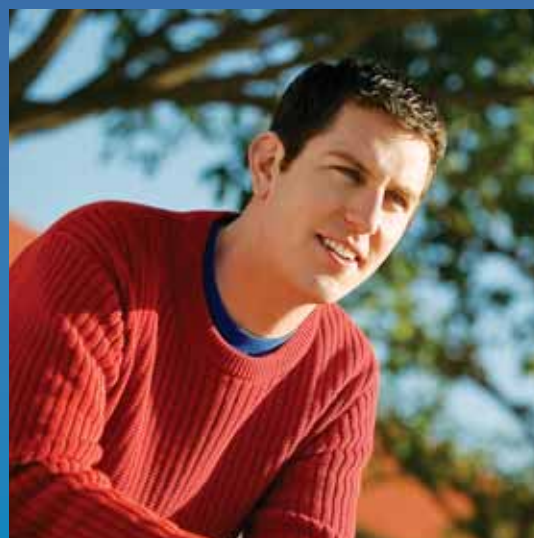


Customer First



“Without Karen and Pat,
Adrien wouldn’t be here **today.**”

RACHELLE CASTILLO

:: Mother of 10-year-old Medicaid member Adrien Bong,
Fresno, California :: **PAGE 8**

“I feel like I am **winning** at the game of life.”

DUSTIN BINGHAM :: Anthem member,

Torrington, Connecticut :: **PAGE 12**

“We couldn’t be **happier.**”

CAROL HADDIX :: Anthem member,

Colorado Springs, Colorado :: **PAGE 16**

“Janet has **helped** so much.”

WENDY DAVID :: Daughter of Medicare Advantage member Julian David,

Harlem, New York :: **PAGE 20**

.....
CORPORATE PROFILE :: WellPoint, Inc. is the largest health benefits company in terms of commercial membership in the United States. Through its subsidiary health plans with access to networks across the country, the company offers a broad portfolio of integrated health care plans and related services, along with a wide range of specialty products such as life and disability insurance benefits, pharmacy benefit management, dental, vision, behavioral health benefit services, as well as long-term care insurance and flexible spending accounts. WellPoint is an independent licensee of the Blue Cross and Blue Shield Association, serving members as the Blue Cross and/or Blue Shield licensee in 14 states and also serves members across the country through UniCare. For more information about our business, please see pages 24-25.

.....
OUR VISION :: WellPoint will transform health care and become the most valued company in our industry.

OUR MISSION :: To improve the lives of the people we serve and the health of our communities.

Customer First

At WellPoint, our mission is to improve the lives of the people we serve and the health of our communities. We achieve our mission every day by linking nearly 35 million members to the resources they need — doctors, health care facilities, and community resources. Our portfolio of products and services is designed to meet the unique needs of each of our members, by giving them the ability to choose what works best for them and their families at every stage throughout the continuum of their lives.

In This Report

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This report is also available online at www.wellpoint.com/annualreport/2007 and includes additional video interviews.

“We know that

To Our Shareholders, Customers and Communities:

The future of health care is one of the most critical issues facing our country, which is why we at WellPoint are working every day to transform our health care system to benefit every American.

WellPoint is unique in several ways. We are the nation's largest health benefits company by membership — 1 in 9 Americans has coverage through a WellPoint company. We are positioned at the very heart of the health care system, connecting to members, physicians, hospitals, employers and communities from California to Maine. And our unique combination of national reach and local presence enables us to use our size and scale to deliver affordable products and services to customers at the local level, where we are known primarily through our Blue Cross and/or Blue Shield branded companies, the most trusted name in the industry.

WellPoint's commitment to improving the lives of the people we serve and the health of our communities is unsurpassed. In 2007 we introduced the Member Health Index, a first-of-its-kind initiative to measure and improve the health of all members. We also launched the State Health Index, a unique collaboration between WellPoint and state and local health officials to measure our progress in improving public health.

Finally, as you will read in this report, we are unique because of the diversity of our membership, ranging from infants to seniors, in both public and private plans. From Adrien Bong, a 10-year-old Medicaid

member in Fresno, California, to Julian David, an 83-year-old Medicare Advantage member in Harlem, New York, the profiles in this report illustrate how we — our plans, our programs, and our people — are focused on improving the lives of the people we serve.

2007 review

In June of 2007 I was greatly honored to be appointed President and CEO of WellPoint, following the retirement of Larry Glasscock, a great leader who remains an outstanding Chairman of the Board.

During the year, WellPoint grew earnings per share by more than 15 percent and

our future **SUCCESS**
depends on putting our customers first.”

ANGELA F. BRALY

:: President and Chief Executive Officer



reduced our general and administrative costs by more than \$175 million, even as we provided more services to more members. In addition, we added 708,000 new members, including an estimated 365,000 who previously were uninsured.

In 2007 WellPoint led our industry in finding new ways to improve the health care system. For example, we made our affordable consumer-driven health plans available to members across the country. To make information on the cost and quality of health care more transparent, we expanded tools like Anthem Care Comparison and MyHealth Advantage, and partnered with Zagat Survey® to develop an online tool that enables members to rate their physician experiences.

2008 and beyond

On March 10, 2008, WellPoint announced a revised outlook for this year's financial performance. We did this for two reasons:

first, we saw that medical costs in the first two months of 2008 were trending higher than anticipated. Second, while our total medical membership continues to grow, our fully insured membership is lower than planned.

These trends are, to a degree, exacerbated by the effects of the slowing national economy. Regardless, we will continue to hold ourselves accountable for improving our performance in the face of these challenges.

Despite our revised outlook, we expect 2008 to be a record year at WellPoint, including more members than ever and the highest earnings per share we've ever generated. And we are committed to continuous investment in our products and services.

WellPoint's leadership team is fully committed to maintaining a sharp focus on the fundamentals of our business while creating an unparalleled health care

experience for consumers. We are also vigorously advocating policy solutions that will continue to make health care coverage accessible to and affordable for all Americans.

At WellPoint, we know that our future success depends on putting our customers first, earning their trust and loyalty each and every day.

That is why we are here, and that is what we will continue to do.

A handwritten signature in dark ink that reads "Angela F. Braly". The script is fluid and cursive.

Angela F. Braly

President and Chief Executive Officer

Customer First

Health care needs change as individuals move through the continuum of their lives – whether those needs are prenatal and infant care, protection against childhood diseases, flexible, low-cost coverage against catastrophic medical expenses for young adults, comprehensive policies for growing families, or programs that recognize the sometimes complex needs of seniors.

Healthy Decisions for the Next Generation

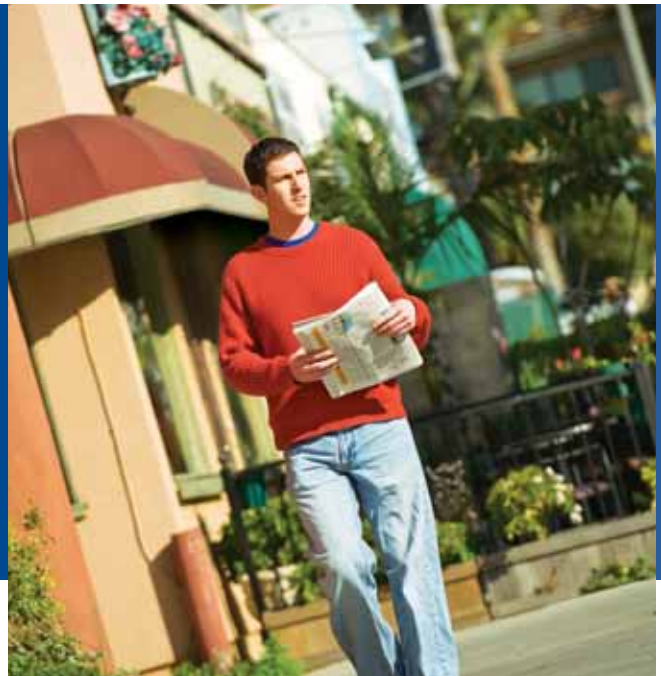
By supporting prenatal care for mothers as well as immunization and preventive care for children, WellPoint helps to ensure that all of the children in the communities we serve get off to a healthy start.

[Read more on page 6.](#)

New Responsibilities, New Choices

Young adults want affordable health care coverage that is flexible and protects them against catastrophic expenses. Small employers want to offer their employees affordable coverage. WellPoint's companies offer a variety of programs tailored to meet both needs.

[Read more on page 10.](#)



WellPoint is committed to offering products and services that meet the needs of every member at each stage of life, including the needs for choice and control over health care coverage. We are committed to making affordable quality care available to all residents of the communities we serve.

We measure our progress in improving the health of members through our Member Health Index, which tracks 20 clinical areas comprised of 40 different measures in four domains of care: screening and

prevention, care management, clinical outcomes, and patient safety. We are the first company to hold ourselves accountable for the health of members both by measuring improvements in member health and by linking the compensation of our employees to those improvements.

