UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGON, 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)

(X) ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For The Fiscal Year Ended December 31, 1998
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 Puerto Rico 1165(e) Retirement 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

I N D E X

Report of Independent Accountants

To the Plan Administrator
Humana Puerto Rico 1165(e) Retirement Plan

In our opinion, the accompanying statement of net assets available for benefits and the related statement of changes in net assets available for benefits presents fairly, in all material respects, the net assets available for benefits of the Humana Puerto Rico 1165(e) Retirement Plan (the Plan) (formerly PCA Puerto Rico 165(e) Retirement Plan) at December 31, 1998 and the changes in net assets available for benefits for the year then ended, in conformity with generally accepted accounting principles. 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 audit. Except as discussed in the following paragraph, we conducted our audit of these statements in accordance with generally accepted auditing standards which 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 audit provides a reasonable basis for our opinion.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, investment assets held by Merrill Lynch, formerly Barclays Global Investors, N.A., the custodian of the Plan, and transactions in those assets were excluded from the scope of our audit of the Plan's 1997 financial statements, except for comparing the information provided by the custodian, which is summarized in Note 3, with the related information included in the financial statements and supplemental schedules.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the Plan's financial statements as of December 31, 1997. The form and content of the information included in the 1997 financial statements and supplemental schedules, other than that derived from the information certified by the custodian, have been audited by us and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Our audit of the Plan's financial statements as of and for the year ended December 31, 1998 was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental schedules of assets held for investment purposes and of reportable transactions 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 the notes to the statements of net assets available for benefits and the statements of changes in net assets available for benefits is presented for purposes of additional analysis rather than to present the net assets available for benefits and changes in net assets available for benefits of each fund. These supplemental schedules and fund information are the responsibility of the Plan's management. The supplemental schedules and fund information have been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 1998 and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP

Louisville, Kentucky
May 14, 1999

Humana Puerto Rico 1165(e) Retirement Plan
Statements of Net Assets Available for Benefits
December 31, 1998 and 1997

ASSETS	1998	1997
Investments, at fair value:		
Plan interest in Master Trust	$ 1,037,248	-
Investments	-	$ 379,549
Participant notes receivable	-	3,384
Total investments	1,037,248	382,933
Cash	-	2,477
Other assets allocated from Master Trust:		
Receivable from participating employers for participant withholdings and employers' contributions	139,143	-
Accrued interest and dividend	10,010	-
Total assets	1,186,401	385,410
LIABILITIES AND NET ASSETS AVAILABLE FOR BENEFITS		
Liabilities allocated from Master Trust:		
Accrued expenses	136	-
Forfeited employers' contributions available to reduce future employers' contributions	3,095	-
Total liabilities	3,231	-
Net assets available for benefits	$ 1,183,170	$ 385,410

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

Statements of Changes in Net Assets Available for Benefits
for the years ended December 31, 1998 and 1997

	1998	1997
Additions:		
Investment income:		
Plan interest in Master Trust investment income:		
Interest and dividend income	$ 1,631	-
Net appreciation in fair value of investments	19,125	-
Net appreciation in fair value of investments	40,157	$ 30,239
Interest and dividend income	6,723	6,808
Contributions:		
Contributions allocated from Master Trust:		
Participants	218,968	-
Employers	607,126	-
Forfeited employers' contributions	(1,929)	-
Participants	-	132,689
Employers	-	61,699
Forfeited employers' contributions	896	(7,129)
Total additions	892,697	224,306
Deductions:		
Deductions allocated from Master Trust:		
Benefits paid to participants	6,457	-
Administrative expenses	376	-
Benefits paid to participants	85,547	65,247
Administrative expenses	2,557	288
Total deductions	94,937	65,535

Net increase	797,760	158,771
Net assets available for benefits:		
Beginning of year	385,410	226,639
End of year	$ 1,183,170	$ 385,410

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

Notes to Financial Statements

1. Summary of Plan:

The Humana Puerto Rico 1165(e) Retirement Plan (the Plan), formerly the PCA Puerto Rico 165(e) Retirement Plan, is a qualified, trusteed plan established for the benefit of the employees of Humana Health Plans of Puerto Rico, Inc., and who are residents of Puerto Rico. The Plan is subject to the Employee Retirement Income Security Act of 1974 (ERISA). Physicians Corporation of America Inc. (the Company), which is a wholly-owned subsidiary of Humana Inc. (Humana), is the sponsor of the Plan and offers managed health care products that integrate medical management with the delivery of health care services through a network of providers.

