

WELLPOINT.


New State Mandates – Now What?

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- Nation's Largest Health Insurer by Members**
 - ~33 million medical members
 - ~39,000 employees
- Total Revenue**
 - More than \$60 billion
- Provider Network Advantage**
 - ~94% Hospitals
 - ~82% Primary Physicians
 - ~84% Specialists
- Blue Cross & Blue Shield Licensee**
 - 14 states




Note: Provider Network refers to BlueCard® PPO Network

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WellPoint Core Values

Our values provide a shared value system that serves as the foundation for a positive, productive and ethical business culture;

- Customer First
- Integrity
- Continuous Improvement
- One Company, One Team
- Personal Accountability for Excellence



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Compliance Organizations

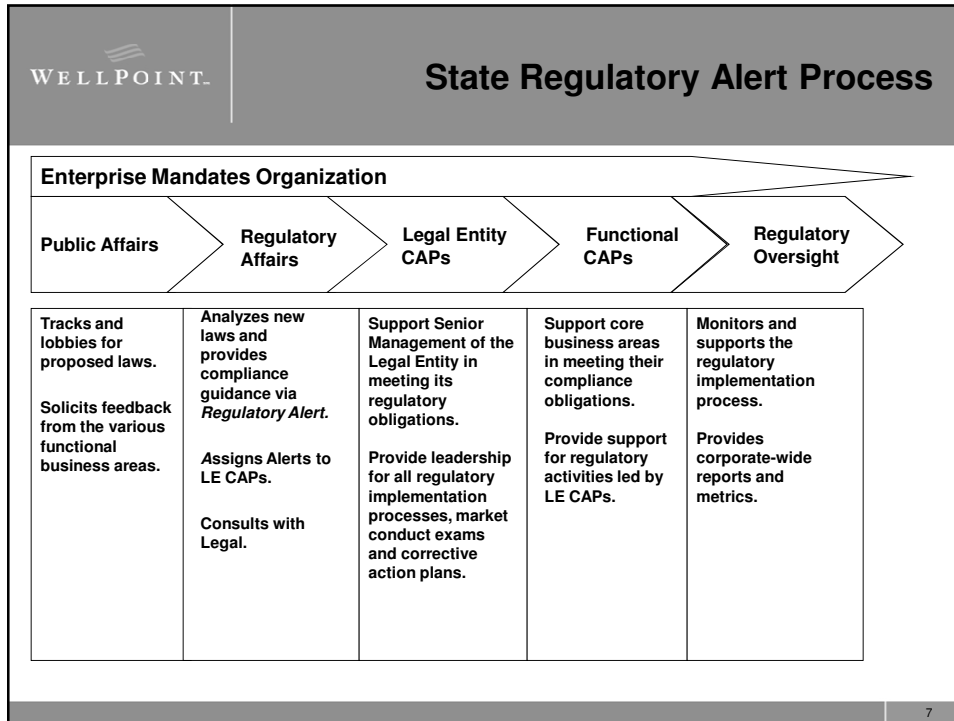
- Responsibility for ensuring compliance with federal and state laws is owned by many areas across the company and is a collaborative effort.
- Operational compliance persons are embedded in the business units.
- Legal Entity Compliance Accountable Persons (LE CAPs) play a unique role.
- Operational compliance persons are supported by many support organizations:
 - Legal – Regulatory Affairs
 - Public Affairs
 - Regulatory Oversight
 - Internal Audit
 - Enterprise Mandate Organization

