



WellPoint remains a profitable and financially strong company – well positioned to address the challenges of our current economy and capitalize on future opportunities. Our Corporate Promise, “to simplify the connection between health, care and value,” is our commitment to improving the lives of the 35 million members in our affiliated health plans as well as the health of the communities we serve.

In 2008, WellPoint faced both company-specific and broader economic challenges. No industry, including health care, was immune from the effects of a slowing national economy. The economic environment also placed increased pressure on our customers to tighten their own budgets, including their health care expenditures. Even in the midst of these challenges, WellPoint remained a profitable and financially strong company.

We took swift and decisive actions to manage our own challenges as well as to address external factors throughout the year. In particular, we significantly reduced our claims inventory levels, refreshed our information technology strategy, and strengthened our financial reserves. We have continued to effectively manage our administrative expense costs as a percentage of revenue while making investments to grow our business for the future. These actions contributed to positive results for our customers. As an example, our Member TouchPoint Measure scores were up 4.5 points in 2008 and our customer service metrics continue to improve.

#### **Increasing Shareholder Value in 2009**

As the largest health benefits company in America by membership, WellPoint holds a unique position within the health care marketplace. We are well-equipped to address the current challenges and capitalize on the opportunities presented by the economy. Now more than ever our customers are looking to us to create more

value for their health care benefits. We will continue to focus on excelling at day-to-day operations for our customers and will strive to exceed our operational commitments and financial expectations.

We expect earnings per share growth in 2009 through innovative product offerings, disciplined pricing, effective medical cost management and efficient capital management. We will continue investing for future growth by delivering services that will help improve the quality and affordability of health care for our customers and ultimately lower our administrative cost structure.

Our national breadth and diverse membership position us well for the current economic downturn as we have multiple sources of revenue. As a Blue Cross and/or Blue Shield licensee in 14 states, we have the most recognizable brand in our industry and offer our members unparalleled access to 82 percent of all physicians and 94 percent of all hospitals in the United States through the BlueCard® program. Our brand, access to broad provider networks across the country and leading presence in our markets deliver sustainable competitive advantages.

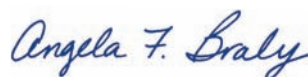
There is a unifying urgency associated with achieving responsible health care reform in America. WellPoint is a leading advocate for responsible health care reform and is actively involved in the discussions to address quality, cost and coverage. I encourage you to review page 26 of this report, where you will find a summary of the four cornerstones of reform that we believe will help improve quality, eliminate waste and optimize costs in the health care system we all share.

## **Health. Care. Value.**

Last year's accomplishments and this year's outlook are important to discuss, but we must never lose focus on the most important reason we've become the nation's preeminent health benefits company: our customers. We've organized this year's report around our Corporate Promise, "to simplify the connection between health, care and value," because it describes the three areas where our health plans partner with our customers, doctors and hospitals. Each section includes examples of the products, services and strategies that simplify the health care experiences for the 1 in 9 Americans we serve.

When you read this report, I encourage you to pay particular attention to the people, including: Christine Rubio-Puente, who makes a difference in the Health of our communities through our Community Resource Centers; Maria Garcia, a nurse case manager who helps to ensure the proper Care of our members; and Dr. Mark DeFrancesco, a physician in Connecticut who sees Value in providing incentives for better patient care. They are among the many talented employees and partners helping us fulfill our promise each and every day.

Health. Care. Value. represents the foundation of our promise to our customers. As we simplify their connection, WellPoint will continue to lead our industry while improving the lives of the people we serve and the health of our communities.



**Angela F. Braly**

President and Chief Executive Officer