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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, DC 20549

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): October 11, 2023 (October 9, 2023)**

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**Humana Inc.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of incorporation)

**001-5975**  
(Commission File Number)

**61-0647538**  
(IRS Employer Identification No.)

**500 West Main Street, Louisville, Kentucky 40202**  
(Address of principal executive offices, including zip code)

**(502) 580-1000**  
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock	HUM	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## **Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

**(b) and (c)** On October 11, 2023, Humana Inc. (the “Company”) announced the election of James A. Rehtin (“Mr. Rehtin”), age 52, to serve as the Company’s President and Chief Operating Officer, effective as of the later of (x) January 8, 2024, or (y) commencement of his employment with the Company. Bruce D. Broussard, who is currently President and Chief Executive Officer of the Company, will continue to serve as Chief Executive Officer of the Company upon the commencement of Mr. Rehtin’s employment. As part of a multi-year succession plan, the Company expects that Mr. Broussard will step down as Chief Executive Officer in the latter half of 2024 and that Mr. Rehtin would become President and Chief Executive Officer at that time.

See the attached Press Release for additional biographical information concerning Mr. Rehtin.

There are no arrangements or understandings between Mr. Rehtin and any other persons pursuant to which he will be appointed the Company’s President and Chief Operating Officer. There is no family relationship between Mr. Rehtin and any director, executive officer, or person nominated or chosen by the Company to become a director or executive officer of the Company. The Company has not entered into any transactions with Mr. Rehtin that would require disclosure pursuant to Item 404(a) of Regulation S–K under the Exchange Act.

**(e)** The terms of Mr. Rehtin’s employment with the Company are described in an offer letter (the “Offer Letter”), which provides for a base salary of \$1,100,000 during his service as the Company’s President and Chief Operating Officer, which is expected to increase to \$1,250,000 at such time that Mr. Rehtin succeeds to the role of President and Chief Executive Officer in the second half of 2024. In addition, Mr. Rehtin will be eligible to participate at the 150% level in the Company’s short-term incentive plan under the same terms as other Company executive officers, which target participation rate would increase to the 200% level at such time that Mr. Rehtin succeeds to the role of Chief Executive Officer.

Under the Offer Letter, upon commencement of his employment Mr. Rehtin will receive an initial equity award comprised of (i) restricted stock units (“RSUs”) with a value equal to approximately \$3,000,000 on the date of grant and (ii) stock options with a grant date fair value equal to approximately \$3,000,000. In connection with the Company’s annual long-term incentive compensation program for 2024, Mr. Rehtin will receive a total annual equity grant value of \$6,000,000 (the “2024 Annual Grant”). The 2024 Annual Grant will be made the ordinary course of business in connection with the Company’s customary granting practices, and will include the same grant date, vesting schedule, and award mix (performance-based stock units, restricted stock units, and stock options) as approved by the Company’s Organization & Compensation Committee for all of the Company’s executive officers.

The Offer Letter also describes Mr. Rehtin’s participation in the Company’s Executive Severance Policy, Change in Control Policy, and other standard benefits and perquisites under the Company’s current policies and procedures, including health, dental and vision coverage, and a matching charitable contribution benefit of \$40,000 annually.

The foregoing summary of the Offer Letter does not purport to be complete and is qualified in its entirety by reference to the full text of the Offer Letter, a copy of which is attached as Exhibit 10.1 to this Form 8-K and incorporated by reference herein.

## **Item 9.01 Financial Statements and Exhibits**

(d) Exhibits:

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
<a href="#">10.1</a>	<a href="#">Offer Letter, dated as of October 9, 2023, by and between Humana Inc. and James Rehtin</a>
<a href="#">99.1</a>	<a href="#">Press Release</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

## **SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

### **HUMANA INC.**

**BY:** /s/ Joseph M. Ruschell  
**Joseph M. Ruschell**  
**Vice President, Associate General Counsel & Corporate Secretary**

Dated: October 11, 2023



October 9, 2023

Mr. James Rehtin

Dear Jim,

This letter is intended to formally offer you the initial role of **President and Chief Operating Officer** (“COO”) of Humana Inc. (“Humana” or the “Company”), with a start date on or before **January 8, 2024**, reporting to the Chief Executive Officer. As we have discussed, it is the Company’s intention for you to be appointed **Chief Executive Officer** (“CEO”) of Humana Inc. during the **second half of 2024**, reporting to the Board of Directors (“Board”), at which time you also will be appointed as a member of the Board (and thereafter nominated each year to continue as a director). The information below outlines your total compensation package for each role.