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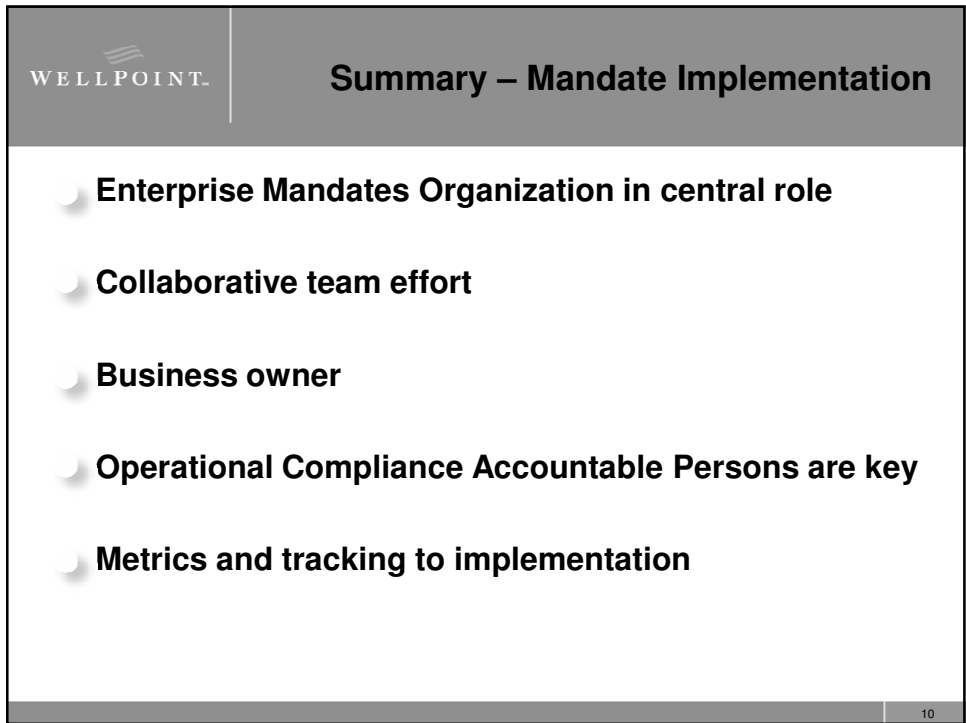
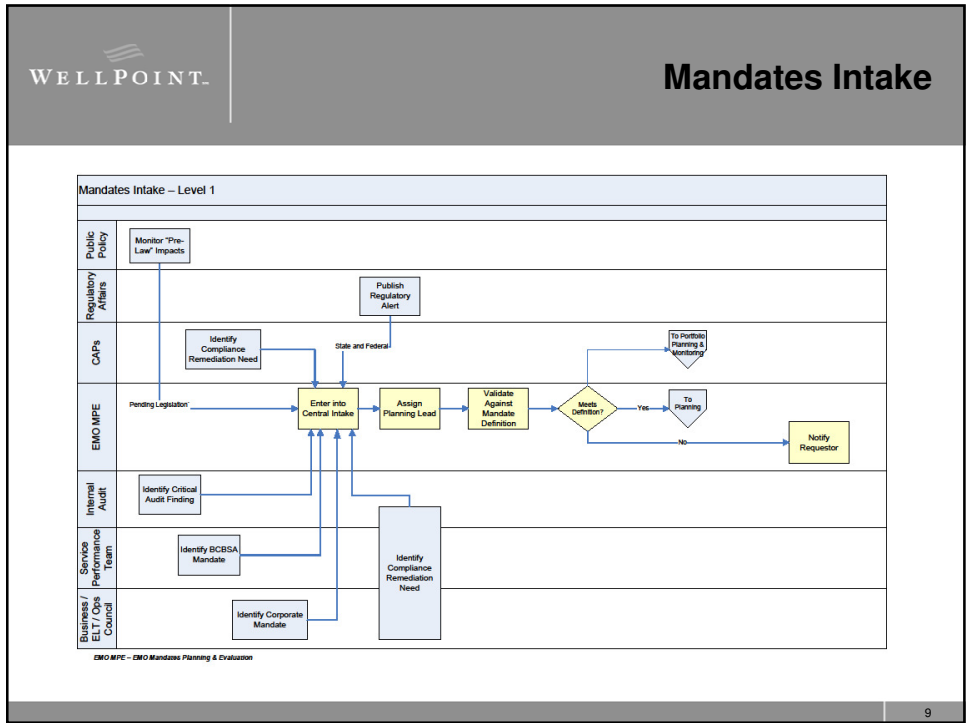
Regulatory Alerts

- A division of the Legal Department, called Regulatory Affairs tracks federal and state laws.
- When a law is passed, this team documents the Legal Department's summary and interpretation of the new law in the form of a Regulatory Alert.
- Reg Alerts contain information about the law's applicability, effective dates, requirements, and penalties.
- Final Reg Alerts are distributed to the LE CAPs who lead their legal entity's efforts to implement the new law.

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- WELLPOINT** | **Federal Regulatory Alert Process**
- Federal Reg Alerts are typically handled as corporate projects.
 - The Reg Alert is assigned by Regulatory Affairs to Enterprise Mandates Organization, when then works within the company to find the appropriate Business Sponsor.
 - The Business Sponsor leads the company's implementation efforts, typically working with the enterprise project management office and many compliance accountable people in the impacted business units.
 - Enterprise Mandates Organization plays the quarterback position in mandate implementation.
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Health. Care. Value.