

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

Current Report  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934

Date of Report: June 2, 1997  
(Date of Earliest Event Reported)

HUMANA INC.  
(Exact name of Registrant as specified in its Charter)

Delaware (State of Incorporation)	1-5975 (Commission File Number)	61-0647538 (I.R.S. Employer Tax Identification No.)
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500 West Main Street  
Louisville, KY 40202  
(Address of principal executive offices)

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

Item 5. Other Events  
Item 7. Financial Statements & Exhibits

Item 5. Other Events

On June 3, 1997, Humana Inc., a Delaware corporation, (the "Company" or "Registrant") announced that it had signed a definitive agreement to acquire Physician Corporation of America, a Delaware corporation, ("PCA").

A copy of the Press Release issued by the Company on June 3, 1997, is attached hereto as Exhibit 99(a) and is incorporated herein by reference.

Upon the terms and subject to the conditions set forth in the Agreement and Plan of Merger, dated as of June 2, 1997, (the "Merger Agreement") among the Company, its wholly owned subsidiary, HUMNOV, Inc., a Delaware corporation ("Sub"), and PCA, the Company has agreed to purchase all of the outstanding shares of common stock, par value \$.01, of PCA (the "Shares"), at a purchase price of \$7.00 per Share, net to the seller in cash, without interest.

The Merger Agreement provides, among other things, that as soon as practicable after the satisfaction of the conditions set forth in the Merger Agreement and in accordance with the relevant provisions of the General Corporation Law of the State of Delaware, Sub would be merged with and into PCA (the "Merger").

Other than as described in the Merger Agreement, there are no material relationships between the Company, Sub and PCA.

Concurrently with the execution of the Merger Agreement, PCA entered into reinsurance and related agreements (the "Centre Re Agreements") with Centre Reinsurance Company of New York ("Centre Re") relating to certain outstanding obligations of PCA Property and Casualty Insurance Company ("P&C"), a wholly owned subsidiary of PCA. The reinsurance obligations of Centre Re under the Centre Re Agreements will become effective as of the consummation of the Merger unless either the Registrant or Centre Re elects to cancel the reinsurance. In the event of such cancellation, the Registrant has agreed with both PCA and the Florida Department of Insurance to make a capital contribution to P&C of an amount equal to the statutory deficit of P&C as of the closing (which statutory deficit was approximately \$160 million as of March 31, 1997) and to make additional contributions, from time to time, in order to remove any statutory deficits thereafter incurred by P&C.

In addition, on June 5, 1997, the Company announced that it had signed a definitive agreement to acquire ChoiceCare Corporation, an Ohio corporation, ("CC").

A copy of the Press Release issued by the Company on June 5, 1997, is attached hereto as Exhibit 99(b) and is incorporated herein by reference.

Upon the terms and subject to the conditions set forth in the Agreement and Plan of Merger, dated as of June 3, 1997, (the "OH Agreement") among the Company, its wholly owned subsidiary, HOCC, Inc., an Ohio corporation ("OH-Sub"), CC and The ChoiceCare Foundation, an Ohio nonprofit corporation, (the "Foundation"), the Company has agreed to purchase all of the outstanding shares of common stock, no par value, of CC (the "CC Shares"), at a purchase price of \$16.38 per CC Share, net to the seller in cash, without interest (the "CC Purchase Price").

The Foundation owns approximately 91% of the CC Shares and has agreed to vote in favor of the OH Agreement, the OH Merger, as defined below, and all of the transactions described in the OH Agreement.

The OH Agreement provides, among other things, that as soon as practicable after the satisfaction of the conditions set forth in the OH Agreement and in accordance with the relevant provisions of the General Corporation Law of the State of Ohio, OH-Sub would be merged with and into CC (the "OH Merger").

Other than as described in the OH Agreement, there are no material relationships between the Company, OH-Sub and CC.

The aggregate purchase price of PCA of approximately \$400 million, which includes the assumption of approximately \$130 million of debt, and the CC Purchase Price of approximately \$250 million, will be funded by the Company through available cash and bank borrowings. The Company has received a commitment from Chase Manhattan Bank to provide a new \$1.5 billion revolving credit facility, a portion of which will be used to finance the transactions.

Item 7. Financial Statements and Exhibits.

Exhibit 99(a) Company's Press Release dated June 3, 1997.

Exhibit 99(b) Company's Press Release dated June 5, 1997.

#### 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.

/s/ Arthur P. Hipwell

By: Arthur P. Hipwell  
Senior Vice President

Dated: June 16, 1997

Exhibit Index

Exhibit 99(a) Company's Press Release dated June 3, 1997.

Exhibit 99(b) Company's Press Release dated June 5 1997.