#### **Salary**

Upon appointment as COO, your initial annual base salary will be **\$1,100,000** and may be increased periodically based on your personal performance and/or overall Company results. Upon appointment as CEO, your initial annual base salary will be increased to **\$1,250,000**, and may be increased periodically thereafter at the Company’s sole discretion based on your personal performance and/or overall Company results.

#### **Associate Incentive Plan**

You will be eligible for participation in Humana Inc. Executive Management Incentive Compensation Plan (the “Incentive Plan”). While in the COO role, your targeted incentive amount will be **150%** of your annual base salary earnings. Upon appointment as CEO, your targeted incentive amount will be **200%** of your annual base salary earnings. For 2024, your total incentive compensation will be calculated pro rata based upon the earned salary in each of the COO and CEO roles, in each case multiplied by the applicable target incentive percentage, based upon the Company and you personally meeting specific objectives. Additional details of this Incentive Plan will be provided to you after your hire date.

#### **Equity Awards**

You will be awarded **\$6,000,000** in grant value of Humana equity for your **Initial Equity Award**, pursuant to the Amended and Restated Humana Inc. Stock Incentive Plan (the “SIP”). It is anticipated that your Initial Equity Award will be granted on or around your first date of employment by the Company. Your equity award will be awarded in the following mix: 50% restricted share units (“RSUs”), valued at approximately \$3,000,000 and 50% stock options (“Options”), valued at approximately \$3,000,000. In the event of a termination of your employment without Cause (as defined under the Company Executive Severance Policy) or a Non-Succession Termination (defined below), the award agreements for such RSUs and Options shall provide that the RSUs and Options will not be forfeited but will continue to vest following the date of termination in accordance with the original vesting schedule for such awards.

In addition to the Initial Equity Award, for 2024, to the extent that annual LTI awards are approved generally for senior executives by the Organization & Compensation Committee of the Board (the "Committee"), at such time approved you will receive an annual **Long-Term Incentive Award** pursuant to the SIP that will have a grant value **\$6,000,000** and shall be in the following mix: 50% performance share units ("PSUs"), valued at approximately \$3,000,000; 25% RSUs, valued at approximately \$1,500,000, and 25% Options, valued at approximately \$1,500,000, in each case to be granted at the time that annual grants are made to senior executives of the Company and, in the case of the PSUs, with the same performance measures as shall be set by the Committee for all other recipients of PSUs under the SIP.

For each of your initial and annual equity grant, you will receive award agreements from Schwab that acknowledges each element of your grant and contains other terms and conditions specific to each of your awards, including, if applicable, a non-compete and/or a non-solicitation provision. Each agreement must be signed within 10 days of receipt in order to receive the equity grant.

### **Health Benefits**

The Company provides a very competitive benefits program. The medical plan offerings are high deductible health plans (HDHPs) with Health Savings Accounts (HSAs) and consumer directed health plans (CDHPs) with Personal Care Accounts (PCAs). These programs are consistent with Humana's consumerism strategy. The HSA gives associates the opportunity to fund their health care on a pretax basis, while the HDHP and CDHP provide a safety net in the event of a major illness or injury. The Retirement and Savings Plan is a very attractive capital accumulation vehicle that is funded by both Humana and the associate.

### **Retirement Benefits**

You will be eligible to participate in the Humana Inc. 401(k) Retirement Savings Plan ("401(k) Plan") and the Amended and Restated Humana Retirement Equalization Plan, in each case with a 7.5% matching contribution beginning after one year of service with the Company.

### **Severance Benefits**

You will be eligible to participate in the Company Executive Severance Policy and Change in Control Policy. The Company's Executive Severance Policy entitles you to certain benefits if the Company terminates your employment without Cause (as defined in the Executive Severance Policy), and the Change in Control Policy entitles you to certain benefits if your employment is terminated without Cause following a Change in Control of the Company (as defined in the Change in Control Policy). For the avoidance of doubt, in the event that you become entitled to severance benefits under the Executive Severance Policy at any time prior to your appointment as Chief Executive Officer, your severance period will be 24 months in accordance with the benefits afforded to the President under that policy.