a. Contributions: Effective January 1, 1998, the Plan maintains two accounts, the Pretax Savings Account and the Retirement Account, a profit sharing account. Contributions made prior to January 1, 1998 were invested in Merrill Lynch until December 1, 1998 when the assets previously held in trust by Merrill Lynch were transferred to the Humana Retirement and Savings Master Trust (Master Trust) at National City Bank of Kentucky (the Trustee) and are maintained in a separate account, the Prior Trust Account.

Effective January 1, 1998, any employee of the Company who is employed with a sponsoring employer is eligible to participate in the Plan's Pretax Savings Account. A participant, through payroll deductions, may contribute not less than 1% nor more than 6% of the participant's compensation pay per period. Effective after January 1, 1998 on the date the Company so elects, an automatic contribution in the amount of 3% of the participant's compensation shall be made beginning on the employee's date of hire, unless the employee elects not to participate in the Pretax Savings Account or elects a different percentage up to 6%. As of December 31, 1998, the Company had not elected to begin this automatic contribution. An amount equal to 50% of the participant's contribution is contributed by the Company for any participating employee who has completed at least one year of service with at least 1,000 hours of service. The Board of Directors of the Company, at its option, may increase this matching percentage up to 100%. Participants who contribute the maximum 6% amount are eligible to make voluntary contributions of amounts which do not exceed an additional 4% of their annual compensation. These voluntary contributions are not subject to employer matching contributions. All matching contributions shall be invested in the Humana Common Stock Fund. Prior to January 1, 1998, employees became eligible to participate in the Plan upon completion of one year of service during which at least 1,000 hours of service were rendered to the Company. Participation in the Plan commenced at inception or on the first January 1, April 1, July 1, or October 1 date coinciding with or immediately following the completion of the eligibility requirements. Each year, a participant could have contributed up to 10% of their annual compensation. The Company,at its discretion, could match up to 50% of the participant's contribution up to 7% of the compensation. All matching contributions shall be invested in the Humana Common Stock Fund.

Notes to Financial Statements, Continued

1. Summary of Plan, continued:

a. Contributions, continued: Effective January 1, 1998, after an employee completes two years of service with a sponsoring employer and has complied with certain other service requirements, the employee becomes eligible to participate in the profit sharing. For the calendar year ended December 31, 1998, the Company declared a profit sharing contribution of approximately $124,800. This contribution was made into the Retirement Account of the Plan and was allocated to the participants based on an amount 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.

On September 15, 1998 the Company announced a one-time special $1,000 contribution to each eligible employee of the Company, tied to each associate's vesting, who was employed on September 15, 1998. The total employer cost for the special contribution was $401,000.

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

Each participant's account is credited with the participant's contributions and the Company's contributions and the allocations of plan earnings and charged with an allocation of administrative expenses. Allocations are based on participants' account balances.

Effective January 1, 1998 contributions to the Plan are invested by the Trustee in nine separate participant directed investment funds as follows:

Interest Income Fund: Invests primarily in contracts with banks and insurance companies. The fund may also invest in cash and cash equivalents.

Stock Index Fund: Invests primarily in units of the State Street Flagship Domestic Index Commingled Trust Fund which invests exclusively in securities which make up the Standard and Poor's 500 Stock Price Index.

Humana Common Stock Fund: Invests primarily in Humana's common stock, or in U.S. Treasury bills, commercial paper, certificates of deposit and money market funds as determined by the Trustee. All employer contributions to the Pretax Savings Account are invested in this fund. Employer contributions may be made in cash, in shares of Humana common stock, or a combination thereof. At December 31, 1998, this fund included $489,411 of nonparticipant directed funds related to the 401(k) employer match.

Aggressive Growth Fund: Invests primarily in shares of Fidelity Contrafund which invests in common stocks and securities convertible into common stock which are undervalued in comparison to their future growth potential. The Fidelity Contrafund may also invest in preferred stocks, foreign securities, covered call options, put options, repurchase agreements, and cash equivalent securities.

