,901,706 |

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PRO FORMA STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
(Unaudited)
For the year ended August 31, 1992

| | Historical | Pro Forma Adjustments | | Pro Forma |
|--|-----------------|--|---------------------------------------|-----------------|
| | | Transfer of Assets from the Humana Basic Retirement Plan | Transfer of Plan Assets to Galen Plan | |
| Additions to net assets: | | | | |
| Investment income (loss): | | | | |
| Net appreciation (depreciation) in fair value of investments | \$ (64,280,387) | \$ (9,819,672) | \$ 55,282,880 | \$ (18,817,179) |
| Interest | 9,837,181 | 9,703,450 | (16,004,364) | 3,536,267 |
| Dividends | 4,917,595 | 908,792 | (4,357,121) | 1,469,266 |
| | (49,525,611) | 792,570 | 34,921,395 | (13,811,646) |
| Contributions: | | | | |
| Participants | 54,719,345 | | (43,388,780) | 11,330,565 |
| Employer | 19,897,448 | 42,012,718 | (48,678,851) | 13,231,315 |
| Forfeited employer contributions | (758,291) | | 567,050 | (191,241) |
| Total additions | 24,332,891 | 42,805,288 | (56,579,186) | 10,558,993 |
| Deductions from net assets: | | | | |
| Benefits paid to participants | 47,537,593 | 19,049,311 | (52,749,077) | 13,837,827 |
| Administrative expenses | | 37,847 | (29,562) | 8,285 |
| Total deductions | 47,537,593 | 19,087,158 | (52,778,639) | 13,846,112 |
| Net increase (decrease) | (23,204,702) | 23,718,130 | (3,800,547) | (3,287,119) |
| Net assets available for benefits: | | | | |
| Beginning of period | 289,024,405 | 215,546,841 | (397,144,304) | 107,426,942 |
| End of period | \$265,819,703 | \$239,264,971 | \$ (400,944,851) | \$104,139,823 |

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Humana Retirement and Savings Plan, as successor by merger of the Humana Thrift Plan and the Humana Basic Retirement Plan has duly caused this report to be signed by the undersigned thereunto duly authorized.

HUMANA RETIREMENT AND SAVINGS PLAN

BY:

/s/Arthur P. Hipwell
Arthur P. Hipwell
Senior Vice President and
General Counsel

June 29, 1994

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Exhibit Index

Exhibit 23

Consent of Coopers & Lybrand

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CONSENT OF COOPERS & LYBRAND

We consent to the incorporation by reference in the Registration Statement of the Humana Retirement and Savings Plan on Form S-8 (File No. 33-49305) of our report dated June 24, 1994, on our audits of the financial statements and supplemental schedules of the Humana Retirement and Savings Plan as of December 31, 1993 and February 28, 1993, and for the ten months ended December 31, 1993, which report is included in this Annual Report on Form 11-K.

/s/COOPERS & LYBRAND
COOPERS & LYBRAND
Louisville, Kentucky
June 28, 1994