More broadly, we developed the WellPoint State Health Index, which lets us review public health data to identify major public health issues in the

14 states in which our Blue Cross and/or Blue Shield licensees operate. We see this as a critical first step in developing public/private programs and policies to address those issues.

In this report, we examine some of the services and programs that WellPoint's companies provide to support health care security for all members through the continuum of their lives.

Growing Responsibilities

As their families grow, members can call on a broad and flexible range of services and support, which may include a greater focus on preventive medicine and on wellness programs.

[Read more on page 14.](#)

Life Decisions

Aging brings special health challenges. WellPoint's companies offer an array of programs that address the unique health needs of seniors, with services that go well beyond traditional health care.

[Read more on page 18.](#)





“Adrien is **back doing** what
10-year-olds should be doing

KAREN KITCHEN ::

WellPoint senior health promotion consultant,
Fresno, California

Healthy Decisions for the Next Generation

“Without Karen and Pat,
Adrien wouldn’t be here today.”

RACHELLE CASTILLO ::
Mother of 10-year-old Medicaid member Adrien Bong,
Fresno, California

— being a kid.”

.....

Healthy children are important to all of us. Prenatal care produces healthier babies, and immunizations help healthy babies grow into healthy children. At the beginning of life, simple care and preventive medicine can deliver big benefits. WellPoint offers an array of programs that support the health of every child in the communities we serve.

.....

On the following pages, you can read about how WellPoint marshaled care to help a young allergy sufferer live a normal life, provided support to a center that helps parents of high-risk newborns, and designed an action plan for insuring all children.



Finding local help for a child with severe allergies

ADRIEN BONG :: Medicaid member
Fresno, California

On Easter Sunday 2005, Adrien Bong had a severe anaphylactic reaction. It was the first sign of allergies the 8-year-old boy had ever shown. The reaction left him covered from head to toe with red patches that looked like hives. From that day on, Adrien, a Medicaid (known as Medi-Cal in California) member, was hypersensitive to more than 80 different allergens.

After his first attack, Adrien suffered these reactions so frequently that he was in and out of the emergency room almost every week. He couldn't play with his own toys, let alone play outside. Because he could not be around other children, he was home-schooled. His parents, Rachelle Castillo and Eric Bong, were told by two specialists that they had only three choices: keep Adrien isolated and hope that he might grow out of the condition, begin a risky new treatment, or continue using a medication that wasn't working.

"Those choices weren't good enough for me," said Pat Browne, R.N., a WellPoint state-sponsored business pediatric specialty manager. She got Rachelle a referral to Dr. William Ebbeling, a renowned allergy/immunology specialist. (See story at right.)

Adrien was also helped by Anthem Blue Cross of California's Community Resource Center (CRC), a walk-in facility that works with other community-based organizations to secure individualized care for Medicaid members. The CRC coordinated Adrien's care, making sure that both he and Dr. Ebbeling had access to all the local resources that might aid in Adrien's treatment.

For example, Karen Kitchen, a WellPoint senior health promotion consultant, helped Rachelle work with her landlord, her utility company, and other organizations to conduct an environmental assessment. Together, they "allergy-proofed" her apartment.

"When I first paid the family a visit, Adrien was so sick that he had to wear a mask. He couldn't even come close to me," said Karen. "Since seeing Dr. Ebbeling, Adrien is back to doing what 10-year-olds should do — going to school with his friends, playing sports, and being a kid."

"I couldn't have gotten through this without Karen and Pat," Rachelle said. "They were in touch almost every day. **We were at a breaking point — without Karen and Pat, Adrien wouldn't be here today.**"

DR. WILLIAM EBBELING :: Immunology
specialist, Fresno, California

Adrien's family was eager to have him evaluated by a local specialist, in order to minimize the boy's travel time and further exposure to irritants.

Dr. William Ebbeling is one of the few allergists in Fresno who is certified both by the American Board of Allergy and Immunology and by the American Board of Pediatrics. Dr. Ebbeling does not usually treat Medicaid patients, however, so Anthem Blue Cross arranged for him to be brought into its network to work with unique patients such as Adrien.

"There was a new substance on the market that had a very high potential for helping Adrien," Dr. Ebbeling said. **"So we went through the whole process of getting approval for the treatment. Within weeks, he was back to normal. The insurance company, the case managers, and the physician all worked together. It's that kind of good relationship that works to the benefit of the patient."**

Dr. Ebbeling started his practice in Fresno after a distinguished 27-year military career, which included heading the Allergy/Immunology Division at the National Naval Medical Center in Bethesda from 1989 to 1993, during which he was the U.S. Navy allergy consultant to the White House for President George H.W. Bush.



LEFT :: (From left to right) Rachel Castillo, Adrien Bong, Karen Kitchen, and Pat Browne, R.N., seated in Anthem Blue Cross of California's Community Resource Center in Fresno, California.

MIDDLE :: Dr. William Ebbeling, a renowned immunology specialist who treated Adrien, in Fresno, California.

RIGHT :: Dr. Allison Burkett, with daughter Lee and son AJ, at the Atlanta Medical Center in Atlanta, Georgia.

Connecting parents of premature newborns with the support they need

DR. ALLISON BURKETT :: Mother of premature twins
Atlanta, Georgia

WellPoint is committed to improving the health of our communities. Our State Health Index targets specific public health improvements in the states we serve. To that end, the WellPoint Foundation, Inc. recently launched a multigenerational initiative called Healthy Generations. One objective is to reduce the incidence of premature births.

For example, through its affiliate Blue Cross Blue Shield of Georgia Foundation, LLC, WellPoint supports the March of Dimes Prematurity Campaign. One component of the campaign is the Neonatal Intensive Care Unit (NICU) Family Support® Program, which comforts and educates the families of premature and other critically ill newborns being cared for in the NICU.

When Dr. Allison Burkett, a surgeon in Atlanta, prematurely gave birth to twins on October 4, 2006, each infant weighed less than three pounds. Dr. Burkett is now a parent member of the Chapter NICU Advisory Council (CNAC), which is helping to develop the NICU Family Support Program at Atlanta Medical Center. "The biggest battle you face as the parent of a preemie is going home without your baby," Dr. Burkett said. "To have an individual who can serve as an advocate, a liaison, and an educator to offer some consistency and help you parent from afar, is extremely valuable."

"We are thrilled to have Blue Cross Blue Shield of Georgia Foundation join us in the fight against premature birth," said Mark Gibson, state director for the March of Dimes Georgia Chapter. **"In Georgia, premature birth is the number-one killer of newborns. By helping to fund important research and education, the March of Dimes and Blue Cross Blue Shield of Georgia Foundation can help give every baby a fighting chance."**

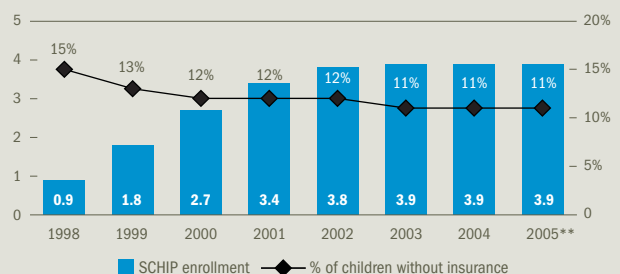
Advocating coverage for every child

In January 2007, WellPoint proposed our Action Plan for the Uninsured, a blend of public and private initiatives. Its goal is to ensure health care coverage for all children, and to provide new and more attractive options for the working uninsured.

To improve health care access for children, WellPoint supports the expansion of state health care programs to cover children in families that earn up to 300 percent of the federal poverty level. This means that a family of four could earn up to \$60,000 per year and still qualify for public coverage.

The plan also includes a call for improved outreach. Roughly 70 percent of uninsured children are already eligible for public programs, but have not been enrolled. The WellPoint Foundation has pledged \$30 million over three years to support community and state initiatives to expand access to care.