1. Summary of Plan, continued:

a. Contributions, continued:

Balanced Fund: Invests primarily in shares of Invesco Value Trust which invests in a diversified mix of securities including common and preferred stocks, corporate and U.S. Government bonds, and cash and cash equivalents, the objective of which is to emphasize current income while secondarily striving to attain capital growth.

International Fund: Invests primarily in shares of Harbor International Fund which invests in equity securities, American Depositary Receipts, European Depositary Receipts, securities convertible into common stock, government securities, and nonconvertible preferred stocks of issuers domiciled outside the United States, so as to achieve long-term growth of capital. The Harbor International Fund may also invest in cash equivalent securities, such as U.S. Treasury bills,commercial paper and certificates of deposit.

Small Capitalization Fund: Invests primarily in shares of Blackrock Small Cap Fund which invests in equity securities consisting primarily of emerging growth companies and companies with high growth potential. The Blackrock Small Cap Fund may also temporarily invest in cash and cash equivalents.

Long-Term Bond Fund: Invests primarily in shares of Pimco Fund which invests primarily in fixed income securities with average maturities of

9 to 12 years. These may include bonds issued by corporations and the U.S. Government, mortgage-backed securities, certificates of deposit, foreign securities and other types of fixed income investments.

Large Capitalization Fund: Invests primarily in shares of IDS New Dimensions Fund which invests primarily in common stocks of U.S. companies that operate in fields where dynamic economic or technological changes are taking place or that have excellent technologies, marketing or management.

Prior to the transfer of assets previously held in trust by Merrill Lynch, a participant could direct contributions in any of the following investment options:

Asset Allocation Fund: This fund invested in a mix of stocks, bonds and money market instruments.

Bond Index Fund: This fund invested in bonds issued by the U.S. Treasury, U.S. Government agencies, and investment grade bonds issued by U.S. corporations.

1. Summary of Plan, continued:

a. Contributions, continued:

Growth Stock Fund: This fund invested in stocks of established companies and newly issued stocks of smaller companies.

Income Accumulation Fund: This fund invested primarily in guaranteed investment contracts and synthetic guaranteed investment contracts.

International Equity Fund: This fund invested in the stocks of established companies based in Europe, Australia, and the Far East.

S&P 500 Stock Fund: This fund invested in stocks included in the S&P 500.

LifePath Funds: These funds were asset allocation funds and divided their investments among several asset classes (stocks, bonds, and money market instruments).

A participant may allocate his/her contributions to the Pretax Savings Account and the Company's contribution to the Retirement Account among the various funds in increments of not less than 1%. In the absence of such allocation, these contributions are invested in the Interest Income Fund. In connection with a change in allocation of a participant's or the Company's future contributions among the nine 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 before, on or after the participant's monthly election rather than transferring strictly based on the value at the monthly closing price.

Employee contributions are nonforfeitable. Participants who withdraw from the Pretax Savings Account prior to being credited with four years of participation or five years of service with the Company 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 or five years of service with the Company. However, participants who were in the Plan prior to January 1, 1998 will be eligible to receive the value of employer contributions based on the better of the above vesting or the previously determined vesting where a participant was 100% vested after four years of credited service. Forfeited balances of terminated participants' nonvested accounts are used to reduce future company contributions. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Notes to Financial Statements, Continued

1. Summary of Plan, continued:

a. Contributions, continued: 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 Pretax Savings 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.

There were approximately 400 participants at December 31, 1998 who had allocated their contributions to one or more funds as follows:

Interest Income Fund	162
Humana Common Stock Fund	407
Aggressive Growth Fund	95
Stock Index Fund	119
Small Capitalization Fund	62
Balanced Fund	51
International Fund	51
Large Capitalization Fund	54
Long-Term Bond Fund	53

b. Withdrawals: 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 after attaining age 55; (2) a determination by the Company 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 (3) the participant's death.

In the event funds are needed because of extreme financial hardship, as defined by law, the participant may be allowed to make a withdrawal of his/her vested account balance. 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

1. Summary of Plan, continued:

b. Withdrawals, continued:

c. A life annuity paid monthly or quarterly, or

d. A life annuity with guaranteed payments for a period of 5, 10, 15 or 20 years.