Exhibit 99(a)

For More Information:

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TARGETING GROWTH, HUMANA ANNOUNCES ACQUISITION OF  
PHYSICIAN CORPORATION OF AMERICA

Combination Establishes Humana As Health Services Powerhouse

Gains Immediate Leadership Position In Important Texas And  
Florida Markets

Company Foresees Significant Synergies, Cost Savings From  
Combined Operations

LOUISVILLE, KY (June 3, 1997) --- Targeting growth and critical mass in its core Florida and Texas markets, Humana Inc. (NYSE: HUM) announced today that the company signed a definitive agreement to acquire Physician Corporation of America (Nasdaq: PCAM) for \$7 per share plus the assumption of \$130 million in debt, for a total consideration of approximately \$400 million in cash. Physician Corporation of America (PCA), with 1.1 million members, provides comprehensive health care services through its health maintenance organizations in Florida, Texas and Puerto Rico.

As a result of the transaction, Humana will have approximately six million members and over \$8 billion in annual premiums.

"This acquisition represents a compelling strategic opportunity that strengthens our competitive position in Florida and Texas, with all of the critical mass and purchasing power that is absolutely critical for long-term leadership in our industry," said David A. Jones, Chairman and Chief Executive Officer of Humana.

Gregory H. Wolf, Humana's President and Chief Operating Officer, added, "Having implemented an aggressive program of operating improvements since the middle of last year -- all aimed at making our service second-to-none in the industry -- we are now poised to seize opportunities in a consolidating marketplace, broaden our product line and pursue accelerated growth. We are confident that we can obtain immediate synergies and cost savings through the acquisition of PCA, and that it will be a meaningful contributor to our earnings growth in the future."

By joining forces with PCA, Humana will broaden and deepen its competitive position in both Florida and Texas. Humana currently has 1.1 million members in Florida, and PCA will bring 324,000 new members including a strong base in Northern Florida. In Texas, PCA has 323,000 members which, added to Humana's 337,000 members, will give the combined companies about 660,000 members, making it one of the largest managed care organizations in Texas. PCA brings established positions in such key Texas cities as Austin and San Antonio. In addition, PCA has 491,000 members in Puerto Rico.

Humana's current products include commercial, Medicare risk,

and CHAMPUS (Civilian Health and Medical Program of the Uniformed Services) and, with the acquisition of PCA, it will gain almost 600,000 Medicaid members. The company believes that it will now be well positioned in the Medicaid market as federal and state governments continue to turn to the private sector to improve the quality and efficiency of government-funded medical programs.

Commenting on the Florida transaction, Douglas Cook, Director of the Florida Agency for Health Care Administration, said: "I look forward to partnering with one of the largest HMOs in Florida in the delivery of health care services to Medicaid recipients. Humana has been our best partner in the Community Health Purchasing Alliances in the delivery of quality health care to small business. Humana has a commitment to and history of high-quality health care and customer service."

The acquisition comes during a period in which Humana has undertaken a major program to reinvent its customer service and underscore its commitment to quality and patient care. Among other improvements, Humana has introduced HumanaFirst, a 24-hour health information hotline, streamlined physician referrals, and expanded member access to customer service representatives in the evenings and weekends. Additionally, just last week, Humana introduced a new family of commercial health plans -- "HumanaFreedom" plans -- offering more flexibility to HMO members who wish to access medical services outside of the existing provider network.

"From my perspective, this acquisition offers an ideal combination of long-term growth and synergistic benefits. It is an excellent fit," said Wolf, who added: "Our vision is to improve the health of every one of our members. It is very exciting for us to have an opportunity to bring our commitment to service and caring to these new members of the Humana family."

The transaction is subject to certain customary conditions, including various insurance regulatory approvals and approval of PCA's stockholders.

Humana, headquartered in Louisville, Ky., is one of the nation's largest publicly-traded managed health care companies with more than 4.7 million health plan members primarily located in 17 states. Humana offers coordinated health care through a variety of delivery systems -- health maintenance organizations, preferred provider organizations, point-of-service plans, administrative services products and medical savings accounts -- to employer groups, government-sponsored plans and individuals. More information about Humana is available on the Internet at <http://www.humana.com>.

This press release contains forward-looking information. The forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be significantly impacted by certain risks and uncertainties described in Humana's Annual Report on Form 10-K filed with the Securities and Exchange Commission for the year ended December 31, 1996.

HUMANA INC.  
PHYSICIAN CORPORATION OF AMERICA  
FACT SHEET

	Humana	PCA	Combined
Premiums			
(Latest 12 months)	\$6.9 billion	\$1.3 billion	\$8.2 billion

Medical Membership at March 31, 1997:

By State --

Florida	1,128,500	324,200	1,452,700
Texas	336,800	323,100	659,900
Other	3,302,800	490,900 (a)	3,793,700
	4,768,100	1,138,200	5,906,300

By Product --

Commercial	2,577,800	480,400	3,058,200
Medicaid	53,200	597,600 (a)	650,800
Medicare risk	374,200	60,200	434,400
CHAMPUS	1,103,100	--	1,103,100
Medicare supplement	93,500	--	93,500
Administrative services	566,300	--	566,300
	4,768,100	1,138,200	5,906,300

(a) Includes approximately 142,000 Medicaid members effective April 1, 1997.