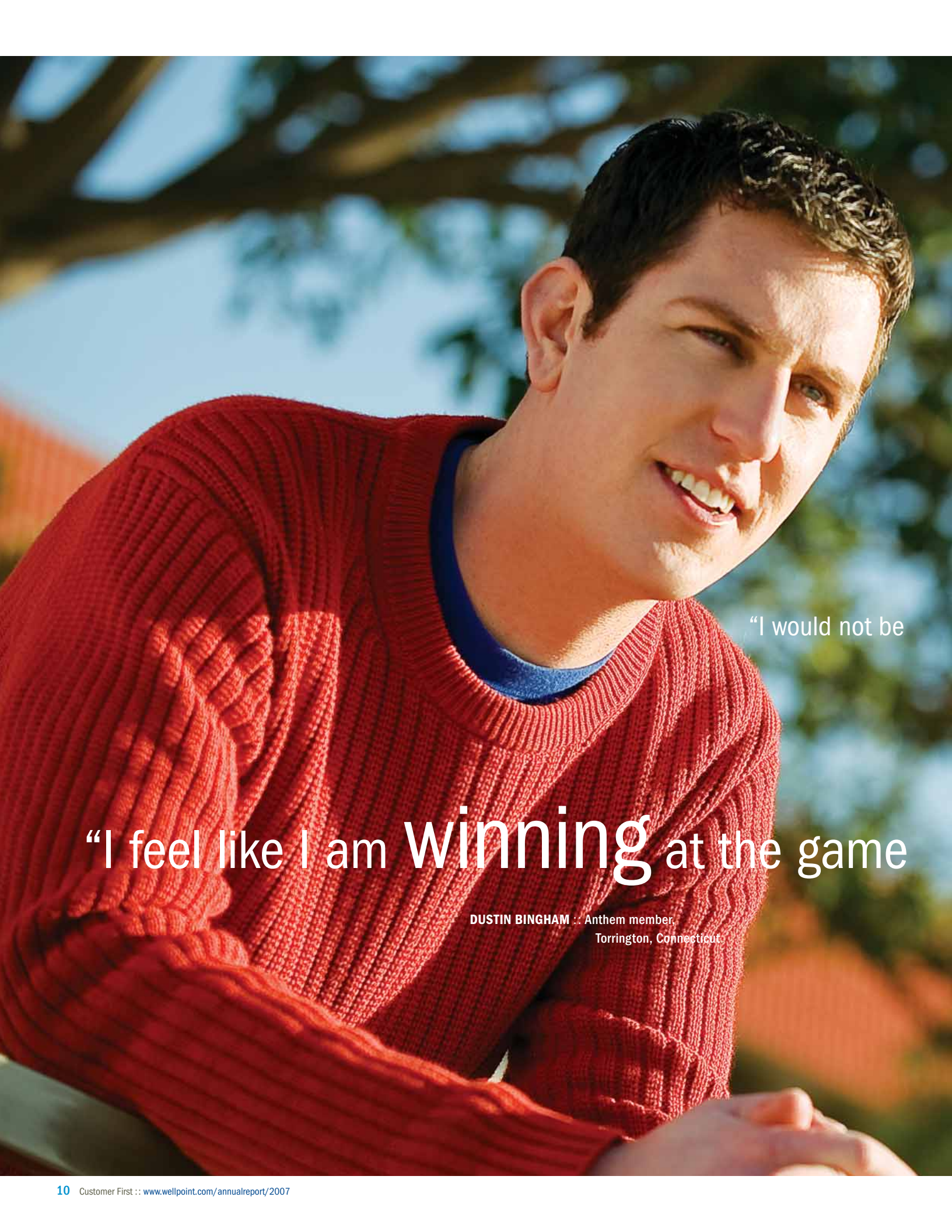
THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM (SCHIP) ENROLLMENT* AND PERCENTAGE OF UNINSURED CHILDREN (1998-2005) :: Enrollment (in millions)



*SCHIP enrollment based on total enrollment in December of each year.

**Estimated 2005 enrollment

SOURCE: CPS data; SCHIP Enrollment in 50 States, December 2004 Data Update, KCMU (Sept. 2005); V Smith, DM Rousseau, M O'Malley, SCHIP Program Enrollment: December 2003 Update, KCMU (July 2004).



“I would not be

“I feel like I am **winning** at the game

DUSTIN BINGHAM :: Anthem member,
Torrington, Connecticut.

where I am today without Robin.”

of life.”

New Responsibilities, New Choices

.....

Young adults have distinct health care coverage needs. The incidence of serious illness is lower for them than it is for other age groups, but accidents do happen, and they want great care when they need it, with protection against catastrophic medical costs.

They also look for flexibility, low premiums, and personal control. As a generation that has grown up with the Internet, young adults expect easy access to information about programs, treatment options, and costs.

.....

Turn the page to read about the ways in which WellPoint programs meet the unique needs of members such as Dustin Bingham and Karlene Medina, and how we're making benefits administration simpler for small employers.



Sharing the long journey to recovery

ROBIN CHEGINI :: Anthem nurse care manager, North Haven, Connecticut

When Robin Chegini, R.N., an Anthem nurse care manager, received the assignment to work with Anthem member Dustin Bingham (see story at right), she immediately set to work assessing the extent of his serious injuries. With 17 years of experience as a nurse specializing in neurological trauma and rehabilitation, Robin knew she would need to consider myriad factors to design a care management plan.

"We look at many different pieces of information," Robin said. "Nurse care managers often call the primary care doctors to discuss the best plan of care and how we might be able to help. It's really a team effort. There's a lot that goes on behind the scenes."

Robin says she feels privileged to come to work every day.

"As a nurse care manager, I'm getting involved in someone's life at a very critical time and sharing challenges with them," Robin said. **"It's great when I can form a trusting rapport, and help patients or their loved ones understand that I'll be here every step of the way to help them get the resources and care they need."**

DUSTIN BINGHAM :: Anthem member Torrington, Connecticut

In December 2003, Dustin Bingham celebrated his graduation from a California university with a ski trip.

After a few runs down the mountain, Dustin misjudged a jump and tumbled, suffering a severe head injury in the fall. He was rushed to a small hospital nearby, and then airlifted to a larger acute-care medical facility. There he was diagnosed with an intracranial hemorrhage. The injury caused his brain to swell and left him in a coma.

Several days after he was admitted to the hospital, Robin Chegini, R.N., an Anthem nurse care manager, called Dustin's mother. Robin, like all Anthem nurse care managers, is part of the Health Care Management program that helps members with complex needs.

"Brain injury rehabilitation can be very complex," Robin said. "Having an intimate rapport with the member and family, as well as the treating team, is crucial to achieving the optimal outcome."

When Dustin awoke in early January 2004, after 15 days in a coma, Robin coordinated his transportation from the California hospital to a brain injury rehabilitation center in his home state of Connecticut.

There, with the support of his family and Robin, Dustin began intensive occupational, speech and physical therapy.

"Robin would remind me to keep my doctor's appointments, and she knew when to scold me," Dustin said. "She pushed me to do more, reminding me that I would not recover if I didn't stay the course."

After he had sufficiently recovered, Dustin opted to settle in California. He is currently attending graduate school, pursuing a degree in business administration.

"I would not be where I am today without Robin," Dustin said. "I feel like I am winning at the game of life. Robin is a big part of that."

LEFT :: Robin Chegini, R.N., an Anthem nurse care manager in North Haven, Connecticut.

MIDDLE :: Anthem member Dustin Bingham in Long Beach, California.

RIGHT :: Tonik member and small business owner Karlene Medina in Los Angeles, California.



Flexible, affordable solutions for small employers

Small employers value health benefits options that are affordable, flexible and simple, so that they can spend less time administering their health benefits and more time running their businesses.

In 2007, WellPoint introduced in several markets a new Web site, called EmployerAccess, that lets small employers go online to enroll members, access reports, maintain contracts, view and pay bills, and manage medical, dental and other benefits seamlessly. After only a few months, almost 6,500 new benefits administrators had signed up to use the Web site, and \$6.5 million in premiums had been paid by small-group employers using the secure online system.

WellPoint also expanded its industry-leading consumer-driven health plans (CDHPs) to all customer segments across the country in 2007. Many individuals and small groups find these plans more affordable than standard plans because of their higher deductibles. In addition, CDHP Web-based tools and information can help members improve their health. In fact, almost 20 percent of our CDHP consumers say they exercise more and eat healthier diets since joining the plan, and more than 50 percent say they are better informed about their health.

One example of a small business that has benefited from the CDHP option is Accessa Coatings Solutions, a distributor of industrial coatings in Indianapolis, Indiana, that employs 30 people.

“Everybody’s very cost-conscious these days, and we thought this plan gave us the best bang for the buck,” said Vince Todd, Accessa’s president and CEO. “We wanted to provide our employees with the best coverage available at the best price. We think we made not only the best deal for the company but also a good deal for the employees.”

Coverage and value fit for an entrepreneur

KARLENE MEDINA :: Tonik member
Los Angeles, California

When Karlene Medina, 28, left her job in mid-2007 to start her own recruiting company for technical professionals, she faced a daunting choice: continue with her current health plan using COBRA coverage, or seek out a new plan better suited to her needs.

Karlene researched plans and ultimately chose a Tonik plan offered by Anthem Blue Cross of California.

“I did some homework, and it was a nightmare looking for different plans,” Karlene said. “Tonik individual plans are simple and straightforward. I especially liked that there was all-in-one coverage, which included medical, dental and vision benefits. Good coverage plus a good price equals good value.