The Plan permits the employee to roll over contributions from another qualified plan. An employee must make a written request to the Plan for a rollover contribution. These contributions must comply with certain requirements before the Plan will authorize the rollover contribution.

Participants may borrow from their fund accounts. The aggregate of the loans to a participant shall not exceed the lesser of $50,000 or 50% of the vested portion of his/her participant contribution accounts, voluntary contribution accounts, plus his/her employer Pretax Savings Account to which he/she would be entitled to if he/she incurred a termination of employment. The minimum a participant may borrow is $500. Loan transactions are treated as a transfer to (from) the various investment funds from (to) the Participant Notes Fund. Loan terms range from one to four years or up to ten years for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at a reasonable rate in accordance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, as determined by the Plan Administrator. Principal and interest are repaid ratably through payroll deductions.

2. Summary of Significant Accounting Policies:

a. Basis of Accounting: The financial statements of the Plan are prepared under the accrual method of accounting. Benefits are recorded when paid. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

b. Valuation of Investments: Investments in securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the year; 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.

2. Summary of Significant Accounting Policies, continued:

b. Valuation of Investments, continued: The Interest Income Fund investments include, among others, investment contracts, collateralized mortgage obligations, bonds, asset-backed securities and other fixed income obligations such as commercial paper.

Investment contracts with insurance companies are fully benefit-responsive and are carried at contract value, which represents contributions, plus interest earned at specified rates, less withdrawals and administrative expenses. Investment contracts with banks are carried at fair value. Included in these investment contracts are synthetic GIC's which are fully benefit-responsive and are carried at contract value. 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 certified investment brokers.

The Plan presents in the accompanying statements of changes in net assets available for benefits the net appreciation or depreciation in fair value of investments which consists of both realized gains or losses and unrealized appreciation or depreciation.

c. Management Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of additions to and deductions from net assets during the reporting periods. Actual results could differ from those estimates.

3. Investments:

Effective January 1, 1998, the Plan's investment assets are held by the Master Trust. Earnings of the Master Trust are allocated between the Plan and the Humana Retirement and Savings Plan based on each plan's investment balance to the total Master Trust investment balance. Earnings are further allocated to the respective participants based on each participant's respective asset total to total plan assets.

3. Investments, continued:

The following table presents the fair value of investments at December 31, 1998 and 1997. Investments that represent 5% or more of the Plan's assets as of December 31, 1998 and 1997 have been separately identified.

	December 31, 1998		December 31, 1997	
	Number of Shares, Units or Principal Amount	Fair Value	Number of Shares, Units or Principal Amount	Fair Value
Plan interest in Master Trust		$ 1,037,248		-
Asset Allocation		-	2,713	$ 71,484
Bond Index		-	3,055	49,063
Income Accumulation		-	8,666	120,926
Growth Stock		-	1,308	26,883
International Equity		-	695	9,873
S&P 500 Stock		-	2,409	88,634
LifePath Fund 2000		-	69	918
LifePath Fund 2010		-	101	1,522
LifePath Fund 2020		-	161	2,667
LifePath Fund 2030		-	8	135
LifePath Fund 2040		-	396	7,444
Participant notes receivable		-		3,384
Total		$ 1,037,248		$ 382,933

During the years ended December 31, 1998 and 1997, the Plan's investments (including investments bought, sold, and held during the year)appreciated in value as follows:

	1998	1997
Plan interest in Master Trust	$ 19,125	-
Mutual funds	40,157	$ 30,239
	$ 59,282	$ 30,239

As of December 31, 1998, the Plan's interest in the Master Trust was .23%. Investment income, administrative expenses and realized gains or losses related to the Master Trust are allocated monthly to the individual plans based upon the beginning monthly balances invested by each plan.

The fair value of the investments carried at contract value in the Master Trust at December 31, 1998 was $65,556,624. The average yield and crediting interest rate approximated 6.7% for 1998.

The per share closing price of Humana's common stock was $17.813 on December 31, 1998. On May 14, 1999, the per share closing price of Humana's common stock was $12.875.