It is acknowledged and agreed, that, anything to the contrary notwithstanding in the Executive Severance Policy, in the event that you are not appointed Chief Executive Officer effective on or before December 31, 2024 or any other person is appointed as Chief Executive Officer of the Company prior to such date, and after that date, as applicable, you resign from all positions with the Company ("A Non-Succession Termination"), such resignation will be treated as a termination by the Company of your employment for a reason other than Cause for purposes of all benefits pursuant to the Executive Severance Policy (including the immediately preceding

paragraph). For the avoidance of doubt, your annual equity award shall be treated in accordance with the terms of the SIP and your equity agreements evidencing such awards.

#### **Matching Gifts**

The Humana Foundation will match your actual gifts (not pledges) up to **\$40,000** annually, subject to a \$100 minimum gift. Gifts may be monetary or marketable securities. Organizations eligible to receive matching gifts are those organizations and institutions classified by the IRS as tax-exempt under Section 501(c) of the Internal Revenue Code. Fully accredited public or private educational institutions, including primary and secondary schools, junior colleges, universities, graduate or professional schools are also eligible.

#### **Financial Planning**

You are entitled to Humana's Executive Benefit Comprehensive Financial Counseling Service. The services are contracted and include benefits and compensation planning, estate planning, insurance review and evaluation, cash-flow analysis, income-tax planning, retirement planning, capital planning and financial oversight. (Value is approximately \$20,000 per year.)

#### **Executive Physical**

You are eligible for an annual physical exam through the Executive Physical Program. (Value is approximately \$7,500 per year.)

#### **Other Benefits**

You will also be eligible for temporary commuting and living expenses, including use of Company aircraft or 1<sup>st</sup> class air travel, a housing allowance for calendar year 2024, and relocation benefits pursuant to Company policies. As discussed, it is our mutual expectation that you will relocate your principal residence to either Louisville, Kentucky, or Washington, D.C., no later than December 31, 2024.

#### **Indemnification; D&O Insurance**

For all periods during which you are serving as an officer or director of the Company, you will be indemnified and held harmless to the maximum extent permitted under the Company's charter, by-laws and applicable law. You will be covered as an insured under all contracts of directors and officers liability insurance that insure members of the Board. This paragraph will survive any termination of your employment or from the Board for so long as you are subject to liability for acts and omissions to act occurring while serving as an officer or director (or both).

#### **Pre-Employment Information**

This letter sets forth certain terms of Humana's offer to you and, upon acceptance, is a binding agreement between you and Humana. Without limiting the applicability of the Executive Severance Policy and the Change in Control Policy, above, your employment will be at-will and not guaranteed. You will be expected to follow all Humana policies and procedures during your employment. Except as provided otherwise in this letter, above, Humana reserves the right to amend, modify, reduce, discontinue or terminate any or all policies and benefits at the Company's discretion including any of the policies and benefits outlined in this letter.

This offer is contingent upon the successful completion of your background investigation and pre-employment drug testing (which must be completed within 48 hours of receipt of your eScreen Notification for drug testing).

As required by law, this offer of employment is subject to satisfactory proof of your identity and eligibility to work in the United States. Within three business days of your employment date, **January 8, 2024**, you must provide proof of that eligibility. To facilitate meeting this requirement, proceed to [www.uscis.gov/portal/site/uscis](http://www.uscis.gov/portal/site/uscis) to review a list of acceptable forms of identification for completing the I-9 form. Please bring the acceptable forms of identification with you on your first day.

Prior to your start date, you will receive an e-mail from a representative of the Human Resource department that will provide you with additional information concerning your onboarding with Humana. You will also receive a packet of information from our Corporate Secretary's office relating to certain forms required in connection with your status as an officer of the Company for purposes of Section 16 under the Securities Exchange Act of 1934. On your first day of employment, you will receive an Executive Onboarding Plan and Welcome Packet, which will provide you with additional benefit information and the forms necessary to facilitate a smooth transition into Humana.