“I was relieved to find the search worth my time,” Karlene said. **“Anthem Blue Cross is ahead of the other insurance companies when it comes to targeting young adults who need health coverage.”**

“The Web site is very user-friendly. The plan details were easy to comprehend and the application process flowed quite well,” Karlene said. “Also, it was fairly simple for customers who use in-state providers. Once a person exceeds the deductible, 100 percent of hospital and physician expenses are covered.”



“Linda really listened.”

“We’re realizing that making smart choices really

CAROL HADDIX :: Anthem member,
Colorado Springs, Colorado

Growing Responsibilities

As families grow, their need for comprehensive and flexible health care coverage grows with them. As adults approach middle age, they also focus more on fitness and weight control. Employers look for coverage that meets those needs for their employees while remaining affordable.

That's why WellPoint offers a broad and flexible range of services for growing families and works with employers to implement comprehensive wellness strategies.

makes a difference.”

The stories on the following pages show how WellPoint's customer responsiveness provides solutions for members, how we partner with employers to help employees reach their health goals, and how access to large networks benefits our customers.



LEFT :: Anthem member Carol Haddix and her husband, Jim, in Colorado Springs, Colorado.

MIDDLE :: (From left to right) Anthem members Debby, Tyler, and Darin Brinsey of Leavittsburg, Ohio.

RIGHT :: Mark Fisher, Big Lots director of benefits and human resources information systems, in Columbus, Ohio.

Coaching our members to better health

CAROL HADDIX :: Anthem member
Colorado Springs, Colorado

Carol Haddix knew it was time to make a change. The then 53-year-old Anthem member in Colorado Springs, Colorado, had been feeling unhealthy and frustrated about her weight. Then one night in January 2007, Carol came home to find a message on her answering machine from her health coach, Linda Jones, who was calling as part of the wellness program offered by Carol's employer, the Scotts Company.

Carol returned the call. "Linda really listened," said Carol. "She let me go on and on, and at the end of the conversation she told me about a dietitian at Anthem, Byron Butterfield, and asked if I'd like to talk to him."

Byron soon called Carol. After asking some basic questions about her eating habits and diet, he prepared a weight-loss program for her. When Carol mentioned that her husband, Jim, was also overweight, Byron prepared a second program for him.

Carol and Jim began tracking their regular eating and exercise habits; they sent weekly logs to Byron via e-mail. They also began reading food labels, counting calories, and watching portion sizes and fat content. "They really did this the right way," Byron said. "They sent their logs in like clockwork, and they followed the recommendations I gave them."

The MyHealth Coach program is just one component of Anthem's 360° Health®, the first program in the health care industry to integrate all care management programs and tools into a single resource. The object is to furnish members the right help at the right time. To date, Carol has lost 30 pounds. Jim has lost more than 25. They are still in touch with both Byron and Linda.

"We couldn't be happier," said Carol. "We're realizing that making smart choices, reading labels and looking at what we put into our bodies can really make a difference."

THE SCOTTS COMPANY :: Anthem National Accounts customer
Marysville, Ohio

Carol and Jim's experience is just one example of the larger culture of wellness at the Scotts Company.

In January 2006, Scotts named Anthem its sole national carrier and embarked upon a comprehensive companywide wellness strategy. The program is based on a simple, three-pronged approach that is called ACT, to remind users of its three points: awareness of health risk, creation of a plan to improve health, and taking action toward change with available resources.

Employees at Scotts begin by taking a Health Risk Assessment. Employees with certain high risk factors, such as tobacco use, are encouraged to work with a coach, as Carol and Jim did, to set goals and create a plan of action to improve their health.

"As a company, Scotts believes that improving the total health of our employees is the right thing to do," said Melanie Hoffman, the company's director of benefits. "Physical health is such an important factor in one's quality of living and the company's productivity."

"Health coaching is the centerpiece of our wellness strategy, because it supports employees who want to work on certain health and lifestyle issues to improve their health."

"Participation in the programs has been very high. Employees are taking more and more responsibility for their total health, and they appreciate that the company is providing a wide array of resources and tools to help them reach their goals."



Customer service that goes the extra mile

DEBBY AND DARIN BRINSEY :: Anthem members
Leavittsburg, Ohio

In November 2007, Debby and Darin Brinsey, Anthem members in Leavittsburg, Ohio, left with their children to spend Thanksgiving in Florida. On the morning after Thanksgiving, they were scheduled to take a family cruise.

Upon arriving in Florida, however, Debby and Darin realized they had accidentally left the medication for their 10-year-old's ADHD (attention deficit hyperactivity disorder) back in Ohio.

They scrambled to find a friend to send Tyler's medicine to them, but soon realized that because of the holiday it would not arrive before their cruise ship sailed. And because Tyler's medication was classified as a Schedule II narcotic, the Brinseys' pediatrician in Ohio could not call in another prescription to a pharmacy in Florida.

Desperate, Debby called the number on the back of her Anthem membership card. She reached care manager Kristine Braun. After Debby explained the situation, Kristine immediately set to work. She solved the problem within two hours. "I could tell that it was very important to this family to resolve their issue quickly," Kristine said. "They needed me to do something that they couldn't do for themselves. That's what we're here for."

Kristine arranged for the Brinseys' pediatrician to speak with a network pediatrician in Florida, who wrote an emergency prescription. She also arranged to annul the existing prescription in Ohio.

"Kris went above and beyond," Debby said. **"So many times you hear, 'I can't help you,' or people just don't want to take the extra time. Kris really took a personal interest in our case.** Thanks to her dedication and commitment, we were able to get the medication and have a wonderful cruise. We will never forget how she helped us."



Better care, better value for Big Lots associates

MARK FISHER :: Director, benefits and human resources
information systems at Big Lots, Columbus, Ohio

Big Lots is the nation's largest broadline closeout retailer, with more than 38,000 employees, \$4 billion in annual revenue, and more than 1,350 stores in 47 states. When the company began searching for a new benefits provider in 2006, it conducted an exhaustive survey of the nation's largest insurers.

Early in 2007, Big Lots chose Anthem National Accounts to provide its medical, dental and pharmacy benefits, along with comprehensive disease management and other specialty benefits packages.

"One of the things that really stood out was Anthem's customer service approach," said Mark Fisher, the director of benefits and human resources information systems at Big Lots.

"Another big advantage was the level and breadth of service Anthem offers. We saw an immense value in consolidating all our benefits with one company. Finally, Anthem's discounts were the best we had seen, though this was not just a discount-driven decision."

Over the past year with Anthem, Big Lots has seen a dramatic increase, from 75 percent to 99 percent, in the number of associates who choose in-network physicians and health care facilities. As a result, Big Lots has been able to lower health care costs across the company.

"Anthem's network is extremely large, and this is important for our associates," said Fisher. "It's easy for them to go anywhere in the country and find a doctor, hospital, or pharmacy that's in the network. That's extremely important for them, because it helps them save money, and it gets them the quality of care they're looking for."



“Janet has **helped** so much.”

“She wants to make sure my dad stays **healthy**
and out of the hospital,”

Life Decisions

Seniors and their families face a broad array of health challenges. Their health status ranges from robust to quite frail. Seniors often need expensive medications, and they must make decisions about Medicare Part D. All of us want our grandparents and elderly parents to get the best health care possible from a system that is complex and often difficult to navigate.

To meet these needs, WellPoint offers an array of stable, affordable programs and products that address the unique health needs of seniors.

Turn the page to read about how WellPoint helps senior members get the care they need, and how we make it easier for Medicare members to navigate the array of government programs.

and so far, so good.”

WENDY DAVID ::

Daughter of Medicare Advantage member Julian David,
Harlem, New York



Managing diabetes, with an assist from Empire Blue Cross Blue Shield

JANET KENT :: Empire Blue Cross Blue Shield nurse care manager
Brooklyn, New York

As an Empire Blue Cross Blue Shield nurse care manager, Janet Kent, R.N., has always worked closely with her members. She approaches all her cases in the same way — by listening.

“Sometimes that first call with a member may take an hour,” Janet said. “But we may be the first health professionals in a long time who have taken the time to truly listen. Doctors have very busy schedules. That’s why really listening is such an important facet of this job.”

Janet and our other nurse care managers act as advocates for senior members, coordinating their care with physicians, helping them navigate the system, and connecting them with needed community resources. They are an important part of WellPoint’s Custom Care Connection program, which proactively assesses each member’s health and health care needs, and then offers customized health solutions for optimal results.

In the case of Medicare Advantage member Julian David (see story at right), Janet was fortunate. She was able to work closely with his daughter Wendy to coordinate his care. But many Medicare members do not have such strong family ties.