3. Investments, continued:

The fair value of net assets available for benefits of the Master Trust as of December 31, 1998 is described in the following table:

ASSETS	
Investments, at fair value:	
Common stocks:	
Humana Inc. Common Stock	$105,495,230
State Street Flagship Domestic Index Fund	86,633,614
Pimco Funds	3,050,622
Invesco Value Trustee Fund	30,449,405
IDS New Dimensions Fund	8,702,265
Harbor International Fund	25,409,546
Blackrock Fund	38,262,087

Fidelity Contrafund	84,561,632
	382,564,401
Obligations due within one year:	
Armada Money Market Fund	3,059,358
Investment contracts - banks:	
Bankers Trust Co.	5,837,296
Caisse Des Depots (CDC)	7,421,264
	13,258,560
Participant notes receivable:	
Various	8,850,022
	407,732,341
Investments, at contract value:	
Investment contracts - insurance companies:	
Allstate Life Insurance Co.	3,578,570
Allstate Life Insurance Co.	4,719,627
Continental Assurance Co.	3,056,333
Continental Assurance Co., Synthetic GIC	1,196,714
Jackson National Life GIC	3,365,280
Jackson National Life, Synthetic GIC	14,250,356
John Hancock Mutual Life	4,788,718
Lincoln National Life Insurance Co.	1,000,445
Metropolitan Life Insurance Co., Group Annuity	777,009
Metropolitan Life Insurance Co., Group Annuity	2,051,817
Monumental Life Insurance Co.	2,146,829
Monumental Life Insurance Co., Synthetic GI	15,859,549
New York Life Insurance Co., Group Annuity	3,163,192
New York Life Insurance Co., Group Annuity	3,036,565
Prudential Insurance Co.	2,085,499
TransAmerica Accidental Life Insurance Co.	2,121,043
United of Omaha Life Insurance Co.	1,007,078
Various	5
	68,204,629
Total investments	475,936,970

Notes to Financial Statements, Continued

3. Investments, continued:

Cash	$ 2,919,076
Due from brokers for securities sold	43,684
Receivable from participating employers for participant withholdings and employers' contributions	16,056,246
Accrued interest and dividends	8,803,833
Total assets	503,759,809
LIABILITIES AND NET ASSETS AVAILABLE FOR BENEFITS	
Accrued expenses	433,908
Forfeited employers' contributions available to reduce future employers' contributions	602,322
Total liabilities	1,036,230
Net assets available for benefits	$502,723,579

The changes in net assets available for benefits of the Master Trust for the year ended December 31, 1998 are as follows:

Additions:	
Investment income:	
Net appreciation in fair value of investments	$ 29,880,366

Interest	6,937,734
Dividends	2,562,800
	39,380,900
Transfer from participating plans for contributions:	
Participants	29,231,431
Employers	41,693,083
Forfeited employers' contributions	(1,111,623)
Transfer from ChoiceCare Plans	13,438,023
Transfer from Merrill Lynch Trust	345,082
Transfer from PCA 401(k) Retirement Plan	17,348,163
Total additions	140,325,059
Deductions:	
Transfer to participating plans for benefit payments	94,929,814
Administrative expenses	758,808
Total deductions	95,688,622
Net increase	44,636,437
Net assets available for benefits:	
Beginning of year	458,087,142
End of year	$502,723,579

Notes to Financial Statements, Continued

4. Income Tax Status:

The Plan was established pursuant to the provisions of Section 165(e) of the Puerto Rico Income Tax Act of 1954 (the Act). A favorable tax status determination letter dated May 22, 1995 was obtained from the Treasury Department of the Commonwealth of Puerto Rico, which stated that its underlying trust qualifies under the applicable provisions of the Act and,therefore, is exempt from Puerto Rico income taxes. The Plan has been amended since receiving the determination letter; however, the Company and the Plan's tax counsel believe that the Plan is designed and is currently operating in compliance with the applicable requirements of the Act. The Plan was amended to comply with Section 1165(e) of the Puerto Rico Income Tax Act of 1994.

5. Plan Termination:

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. If the Plan is terminated, the interest of each participant would continue to be nonforfeitable and would be distributed as determined by the Company.

