

1 IN NEW YORK

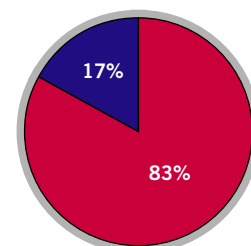
WellChoice has been dedicated to serving the health insurance needs of New Yorkers for 69 years. Today, with over 4.6 million members nationwide, it is the largest health insurance company in the state¹. Its New York service areas include the 28 counties of eastern New York beginning at the tip of Long Island, encompassing New York City, and going north along the Hudson River to the Canadian border. In the highly competitive environment of the ten downstate counties of the New York metropolitan area, it holds the lead in market share covering over 20% of the population.



Through its subsidiaries, WellChoice offers a broad portfolio of managed care and traditional indemnity and specialty products. Managed care products include a traditional HMO that requires a primary care physician to coordinate all care, as well as a “gatekeeperless” HMO that gives members the freedom to self-refer to any in-network specialist. For maximum flexibility and choice, the PPO allows members to receive care on an in-network basis from an expansive provider network or to get care out-of-network. The EPO sits between these products, offering members access to the same expansive provider network as the PPO but with no out-of-network benefits. This range of products allows the Company to meet the needs of its diverse customer base and to rapidly respond to marketplace trends.

Underlying its managed care products, WellChoice boasts the largest HMO, EPO and PPO provider networks in its marketplace. The commercial HMO network provides access to over 60,000 provider sites and 141 hospitals in New York on an in-network basis. The EPO and PPO are based on the same network, which allows members access to more than 80,000 provider sites and 164 hospitals in New York. Our provider networks consist of many of the most well-recognized provider organizations.

MEMBERSHIP
(as of 12/31/02)



- Commercial Managed Care (PPO, HMO, EPO) **3,805,000**
- Indemnity and Individual **803,000**



www.wellchoice.com has been specifically designed for investors.

The Company has a long tradition of commitment to seniors and currently offers Senior Plan, a Medicare+Choice HMO to eligible Medicare beneficiaries in New York City, Long Island, Westchester and Rockland counties. Senior Plan provides access to a network of over 39,000 providers, and covers all of the benefits of traditional Medicare plus additional benefits, such as unlimited generic prescription drug coverage. Medicare beneficiaries can also select one of three Medicare Supplemental plans to supplement their traditional Medicare coverage.

WellChoice's size and market share are key factors in its ability to successfully negotiate significant discounts with providers. In addition, approximately two-thirds of all the Company's hospital contracts are multi-year contracts, with 60% of its key hospital networks, including North Shore-Long Island Jewish Health System and New York Presbyterian, being successfully renegotiated during the fourth quarter of 2002.



WellChoice also offers traditional fee-for-service indemnity and standardized individual HMO products as well as pharmacy, vision and dental benefit plans and behavioral health care. In addition, the Company also offers HMO and PPO products in 16 counties in New Jersey.

¹Based on total PPO and HMO membership.