“Sometimes our members have no one else in their lives,” Janet said. “Either they have no family left or the remaining family members have become estranged. This patient population often suffers from multiple, very serious conditions. They have a great number of things working against them.” Janet said that most members are delighted to learn that their benefits entitle them to the services of a personal nurse who can help them resolve their health problems. Once she has won a member’s trust, the rest follows naturally.

“If it’s coaching they need, I’ll coach them, if it’s cheerleading, I’ll be a cheerleader,” Janet said. “I really look forward to coming to work each day and talking to my members. It’s very fulfilling.”

JULIAN DAVID :: Medicare Advantage member
Harlem, New York

In July 2007, at the age of 83, Medicare Advantage member Julian David was diagnosed with diabetes. At the time, the Empire Blue Cross Blue Shield member was an inpatient at a skilled nursing facility in New York, where he was recovering from a fall.

When Julian came home, he and his daughter Wendy worked with Janet Kent, a nurse with Empire’s Care Management Program, to manage his diabetes. The Care Management Program is a voluntary service for members in which a trained nurse serves as a personal health coach, providing education, motivation and encouragement.

“Janet has helped so much,” said Wendy. “Janet called us and helped us arrange for home health aides and the visiting nurse service, making sure my dad would have the best care possible.”

With Wendy and Janet’s help, Julian’s diabetes was brought under control. Julian is now able to monitor his own blood glucose levels. When Wendy is at work, a home health aide visits to assist him around the house. And Janet and Wendy worked with a social worker to find an adult day health care center where Julian can socialize with other seniors and also receive further health services.

“In the beginning, Janet called every other day to make sure everything was working the way it should be,” Wendy said. “She wants to make sure my dad stays healthy and out of the hospital, and so far, so good. The grace of God and the help of Janet Kent made all and everything possible.”



LEFT :: Janet Kent, R.N., an Empire Blue Cross Blue Shield nurse care manager in Brooklyn, New York.

MIDDLE :: Medicare Advantage member Julian David and his daughter Wendy, in Harlem, New York.

RIGHT :: WellPoint's high-tech PrecisionRx Specialty Solutions facility in Indianapolis, Indiana.

Sophisticated treatments for complex conditions

Modern medicine has seen tremendous advances as a result of biotechnology. Among these are specialty pharmaceuticals — therapies used to treat and manage chronic diseases, including several conditions common among seniors, such as cancer, rheumatoid arthritis, osteoarthritis, and osteoporosis.

Most specialty pharmaceuticals are used consistently for long periods of time — often for life. They are usually taken by injection or infusion rather than orally. Because of the complex nature of these medicines, careful assessments and monitoring of each member is essential to ensure quality care, patient safety, and clinical effectiveness. This is particularly important for seniors, who may require different dosages or risk different adverse reactions than younger members.

WellPoint's PrecisionRx Specialty Solutions, a full-service specialty pharmacy, employs professional pharmacists and nurses who coordinate members' care, answer their questions, and work with their prescribing physicians for improved outcomes.

In October 2007, WellPoint opened a new state-of-the-art PrecisionRx facility in Indianapolis. Computers help track the accuracy of the medications, and an electronically coded system helps ensure that the right dose of the right medication goes to the right individual at the right time. A registered pharmacist verifies every prescription order again before it is shipped. The facility's proximity to Indianapolis International Airport allows PrecisionRx to ship most medications overnight for our members' convenience.

“Our ability to meet the special needs of members with chronic conditions is a testament not only to the advanced technology we implemented but, just as important, to the personal care coordination we provide,” said Dijuana Lewis, president and CEO of WellPoint's Comprehensive Health Solutions Business.

Helping seniors navigate the maze of public programs

Many public programs are available to meet the needs of America's seniors, but often seniors don't know how to access them.

That's why WellPoint has collaborated with the National Council on Aging (NCOA) to help our Medicare members — particularly those with limited incomes and resources — learn whether they are eligible for federal, state and other community programs that help pay for health care, prescription drugs, rent, utilities and many other needs.

Under this collaboration, WellPoint provides our Medicare members access to NCOA's BenefitsCheckUp®, a comprehensive Web-based service that helps individuals determine quickly whether they are eligible for any of 1,500 benefits programs in all 50 states and the District of Columbia.

For example, through this service, WellPoint's Medicare beneficiaries can find out whether they qualify for the Medicare Part D low-income subsidy, which helps cover prescription drug costs. If they do qualify, they can apply right away.

“BenefitsCheckUp helps our Medicare beneficiaries learn about their benefit choices and other resources, so that they can better manage their health and other important aspects of their lives,” said Brian Sassi, president and CEO of WellPoint's Consumer Business.

In just the first three months of the collaboration, more than a thousand consumers used BenefitsCheckUp, identifying benefits valued at more than \$5 million.

“This new relationship with WellPoint is one of many that NCOA is forming to expand the reach of BenefitsCheckUp,” said Stuart Spector, NCOA's senior vice president of Benefits Access. “We are confident that through this association many more Medicare-eligible beneficiaries will gain the benefits they need.”

Advocating Responsible Reform for All Americans

WellPoint is committed to playing a leading role in transforming health care in the United States. We believe achieving that objective requires a public-private collaboration that combines responsible public policy choices with private initiatives focused on the critical issues facing our communities and our nation.

Here is our list of the most critical health care policy issues facing our country, together with our position on each of them.

1. Affordability of Health Care

ISSUE Health care costs are increasing, leading to higher premiums for consumers and difficulties for employers who need affordable health benefits for their employees.

OUR POSITION To help keep premiums affordable and health care accessible, WellPoint is investing in many initiatives to reduce the cost of care, promoting wellness and preventive care for our members and communities, and working with providers to encourage high-quality, evidence-based care, which costs less over time. In addition, our subsidiary health plans offer members significant discounts through access to a network of health care providers across the country.

2. The Uninsured

ISSUE The number of American individuals and families without health insurance continues to increase.

OUR POSITION WellPoint has proposed a three-point action plan to help reduce the number of uninsured in America (available at www.wellpoint.com under "Our Commitments"). In short, we support:

- :: Coverage for every child in America;
- :: Improving and expanding public programs to cover the most needy; and
- :: Subsidizing the premiums of those who have trouble affording coverage.

We are working with policymakers at both the federal and state levels to enact reforms that will accomplish all of these goals.

3. Consumerism in Health Care

ISSUE American consumers have more choices and information than ever before, but many of them still lack the information and tools necessary to choose the most affordable, highest quality health care available.

OUR POSITION WellPoint is leading the industry with consumer-driven health plans that feature not only flexible spending accounts, but also the tools and information needed to make informed health care decisions. WellPoint is also a leader in making the cost and quality of health care services more transparent to consumers, and shares the goals inherent in the U.S. Department of Health and Human Services' Four Cornerstones initiative to increase transparency throughout the health care system.

4. Evidence-Based Medicine

ISSUE Studies show Americans receive expert-recommended care only about half of the time, and a landmark report by the Institute of Medicine found that as many as 98,000 people die each year from preventable medical errors.

OUR POSITION WellPoint has taken a leadership position in addressing costly and potentially harmful variation in the treatment patterns of physicians. WellPoint supports the expansion of new technologies, such as electronic medical records and e-prescribing, to ensure members are receiving quality care and health care professionals are using current best practices in making patient care decisions. WellPoint also rewards health care providers for delivering the highest level of care possible. In 2006, WellPoint paid approximately \$140 million to physicians and hospitals for evidence-based improvements in quality.

5. State of Public Health

ISSUE Lifestyle-related health issues, such as obesity, smoking, and stress, are having a significant impact on Americans' health and health spending.

OUR POSITION Healthier lifestyles result in less health care utilization, which helps stem the escalating costs of health care benefits. WellPoint is providing all members with the information and tools they need to modify behaviors that decrease health risks. We created the Member Health Index and State Health Index to measure and improve the health of members and non-members alike. And we support taxes on tobacco products as a means to deter people, especially minors, from using these products. Revenue generated from such taxes should be used to support health care access and health improvement initiatives.

6. Insurance Market Reform

ISSUE Proposed legislation at the federal and state levels could limit how health benefits are designed and offered. Such proposals, while well-intentioned, could make health insurance more expensive and lead to an increase in the number of Americans who are uninsured.

OUR POSITION WellPoint believes changes to the current marketplace must be done carefully or they may trigger unintended consequences. Laws that mandate coverage of specific benefits and services often result in all consumers paying higher premiums. Healthy individuals who otherwise would have purchased basic coverage may no longer purchase coverage, resulting in adverse selection, more uninsured and greater risks to our health care system. WellPoint is committed to working toward solutions for our customers and members and believes any solution must protect consumers, reflect market dynamics and provide one set of rules for all health benefits providers in a market.

7. Health Information Technology

ISSUE Broader adoption of electronic health records and health information technology (IT) holds the promise of both lowering long-term health care costs and improving health care quality, while increasing efficiencies in our health care system and empowering patients.