6. Related Party Transactions:

Administrative expenses of the Plan are paid by the Plan and allocated to the participants' accounts.

Notes to Financial Statements, Continued

7a. Net Assets by Fund at December 31, 1998:

	Participant Directed						
Assets	Interest Income Fund	Stock Index Fund	Humana Common Stock Fund	Aggressive Growth Fund	Balanced Fund	International Fund	Small Capitalization Fund
Investments, at fair value: Plan interest in Master Trust	$ 218,464	$ 90,425	$ 59,151	$ 49,212	$ 43,384	$ 17,350	$ 28,778
Other assets allocated from Master Trust: Receivable from							

participating employers for participant withholdings and employers' contributions	123,717	2,473	2,610	1,590	1,140	546	1,393
Accrued interest and dividends	5,681			4,181	28		
Total assets	347,862	92,898	61,761	54,983	44,552	17,896	30,171
LIABILITIES AND NET ASSETS AVAILABLE FOR BENEFITS							
Liabilities allocated from Master Trust: Accrued expenses	42	27	30	11	9	3	6
Forfeited employers' contributions available to reduce future employers' contributions	1,282						
Total liabilities	1,324	27	30	11	9	3	6
Net assets available for benefits	$ 346,538	$ 92,871	$ 61,731	$ 54,972	$ 44,543	$ 17,893	$ 30,165

Notes to Financial Statements, Continued

Notes to Financial Statements, Continued

7b. Net Assets by Fund at December 31, 1998 (Cont.):

	Participant Directed			Nonparticipant Directed	
Assets	Long-Term Bond Fund	Large Capitalization Fund	Participant Notes Fund	Humana Common Stock Fund	Total
Investments, at fair value: Plan interest in Master Trust	$ 22,414	$ 16,877	$ 4,621	$ 486,572	$ 1,037,248
Other assets allocated from Master Trust: Receivable from participating employers for participant withholdings and employers' contributions	571	421		4,682	139,143
Accrued interest and dividends	120				10,010
Total assets	23,105	17,298	4,621	491,254	1,186,401
LIABILITIES AND NET ASSETS AVAILABLE FOR BENEFITS					
Liabilities allocated from Master Trust: Accrued expenses	5	3			136
Forfeited employers' contributions available to reduce future employers' contributions				1,813	3,095
Total liabilities	5	3	-	1,813	3,231
Net assets available for benefits	$ 23,100	$ 17,295	$ 4,621	$ 489,441	$ 1,183,170

Notes to Financial Statements, Continued

8a. Net Assets by Fund at December 31, 1997:

Participant Directed

	Sweep Account	Asset Allocation	Bond Index	Income Accumulation	Growth Stock	International Equity	S&P 500 Stock
Investments,							

at fair value		$ 71,484	$ 49,063	$ 120,926	$ 26,883	$ 9,873	$ 88,634
Participant notes receivable							
Total investments	-	71,484	49,063	120,926	26,883	9,873	88,634
Cash	$ 2,477						
Net assets available for benefits	$ 2,477	$ 71,484	$ 49,063	$ 120,926	$ 26,883	$ 9,873	$ 88,634

Notes to Financial Statements, Continued

8b. Net Assets by Fund at December 31, 1997 (Cont.):

Participant Directed

	LifePath 2000	LifePath 2010	LifePath 2020	LifePath 2030	LifePath 2040	Participant Notes Fund	Total
Investments, at fair value	$ 918	$ 1,522	$ 2,667	$ 135	$ 7,444		$ 379,549
Participant notes receivable						$ 3,384	3,384
Total investments	918	1,522	2,667	135	7,444	3,384	382,933
Cash							2,477
Net assets available for benefits	$ 918	$ 1,522	$ 2,667	$ 135	$ 7,444	$ 3,384	$ 385,410

Notes to Financial Statements, Continued

9a. Activity by Fund for the Year Ended December 31, 1998:

Participant Directed

	Sweep Account	Asset Allocation	Bond Index	Income Accumulation	Growth Stock	International Equity	S&P 500 Stock	LifePath
Additions:								
Investment income:								
Plan interest in Master Trust investment income:								
Interest and dividend income								
Net appreciation (depreciation) in fair of investments								
Net appreciation in fair value of investments		$ 14,048	$ 3,927		$ 212	$ 1,488	$ 18,534	$ 1,948
Interest and dividend income	$ 93			$ 6,630				
Contributions:								
Contributions allocated from Master Trust:								
Participants								
Employer								
Forfeited employer contributions								
Forfeited employer contributions		896						
Total additions	93	14,944	3,927	6,630	212	1,488	18,534	1,948
Deductions:								
Deductions allocated from Master Trust:								
Benefits paid to participants								
Administrative expenses								
Benefits paid to participants		12,336	15,311	30,960	2,008	167	24,359	406
Administrative expenses	2,249	31	26	137	33	26	47	8
Total deductions	2,249	12,367	15,337	31,097	2,041	193	24,406	414
Interfund transfers	(321)	(74,061)	(37,653)	(96,459)	(25,054)	(11,168)	(82,762)	(14,220)
Net increase (decrease)	(2,477)	(71,484)	(49,063)	(120,926)	(26,883)	(9,873)	(88,634)	(12,686)

Net assets available for benefits:								
Beginning of year	2,477	71,484	49,063	120,926	26,883	9,873	88,634	12,686
End of year	-	-	-	-	-	-	-	-

Notes to Financial Statements, Continued

9b. Activity by Fund for the Year Ended December 31, 1998 (Cont.):

	Participant Directed						
	Interest Income Fund	Stock Index Fund	Humana Common Stock Fund	Aggressive Growth Fund	Balanced Fund	International Fund	Small Capitalization Fund
Additions:							
Investment income:							
Plan interest in Master Trust investment income:							
Interest and dividend income	$ 1,631						
Net appreciation (depreciation) in fair of investments		$ 8,827	$ (9,891)	$ 6,893	$ 1,609	$ 343	$ 173
Net appreciation in fair value of investments							
Interest and dividend income							
Contributions:							
Contributions allocated from Master Trust:							
Participants	14,466	57,144	42,079	24,264	25,341	11,213	18,012
Employer	122,958	185	617	93	185		524
Forfeited employer contributions							
Forfeited employer contributions							
Total additions	139,055	66,156	32,805	31,250	27,135	11,556	18,709
Deductions:							
Deductions allocated from Master Trust:							
Benefits paid to participants	723	1,867	865	50	1,305	132	88
Administrative expenses	47	65	180	34	17	5	7
Benefits paid to participants							
Administrative expenses							
Total deductions	770	1,932	1,045	84	1,322	137	95
Interfund transfers	208,253	28,647	29,971	23,806	18,730	6,474	11,551
Net increase (decrease)	346,538	92,871	61,731	54,972	44,543	17,893	30,165
Net assets available for benefits:							
Beginning of year	-	-	-	-	-	-	_
End of year	$ 346,538	$ 92,871	$ 61,731	$ 54,972	$ 44,543	$ 17,893	$ 30,165

Notes to Financial Statements, Continued

9c. Activity by Fund for the Year Ended December 31, 1998 (Cont.):

	Participant Directed	Nonparticipant Directed
		Humana

	Long-Term Bond Fund	Large Capitalization Fund	Participant Note Fund	Common Stock Fund	Total
Additions:					
Investment income:					
Plan interest in Master Trust investment income:					
Interest and dividend income					$ 1,631
Net appreciation (depreciation) in fair of investments	$ 552	$ 1,988	$ 212	$ 8,419	19,125
Net appreciation in fair value of investments					40,157
Interest and dividend income					6,723
Contributions:					
Contributions allocated from Master Trust:					
Participants	10,558	15,891			218,968
Employer	185			482,379	607,126
Forfeited employer contributions				(1,929)	(1,929)
Forfeited employer contributions					896
Total additions	11,295	17,879	212	488,869	892,697
Deductions:					
Deductions allocated from Master Trust:					
Benefits paid to participants	854	573			6,457
Administrative expenses	10	11			376
Benefits paid to participants					85,547
Administrative expenses					2,557
Total deductions	864	584	-	-	94,937
Interfund transfers	12,669	-	1,025	572	-
Net increase (decrease)	23,100	17,295	1,237	489,441	797,760
Net assets available for benefits:					
Beginning of year	-	-	3,384	-	385,410
End of year	$ 23,100	$ 17,295	$ 4,621	$ 489,441	$ 1,183,170