Exhibit 99(b)

For More Information:

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IN SUPPORT OF LONG-TERM STRATEGY, HUMANA ANNOUNCES ACQUISITION  
OF ONE OF THE NATION'S MOST DISTINGUISHED HMOs, CHOICECARE  
CORPORATION OF CINCINNATI

Acquisition makes Humana the leader in Cincinnati and vicinity,  
with attractive platform for further expansion in Ohio

ChoiceCare brings superb record of quality and service; one of only  
two plans nationally to be named to Sachs Honor Roll in 1996 and 1997

Humana adds a total of 1.4 million members and over \$1.5 billion  
in annual premium revenues through ChoiceCare, PCA acquisitions;  
company strengthens leadership in Florida, Texas and Ohio

LOUISVILLE, KY (June 5, 1997) -- Humana Inc. (NYSE: HUM)  
announced today that it has reached a definitive agreement with  
ChoiceCare Corporation, the largest health maintenance  
organization (HMO) in Cincinnati, under which Humana will  
purchase all of ChoiceCare's outstanding shares of common stock  
for \$16.38 per share, or a total consideration of \$250 million  
in cash.

ChoiceCare serves more than 245,000 members, offering HMO,  
point-of-service and administrative services products. The  
combined companies will have about 310,000 members in the  
Greater Cincinnati area.

"Speaking on behalf of the entire Humana management team, we  
are deeply gratified to be able to join forces with ChoiceCare,  
an organization that is an outstanding leader in Cincinnati and  
one of the most distinguished and respected HMOs in America,"  
said David A. Jones, Humana's Chairman and Chief Executive  
Officer. "ChoiceCare's emphasis on quality, service and caring  
could not fit better with the values on which we have built  
Humana, and I look forward to a long partnership that will only  
deepen and expand the many accomplishments of one of the 'crown  
jewels' in our industry," Mr. Jones added.

Gregory H. Wolf, Humana's President and Chief Operating  
Officer, added, "ChoiceCare is a very successful company with an  
extraordinary franchise in the Cincinnati market. As such, it  
fits perfectly into our overall corporate strategy of targeting  
key local markets where we can have the critical mass,  
purchasing power and brand-name recognition that are crucial to  
leadership. By combining with ChoiceCare, the plan of choice  
for members, providers and employers, we will move to a  
leadership position in Cincinnati and -- just as important --  
establish a platform for growth across Ohio, where we see  
significant potential."

"With the acquisition of Physician Corporation of America (PCA) earlier this week, we have now taken two major steps to advance our long-term business strategy and build value for our shareholders," Mr. Wolf added.

In April, ChoiceCare was identified as one of only thirteen health plans named to Sachs HMO Honor Roll for 1997. The Sachs Group announced ChoiceCare's place on the honor roll following a comprehensive survey of 215 plans and 90,000 members located in 30 different markets. ChoiceCare is one of only two plans in the country awarded this recognition two consecutive years. In addition, it was the first Cincinnati plan to receive three-year full accreditation from the National Committee for Quality Assurance.

"Today is a momentous day in the history of ChoiceCare, as we join together with Humana and renew our commitment to deliver the highest quality care to our members," said Daniel Gregorie, M.D., Chief Executive Officer of ChoiceCare. "Humana brings to us a national scope that we have long desired, plus an unswerving commitment to quality, service and caring for its members. I am very confident that our combined vision will lead to even greater achievements in the years ahead."

Of ChoiceCare's 245,000 total members, about 195,000 are in commercial plans and 50,000 are in administrative service products. Mr. Wolf said that among the early strategic priorities for the combined companies will be to accelerate the growth of Humana's Medicare and specialty products, and to broaden ChoiceCare's penetration in small group and national employer accounts.

This transaction will require approval by ChoiceCare shareholders and certain regulatory authorities. On closing, ChoiceCare will become a wholly owned subsidiary of Humana. Completion of the transaction is expected in the fall of this year.

As a result of the ChoiceCare and PCA transactions, Humana received a commitment from Chase Manhattan Bank to provide a new \$1.5 billion revolving credit facility, a portion of which will be used to finance the transactions.

Humana, headquartered in Louisville, Ky., is one of the nation's largest publicly-traded managed health care companies with more than 4.7 million health plan members primarily located in 17 states. Humana offers coordinated health care through a variety of delivery systems -- health maintenance organizations, preferred provider organizations, point-of-service plans, administrative services products and medical savings accounts -- to employer groups, government-sponsored plans and individuals. More information about Humana is available on the Internet at <http://www.humana.com>.

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CHOICECARE and PHYSICIAN CORPORATION OF AMERICA  
FACT SHEET

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	4,768,100	1,138,200	245,400	6,151,700

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CHAMPUS	1,103,100	--	--	1,103,100
Medicare supp.	93,500	--	--	93,500
Admin. services	566,300	--	49,700	616,000
	4,768,100	1,138,200	245,400	6,151,700