OUR POSITION WellPoint supports the widespread adoption of health information technology with appropriate privacy protections for consumers. We support establishing interoperability standards through a public-private collaborative process, harmonizing state and federal privacy and health IT laws, and providing federal grants to help providers pay for electronic health records and to facilitate health information exchanges.

8. Medicare

ISSUE Congress expanded the number of choices available to Medicare beneficiaries when it added the Part D drug benefit to Medicare and created the Medicare Advantage program in 2003. Today, some critics have called for limiting the number of Part D plans an insurer can offer, and others have called for cutting payments to the Medicare Advantage program.

OUR POSITION WellPoint believes that Medicare beneficiaries should continue to have access to a wide range of Medicare options, and is committed to the long-term success of both Part D and Medicare Advantage.

9. Medicaid and SCHIP

ISSUE State Medicaid programs continue to face financial challenges as states contend with growing enrollment, increasing health care costs and tight budgets. In addition, the continuing authorization of the State Children's Health Insurance Program (SCHIP), which covers more than four million low-income children — most of whom would otherwise be uninsured — is uncertain.

OUR POSITION Medicaid's historic and most important job is to take care of the truly vulnerable and needy. WellPoint supports reforms to the program that provide states with incentives to pursue public-private collaborations, which can enable states to become more effective purchasers of health care. In addition, WellPoint supports the reauthorization of SCHIP at a funding level that will, at a minimum, sustain coverage for all children and parents currently enrolled as well as coverage for all children who are eligible but not enrolled.

10. Privacy and Data Security

ISSUE The public has widespread concerns about privacy, particularly with regard to electronic data sharing and electronic health records.

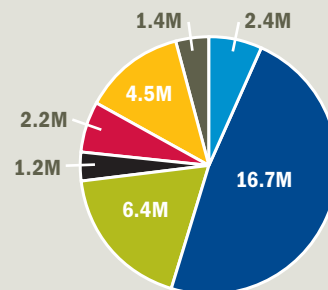
OUR POSITION WellPoint has implemented high levels of security to protect confidential data and guard against unwanted intrusions or breaches in all aspects of our company operations, including IT systems. We continue to refine our information security programs to keep pace with current technological developments and to give members peace of mind that confidential individual health information is secure.

WellPoint, Inc. At a Glance

WellPoint's health benefits operations include Anthem Blue Cross and/or Blue Shield plans serving members in California, Colorado, Connecticut, Indiana, Kentucky, Maine, Missouri, Nevada, New Hampshire, Ohio, Virginia and Wisconsin; Blue Cross Blue Shield of Georgia; and Empire Blue Cross Blue Shield in New York. We also serve members across the nation through UniCare.

Our Health Plan Customers

WellPoint's subsidiary health plans have among the most diverse customer bases in the industry. The chart here shows the diversity of our 34.8 million medical members, as of December 31, 2007.



Specialty Products and Services

WellPoint's subsidiary health plans offer a full range of specialty products and services to our customers, such as:

- :: **Pharmacy Benefit Management (PBM)** NextRx, the nation's fourth-largest PBM, processed approximately 391 million prescriptions in 2007. PrecisionRx Specialty Solutions serves members with special pharmaceutical needs.
- :: **Dental** WellPoint's affiliated health plans offer access to one of the nation's largest dental networks.
- :: **Vision** With more than 2.4 million members, WellPoint's affiliated health plans offer access to one of the largest vision networks in the United States.
- :: **Behavioral Health** WellPoint's affiliated health plans offer access to one of the largest behavioral health networks.
- :: **Life and Disability*** With more than 89,000 group customers and 5.6 million members, WellPoint's affiliated life companies collectively compose the fourteenth-largest group life carrier in the country. WellPoint companies also comprise the nation's largest group life insurance carrier in the under-100 employees market.

* Each affiliated life company is a separate, independent legal entity for financial purposes and is solely responsible for its own contractual obligations and liabilities.

- **Individual**

Individual customers under age 65 and their covered dependents.

- **Local Group**

Employer customers with fewer than 1,000 employees eligible to participate as a member in one of our health plans. Also includes customers with 1,000 or more eligible employees with fewer than 5 percent of eligible employees located outside of the health plan's headquarters state.

- **National Accounts**

Generally administrative services only (ASO) multi-state employer customers primarily headquartered in a WellPoint

service area with 1,000 or more eligible employees, with 5 percent or more eligible employees located in a service area outside of the health plan's headquarters state.

- **Senior**

Medicare-eligible individual members age 65 and over who have enrolled in Medicare Advantage, a managed care alternative for the Medicare program, or who have purchased Medicare Supplement benefit coverage.

- **State-Sponsored**

Eligible members with state-sponsored managed care alternatives for the

Medicaid and State Children's Health Insurance programs that we manage.

- **BlueCard®**

Enrollees of Blue Cross and/or Blue Shield plans not owned by WellPoint, who receive health care services in our BCBSA-licensed markets.

- **Federal Employee Program**

United States government employees and their dependents within our geographic markets through our participation in the national contract between the BCBSA and the U.S. Office of Personnel Management.

Other Subsidiaries

WellPoint has other subsidiaries providing a variety of products and services:

:: **National Government Services** administers government health benefits programs, primarily Medicare. WellPoint is the nation's largest Medicare contractor, handling more than 208 million Medicare claims in 2007.

:: **The Health Management Corporation** is a leader in health improvement programs and the management of chronic illnesses such as diabetes, asthma, and coronary artery disease.

:: **HealthCore** employs a staff of health care experts who analyze years of patient data (with no personal identifiers) representing millions of lives. Their research provides important evidence that supports our quality of care initiatives and advances clinical knowledge.

:: **American Imaging Management (AIM)**, acquired in 2007, is a leading radiology benefit management and technology company.

Social Responsibility

:: Our corporate foundations have net assets of nearly \$173 million, ranking them among the nation's top corporate foundations.

:: The WellPoint Foundations paid out approximately \$18.8 million in grants in 2007.

:: WellPoint's Associate Giving Campaign pledged a total of \$23 million to community causes through its matching grant program.

:: WellPoint has created or funded independent charitable foundations in many states we serve.

:: WellPoint's Social Responsibility Report is available online at www.wellpoint.com.

Financial Highlights

The information presented below is as reported in WellPoint's 2007 Annual Report on Form 10-K. On December 28, 2005, WellPoint acquired WellChoice, Inc. The acquisition was deemed effective December 31, 2005 for accounting purposes; accordingly, 2005 operating results and earnings per share do not include WellChoice.

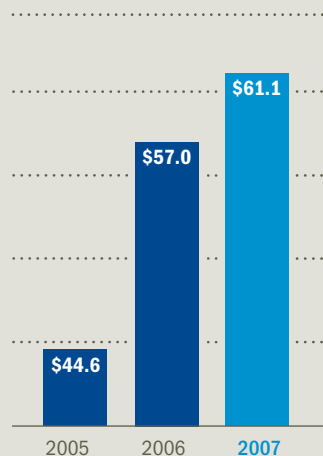
	Years ended December 31		
(dollars in millions, except per share data)	2007	2006	2005
Operating Results			
Total operating revenue	\$60,122.0	\$56,160.4	\$43,991.2
Total revenue	61,134.3	57,038.8	44,614.1
Net income	3,345.4	3,094.9	2,463.8
Earnings Per Share			
Basic net income	\$ 5.64	\$ 4.93	\$ 4.03
Diluted net income	5.56	4.82	3.94
Balance Sheet Information			
Total assets	\$52,060.0	\$51,574.9	\$51,123.9
Total liabilities	29,069.6	26,999.1	26,130.8
Total shareholders' equity	22,990.4	24,575.8	24,993.1
Medical Membership (000s)			
Commercial and Consumer Business	30,005	29,669	29,347
Specialty, Senior and State Sponsored	3,424	3,075	3,164
Other	1,380	1,357	1,345
Total medical membership	34,809	34,101	33,856

Note 1 :: The information presented above should be read in conjunction with the audited consolidated financial statements and accompanying notes and Management's Discussion and Analysis of Financial Condition and Results of Operations included in WellPoint's 2007 Annual Report on Form 10-K.

Note 2 :: Certain prior year amounts have been reclassified to conform to current year presentation.