Notes to Financial Statements, Continued

10a. Activity by Fund for the Year Ended December 31, 1997:

	Sweep Account	Asset Allocation	Bond Index	Income Accumulation	Growth Stock	International Equity	S&P 500 Stock

Additions:							
Net appreciation (depreciation) in fair value of investments		$ 10,495	$ 3,565		$ 545	$ (209)	$ 14,893
Interest and dividend income	$ 177			$ 6,199			
Contributions:							
Participants		20,151	13,406	54,170	11,243	4,822	22,169
Employer		9,144	5,827	25,459	5,309	2,271	10,327
Forfeited employers' contributions	(7,129)						
Total additions	(6,952)	39,790	22,798	85,828	17,097	6,884	47,389
Deductions:							
Benefits paid to participants	52	8,280	4,979	37,620	2,778	1,178	4,833
Administrative expenses	11	49	13	127	24	17	38
Total deductions	63	8,329	4,992	37,747	2,802	1,195	4,871
Interfund transfers	3,639	2,232	(131)	(23,944)	1,769	1,907	10,530
Net increase (decrease)	(3,376)	33,693	17,675	24,137	16,064	7,596	53,048
Net assets available for benefits:							
Beginning of year	5,853	37,791	31,388	96,789	10,819	2,277	35,586
End of year	$ 2,477	$ 71,484	$ 49,063	$ 120,926	$ 26,883	$ 9,873	$ 88,634

10b. Activity by Fund for the Year Ended December 31, 1997 (Cont.):

	LifePath 2000	LifePath 2010	LifePath 2020	LifePath 2030	LifePath 2040	Loans	Total
Additions:							
Net appreciation (depreciation) in fair value of investments	$ 19	$ 17	$ 46	$ 4	$ 864		$ 30,239
Interest and dividend income						$ 432	6,808
Contributions:							
Participants	98	211	1,714	48	4,657		132,689
Employer	49	104	857	24	2,328		61,699
Forfeited employers' contributions							(7,129)
Total additions	166	332	2,617	76	7,849	432	224,306
Deductions:							
Benefits paid to participants					2,258	3,269	65,247
Administrative expenses					9		288
Total deductions	-	-	-	-	2,267	3,269	65,535
Interfund transfers	611	1,190	50	(1,259)	1,570	1,836	-
Net increase (decrease)	777	1,522	2,667	(1,183)	7,152	(1,001)	158,771
Net assets available for benefits:							
Beginning of year	141	-	-	1,318	292	4,385	226,639
End of year	$ 918	$ 1,522	$ 2,667	$ 135	$ 7,444	$ 3,384	$ 385,410

Humana Puerto Rico 1165(e) Retirement Plan
Plan #002 EIN #48-1006287
Line 27(a) - Schedule of Assets Held for Investment Purposes
December 31, 1998

Issuer	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Fair Value

Investments at fair value:			
Plan interest in Master Trust	Various	$831,790	$1,037,248

Humana Puerto Rico 1165(e) Retirement Plan
Plan #002 EIN #48-1006287
Line 27(d) - Schedule of Reportable Transactions
for the year ended December 31, 1998

Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Lease Rental	Expense Incurred with Transactions	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)

No reportable transactions.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the Humana Puerto Rico 1165(e) Retirement Plan has duly caused this report to be signed by the undersigned thereunto duly authorized.

HUMANA PUERTO RICO 1165(e) RETIREMENT PLAN

BY:

/s/ James E. Murray

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James E. Murray
Chief Financial Officer

June 28, 1999

Exhibit Index
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Exhibit 23	Consent of Independent Accountants

Exhibit 23

Consent of Independent Accountants

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 33-49305) of Humana Inc. of our report dated May 14, 1999 relating to the financial statements and supplemental schedules of the Humana Puerto Rico 1165(e) Retirement Plan as of and for the years ended December 31, 1998 and 1997 which appears in this Form 11-K.

/s/ PricewaterhouseCoopers LLP

Louisville, Kentucky
June 28, 1999