I am enthusiastic about your potential to contribute to the growth of Humana, and I look forward to welcoming you to the Humana team. Please feel free to contact me if you have any questions.

Sincerely,

/s/ Bruce D. Broussard

Bruce D. Broussard  
President and Chief Executive Officer

I accept the position and agree to the terms of this letter.

/s/ James Rehtin

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James Rehtin

10/08/23

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Date

**FOR MORE INFORMATION, CONTACT:**

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**Humana Announces Leadership Transition Plan:**  
Jim Rehtin named Chief Operating Officer and CEO Successor,  
Bruce Broussard to step down as CEO in the second half of 2024

*Broussard, who reimaged senior-focused health care, announces he will step down  
after more than a decade of serving at the helm of the company*

**LOUISVILLE, Ky.** — October 11, 2023 — Leading health insurer and health care services company Humana Inc. (NYSE: HUM) announced today it has named health care industry veteran **Jim Rehtin** as President and Chief Operating Officer of Humana Inc., effective January 8, 2024, as part of a long-planned CEO transition. He will report to **Bruce Broussard**, CEO, until the latter half of 2024 at which time Broussard will step down and Rehtin will assume the CEO role.

Broussard joined Humana in 2011 and assumed the role of CEO in 2013. Over the last decade, he has led the company's transformation from a health insurer to the broader health care company that it is today by integrating health insurance with health care delivery. Rehtin will lead Humana into its next chapter as part of a multi-year succession plan, with Broussard to remain as a strategic advisor to the company into 2025.

"The board of directors has worked diligently to find the right leader who can take Humana into the next phase of growth and transformation," said **Kurt Hilzinger**, Chairman of the Humana Board. "Jim brings a strong combination of operational, industry and CEO expertise. His first-hand experience leading through challenges and opportunities of a changing health care services continuum will help accelerate our integrated care strategy at pace."

Rehtin joins Humana from Envision Healthcare where he serves as President and CEO. He has more than 22 years of health care experience with a focus on the delivery of value-based care in various medical group settings, including a deep understanding of Medicare Advantage. Before joining Envision, Rehtin served as President of OptumCare, part of UnitedHealth Group.

Prior to OptumCare, Rehtin was with DaVita Medical Group, which he joined in 2014 and played the dual roles of Senior Vice President of Corporate Strategy and President of DaVita Medical Group's California market. Further, he is a 14-year veteran of Bain & Company, highlighting his depth of experience in health care mergers and the overall health care sector.



A Kentucky native, Rechten started his career running operations for a nonprofit health and human services clinic in Indianapolis, and served in the United States Peace Corps in the Congo. He received a Master of Business Administration degree from Harvard Business School and a Bachelor of Arts degree from DePauw University. He serves as a board member for the DePauw Board of Visitors.

“Leading this company and team of employees is an incredible honor,” said Broussard. “As we work to make this a seamless transition in the coming months, I look forward to partnering with Jim. He brings a collaborative, thoughtful and innovative leadership style to our organization, making him a natural fit for the culture of today and the future. Additionally, Jim has worked closely with clinicians in many different care settings. That experience will help support our growing clinical footprint and continuing evolution as a health care company and the important work we do in driving health outcomes for our customers.”

“Humana is a stronger and healthier company because of Bruce’s leadership, with a culture and team passionate about the purpose of helping people live better, healthier lives,” said Hilzinger. “During his tenure, Humana tripled its Medicare Advantage membership, becoming the second largest MA provider in the U.S. with more than 5 million customers today. His passion for our customers and vision for evolving health insurance and integrating health care delivery led to the creation of CenterWell – the largest provider of senior-focused primary care and one of the largest home health companies in the nation.”

## **About Humana**

Humana Inc. is committed to putting health first – for our teammates, our customers, and our company. Through our **Humana** insurance services, and our **CenterWell** health care services, we make it easier for the millions of people we serve to achieve their best health – delivering the care and service they need, when they need it. These efforts are leading to a better quality of life for people with Medicare, Medicaid, families, individuals, military service personnel, and communities at large. Learn more about what we offer at [Humana.com](https://www.humana.com) and at [CenterWell.com](https://www.centerwell.com).

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