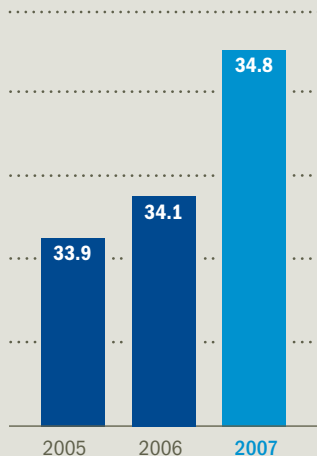
TOTAL REVENUE

(in billions)

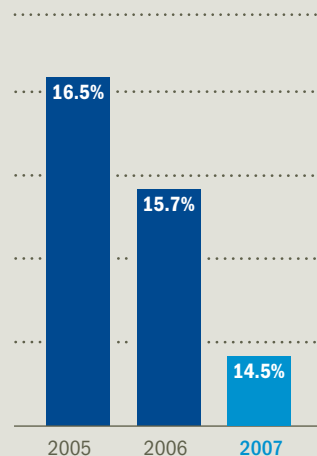


TOTAL MEDICAL MEMBERSHIP

(in millions)



SELLING, GENERAL AND ADMINISTRATIVE EXPENSE RATIO



Consolidated Balance Sheets

	Years ended December 31	
(In millions, except share data)	2007	2006
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,767.9	\$ 2,602.1
Investments available-for-sale, at fair value:		
Fixed maturity securities (amortized cost of \$1,814.5 and \$481.5)	1,832.6	465.4
Equity securities (cost of \$1,732.7 and \$1,669.7)	1,893.7	1,984.5
Other invested assets, current	40.3	72.8
Accrued investment income	165.8	157.2
Premium and self-funded receivables	2,870.1	2,335.3
Other receivables	996.4	1,172.7
Income tax receivable	0.9	—
Securities lending collateral	854.1	904.7
Deferred tax assets, net	559.6	642.6
Other current assets	1,050.4	1,284.5
Total current assets	13,031.8	11,621.8
Long-term investments available-for-sale, at fair value:		
Fixed maturity securities (amortized cost of \$13,832.6 and \$15,004.6)	13,917.3	14,972.4
Equity securities (cost of \$43.4 and \$82.7)	45.1	86.2
Other invested assets, long-term	752.9	628.8
Property and equipment, net	995.9	988.6
Goodwill	13,435.4	13,383.5
Other intangible assets	9,220.8	9,396.2
Other noncurrent assets	660.8	497.4
Total assets	\$52,060.0	\$51,574.9
Liabilities and shareholders' equity		
Liabilities		
Current liabilities:		
Policy liabilities:		
Medical claims payable	\$ 5,788.0	\$ 5,290.3
Reserves for future policy benefits	63.7	76.3
Other policy holder liabilities	1,832.2	2,055.7
Total policy liabilities	7,683.9	7,422.3
Unearned income	1,114.6	987.9
Accounts payable and accrued expenses	2,909.6	3,242.2
Income taxes payable	—	538.2
Security trades pending payable	50.6	124.8
Securities lending payable	854.1	904.7
Current portion of long-term debt	20.4	521.0
Other current liabilities	1,755.0	1,397.4
Total current liabilities	14,388.2	15,138.5
Long-term debt, less current portion	9,023.5	6,493.2
Reserves for future policy benefits, noncurrent	661.9	646.9
Deferred tax liability, net	3,004.4	3,350.2
Other noncurrent liabilities	1,991.6	1,370.3
Total liabilities	29,069.6	26,999.1
Commitments and contingencies		
Shareholders' equity		
Preferred stock, without par value, shares authorized — 100,000,000; shares issued and outstanding — none	—	—
Common stock, par value \$0.01, shares authorized — 900,000,000; shares issued and outstanding: 556,212,039 and 615,500,865	5.6	6.1
Additional paid-in capital	18,441.1	19,863.5
Retained earnings	4,387.6	4,656.1
Accumulated other comprehensive income	156.1	50.1
Total shareholders' equity	22,990.4	24,575.8
Total liabilities and shareholders' equity	\$52,060.0	\$51,574.9

The information presented above should be read in conjunction with the audited financial statements and accompanying notes included in WellPoint's 2007 Annual Report on Form 10-K.

Consolidated Statements of Income

(In millions, except per share data)	Years ended December 31		
	2007	2006	2005
Revenues			
Premiums	\$55,865.0	\$51,971.9	\$40,680.0
Administrative fees	3,674.6	3,595.4	2,792.0
Other revenue	582.4	593.1	519.2
Total operating revenue	60,122.0	56,160.4	43,991.2
Net investment income	1,001.1	878.7	633.1
Net realized gains (losses) on investments	11.2	(0.3)	(10.2)
Total revenues	61,134.3	57,038.8	44,614.1
Expenses			
Benefit expense	46,036.1	42,191.4	32,598.8
Selling, general and administrative expense:			
Selling expense	1,716.8	1,654.5	1,474.2
General and administrative expense	6,984.7	7,163.2	5,798.5
Total selling, general and administrative expense	8,701.5	8,817.7	7,272.7
Cost of drugs	400.2	414.4	387.2
Interest expense	447.9	403.5	226.2
Amortization of other intangible assets	290.7	297.4	238.9
Total expenses	55,876.4	52,124.4	40,723.8
Income before income tax expense	5,257.9	4,914.4	3,890.3
Income tax expense	1,912.5	1,819.5	1,426.5
Net income	\$ 3,345.4	\$ 3,094.9	\$ 2,463.8
Net income per share			
Basic	\$ 5.64	\$ 4.93	\$ 4.03
Diluted	\$ 5.56	\$ 4.82	\$ 3.94

The information presented above should be read in conjunction with the audited financial statements and accompanying notes included in WellPoint's 2007 Annual Report on Form 10-K.

Consolidated Statements of Cash Flow

(In millions)	Year ended December 31		
	2007	2006	2005
Operating activities			
Net income	\$ 3,345.4	\$ 3,094.9	\$ 2,463.8
Adjustments to reconcile net income to net cash provided by operating activities:			
Net realized (gains) losses on investments	(11.2)	0.3	10.2
Loss on disposal of assets	11.3	1.7	2.7
Deferred income taxes	(105.5)	273.7	(102.6)
Amortization, net of accretion	466.0	471.9	437.9
Depreciation expense	120.2	133.0	118.7
Share-based compensation	177.1	246.9	81.2
Excess tax benefits from share-based compensation	(153.3)	(136.5)	—
Changes in operating assets and liabilities, net of effect of business combinations:			
Receivables, net	(448.6)	(627.8)	(230.4)
Other invested assets, current	26.9	234.9	—
Other assets	174.4	(362.4)	(165.6)
Policy liabilities	257.7	852.6	46.3
Unearned income	125.5	(69.5)	(38.2)
Accounts payable and accrued expenses	(235.2)	(91.7)	188.6
Other liabilities	176.5	134.2	(136.7)
Income taxes	447.3	(112.0)	459.6
Other, net	(29.9)	—	—
Net cash provided by operating activities	4,344.6	4,044.2	3,135.5
Investing activities			
Purchases of fixed maturity securities	(8,512.0)	(11,198.0)	(17,457.0)
Proceeds from fixed maturity securities:			
Sales	6,709.0	9,630.1	14,391.4
Maturities, calls and redemptions	1,618.4	721.6	1,344.5
Purchase of equity securities	(1,389.2)	(2,434.5)	(4,530.6)
Proceeds from sales of equity securities	1,411.7	2,950.9	4,480.0
Changes in securities lending collateral	50.6	485.2	(731.4)
Purchases of subsidiaries, net of cash acquired	(298.5)	(25.4)	(2,589.7)
Proceeds from sales of subsidiaries, net of cash sold	—	—	92.8
Purchases of property and equipment	(322.0)	(193.9)	(161.8)
Proceeds from sale of property and equipment	57.3	6.4	10.2
Other, net	(94.2)	(399.7)	—
Net cash used in investing activities	(768.9)	(457.3)	(5,151.6)
Financing activities			
Net proceeds from (repayments of) commercial paper borrowings	502.8	(306.0)	808.2
Proceeds from long-term borrowings	1,978.3	2,668.2	1,700.0
Repayment of long-term borrowings	(509.7)	(2,162.1)	(155.1)
Changes in securities lending payable	(50.6)	(485.2)	731.4
Changes in bank overdrafts	(117.1)	414.3	121.2
Repurchase and retirement of common stock	(6,151.4)	(4,550.2)	(333.4)
Proceeds from exercise of employee stock options and employee stock purchase plan	784.5	559.5	429.3
Excess tax benefits from share-based compensation	153.3	136.5	—
Other, net	—	—	(2.5)
Net cash (used in) provided by financing activities	(3,409.9)	(3,725.0)	3,299.1
Change in cash and cash equivalents	165.8	(138.1)	1,283.0
Cash and cash equivalents at beginning of year	2,602.1	2,740.2	1,457.2
Cash and cash equivalents at end of year	\$ 2,767.9	\$ 2,602.1	\$ 2,740.2

The information presented above should be read in conjunction with the audited financial statements and accompanying notes included in WellPoint's 2007 Annual Report on Form 10-K.



Board of Directors

Larry C. Glasscock

Chairman of the Board

Angela F. Braly

President and
Chief Executive Officer

Lenox D. Baker, Jr., M.D.

President,
Mid-Atlantic Cardiothoracic
Surgeons, Ltd.

Susan B. Bayh

Attorney at Law

Sheila P. Burke

Senior Research Faculty,
John F. Kennedy School
of Government,
Harvard University

William H.T. Bush

Chairman,
Bush O'Donnell & Co., Inc.

Julie A. Hill

Owner of the Hill Company

Warren Y. Jobe

Former Senior Vice President,
Southern Company

Victor S. Liss

Vice Chairman,
Trans-Lux Corporation

William G. Mays

President and
Chief Executive Officer,
Mays Chemical Company

Ramiro G. Peru

Retired Executive Vice President
and Chief Financial Officer,
Phelps Dodge Corporation

Jane G. Pisano, Ph.D.

President and Director,
The Natural History Museum
of Los Angeles County

Senator Donald W. Riegle, Jr.

Chairman,
APCO Government Affairs

William J. Ryan

Chairman,
TD Banknorth Inc.

George A. Schaefer, Jr.

Chairman,
Fifth Third Bancorp

Jackie M. Ward

Retired CEO,
Computer Generation Inc.

John E. Zuccotti

Chairman,
Brookfield Financial Properties
and of counsel,
Weil Gotshal & Manges LLP

LEFT :: (From left to right) William G. Mays; Susan B. Bayh; Sheila P. Burke; Lenox D. Baker, Jr., M.D.; John E. Zuccotti; Larry C. Glasscock; Warren Y. Jobe; Angela F. Braly; Senator Donald W. Riegle, Jr.; Victor S. Liss; Julie A. Hill; George A. Schaefer, Jr.; Ramiro G. Peru; William J. Ryan; Jackie M. Ward; William H.T. Bush; and Jane G. Pisano, Ph.D.

RIGHT :: (Standing from left to right) John Cannon; Randall J. Lewis; DiJuana K. Lewis; Mark L. Boxer; Brad M. Fluegel; Brian A. Sassi; James T. Parker; and Randy L. Brown. (Sitting from left to right) Cindy S. Miller; Wayne S. DeVeydt; Angela F. Braly; Sam R. Nussbaum, M.D.; and Ken R. Goulet



Board Committees

Audit Committee

Warren Y. Jobe, Chairperson
Victor S. Liss
William G. Mays
Ramiro G. Peru
George A. Schaefer, Jr.

Compensation Committee

William J. Ryan, Chairperson
Sheila P. Burke
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Jackie M. Ward

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Executive Leadership Team

Angela F. Braly

President and
Chief Executive Officer

Mark L. Boxer

President and CEO, Operations,
Technology and Government
Services Business Unit and
Executive Vice President

Randy L. Brown

Executive Vice President and
Chief Human Resources Officer

John Cannon

Executive Vice President and
General Counsel

Wayne S. DeVeydt

Executive Vice President and
Chief Financial Officer

Brad M. Fluegel

Executive Vice President and
Chief Strategy and
External Affairs Officer

Ken R. Goulet

President and CEO,
Commercial Business Unit and
Executive Vice President

DiJuana K. Lewis

President and CEO, Comprehensive
Health Solutions Business Unit and
Executive Vice President

Randall J. Lewis

Executive Vice President,
Internal Audit and
Chief Compliance Officer

Cindy S. Miller

Executive Vice President,
Chief Actuary and Integration
Management Officer

Sam R. Nussbaum, M.D.

Executive Vice President,
Clinical Health Policy and
Chief Medical Officer

Brian A. Sassi

President and CEO,
Consumer Business Unit and
Executive Vice President

James T. Parker

Senior Vice President and
Chief of Staff

Shareholder Information

Corporate Headquarters

WellPoint, Inc.
120 Monument Circle
Indianapolis, IN 46204-4903
www.wellpoint.com

Account Questions

Our transfer agent, Computershare, can help you with a variety of shareholder-related services, including:

- :: Change of address
- :: Transfer of stock to another person
- :: Lost stock certificates
- :: Additional administrative services

Please include your name, address and telephone number with all correspondence, and specify the most convenient time to contact you.

You can call Computershare toll-free at: (866) 299-9628
Monday through Friday, excluding holidays, from 9 a.m. to 5 p.m. Eastern Time

Written correspondence can be sent to:
WellPoint Shareholder Services
c/o Computershare Trust Company, N.A.
P.O. Box 43037
Providence, Rhode Island 02940-3037
E-mail: wellpointinc@computershare.com

Investor and Shareholder Information

Shareholders may receive, without charge, a copy of WellPoint, Inc.'s Annual Report on Form 10-K, including consolidated financial statements, as filed with the Securities and Exchange Commission (which is WellPoint, Inc.'s Annual Report to Shareholders). WellPoint's Annual Report and other information are also available on WellPoint's Investor Relations Web site at www.wellpoint.com. To request an Annual Report, Form 10-K, or additional information, please choose from one of the following:

Institutional Investors

WellPoint, Inc.
Investor Relations Department
120 Monument Circle
Indianapolis, Indiana 46204-4903
(317) 488-6390
E-mail: michael.kleinman@wellpoint.com

Individual Shareholders

WellPoint, Inc.
Shareholder Services Department
120 Monument Circle
Indianapolis, Indiana 46204-4903
(800) 985-0999 (toll-free)
E-mail: shareholder.services@wellpoint.com

Annual Meeting

The annual meeting of shareholders of WellPoint, Inc. will be held at 10:00 a.m. Eastern Daylight Time on May 21, 2008, at WellPoint's headquarters, 120 Monument Circle, Indianapolis, Indiana.

Market Price of Common Stock

WellPoint's common stock, par value \$0.01 per share, is listed on the New York Stock Exchange (NYSE) under the symbol "WLP." On February 12, 2008, the closing price on the NYSE was \$75.88. As of February 12, 2008, there were 124,373 shareholders of record of the common stock. The following table presents high and low sales prices for the common stock on the NYSE for the periods indicated.

2007	HIGH	LOW
First Quarter	\$84.15	\$73.88
Second Quarter	86.25	77.98
Third Quarter	83.55	72.90
Fourth Quarter	89.95	75.08
2006		
First Quarter	\$80.37	\$71.62
Second Quarter	77.70	65.50
Third Quarter	79.93	72.12
Fourth Quarter	79.07	70.15

Dividends

WellPoint, Inc. has not to date paid cash dividends on common stock. The declaration and payment of future dividends will be at the discretion of the board of directors.

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Products with a mixed sources label support the development of responsible forest management worldwide. The wood comes from Forest Stewardship Council (FSC)-certified well-managed forests, company-controlled sources and/or recycled material. The recycling symbol identifies post-consumer recycled content in these products.

“It’s that kind of **good relationship**
that works to the benefit of the patient.”

DR. WILLIAM EBBELING

:: Immunology specialist, Fresno, California :: **PAGE 8**

“Anthem Blue Cross is **ahead** of the other
insurance companies when it comes to
targeting young adults who need health coverage.”

KARLENE MEDINA :: Tonik member,

Los Angeles, California :: **PAGE 13**

“One of the things that really stood out
was Anthem’s customer **service** approach.”

MARK FISHER

:: Director, benefits and human resources information systems at Big Lots
Columbus, Ohio :: **PAGE 17**

“To have an individual who can serve as an **advocate**
is extremely valuable.”

DR. ALLISON BURKETT :: Mother of premature twins

Atlanta, Georgia :: **PAGE 9**



WELLPOINT, INC.

120 Monument Circle
Indianapolis, Indiana 46204
www.wellpoint.com

WLP-AR-2008

ABOUT WELLPOINT, INC. :: WellPoint's mission is to improve the lives of the people it serves and the health of its communities. WellPoint, Inc. is the largest health benefits company in terms of commercial membership in the United States. Through access to networks across the country, the company delivers a number of leading health benefit solutions through a broad portfolio of integrated health care plans and related services, along with a wide range of specialty products such as life and disability insurance benefits, pharmacy benefit management, dental, vision, behavioral health benefit services, as well as long term care insurance and flexible spending accounts. Headquartered in Indianapolis, Indiana, WellPoint is an independent licensee of the Blue Cross and Blue Shield Association and serves its members as the Blue Cross licensee for California; the Blue Cross and Blue Shield licensee for Colorado, Connecticut, Georgia, Indiana, Kentucky, Maine, Missouri (excluding 30 counties in the Kansas City area), Nevada, New Hampshire, New York (as Empire Blue Cross Blue Shield in 10 New York City metropolitan and surrounding counties and as Empire Blue Cross or Empire Blue Cross Blue Shield in selected upstate counties only), Ohio, Virginia (excluding the city of Fairfax, the town of Vienna and the area east of State Route 123), Wisconsin; and through UniCare. Additional information about WellPoint is available at www.wellpoint.com.