Benefits under the Voluntary Retirement Incentive Plan

This information describes how your Total Rewards and other benefits will work after you leave the company as well as other important items. The severance payments, extended medical, dental, vision, healthcare FSA benefits, and outplacement services are available in exchange for a signed Release and Waiver Agreement (“Agreement”) provided separately.

Contact the HRSolutions Center (HRSolutions) via email at HRSC@Anthem.com with questions about pay or benefits. Please notify HRSolutions of any changes in your home address to ensure you receive any future tax and benefit information and ensure all your contact information is updated including your personal email. For other concerns, you may contact the Associate Relations Resolution Team at Associate.Relations@Anthem.com.

Outplacement Assistance

You are eligible for a professional outplacement program from Right Management. The program includes resume preparation, interviewing skills and job search skills. If you have been selected, you can contact Right Management after March 17, 2017 but must initiate services no later than six months following your retirement date. Send an email to enroll in the program to GetStarted@right.com.

Medical, Dental, Vision and Associate Life Insurance Coverage

If you are currently enrolled in the company medical, dental, vision and associate life insurance plans, coverage for you and your covered dependents will remain in effect through the last day of the month in which your severance payments end. If you do not sign the Agreement, coverage will continue through the last day of the month in which your last day of employment falls. Benefit coverage is retroactive to the first of the month following your retirement date upon timely receipt of your Agreement.

If your severance pay benefit period extends into the next calendar year, you will need to reenroll during the open enrollment period in October/November. If you do not receive enrollment information by November 1st, contact HRSolutions in early November.

You may end your coverage if you wish by contacting HRSolutions within 30 days after your retirement date. You may not adjust your dependent elections as a result of this retirement event.

Notify HRSolutions in writing to discontinue your applicable Anthem benefits for the remainder of your severance period if you find a job that provides medical, dental, vision and associate life insurance benefits. Contact HRSolutions via email at HRSC@anthem.com.

Flexible Spending Account (FSA)

If you are currently enrolled in the Health Care or Dependent Care Flexible Spending Account (FSA) programs, deductions for these programs will continue until your last day of severance. Only services rendered prior to the end of your severance pay period or the date you waive the FSA, whichever comes first, are eligible to be reimbursed through your FSA. Deductions will be taken from your severance payments unless you notify HRSolutions to drop coverage. You may stop your FSA contributions during severance if you have not been reimbursed more FSA dollars than you have contributed to date. Submit claims and receipts for reimbursement directly to the FSA administrators (www.HealthEquity.com or 1-877-713-7712). If you do not sign the Agreement, your elected benefits will remain in effect through the last day of the month in which your employment terminates. You may continue Health FSA coverage beyond the severance benefit period under the Consolidated Omnibus Budget Reconciliation Act (COBRA). See COBRA section below.
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Consolidated Omnibus Budget Reconciliation Act (COBRA)

In order to continue coverage beyond the severance benefit period, you may elect continuation of coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA). Continuation of medical, dental, vision and Health FSA coverage under COBRA is not automatic – you must submit an enrollment form and pay the appropriate cost. The maximum COBRA period is typically up to 18 months. Detailed information on COBRA will be mailed to your home 30 days prior to the end of your severance pay period (or as soon as administratively feasible). You will have 60 days to elect this coverage. If you do not elect this coverage, it cannot be reinstated retroactively. If you do not elect this coverage for yourself, your dependents may continue coverage. All terms and conditions of the respective benefit plans and COBRA regulations will apply. Please contact the COBRA administrator at 866-800-2272.

For information on how to purchase individual coverage and other options beyond company coverage, you may call Anthem Blue Cross and Blue Shield directly at 888-630-BLUE (2583).

Wellness Credits

To be eligible for wellness credits after your retirement date, you must be receiving severance benefits and enrolled in a medical plan. If you are receiving 2017 wellness credits, they will continue until the end of the year, or your severance end date (if earlier). You are not eligible for wellness credits in 2018. If you enroll in an Anthem plan through another employer, you are not eligible for the wellness credit.

Paycheck and Time Entry

To ensure that your last paycheck is accurate and on time, please note the following:

- Enter your time worked and exception time (PTO, Jury Duty, bereavement) into your time sheet by noon of the last day you work. Remind your manager to approve the time sheet. If you need to make changes to your time entry after your last day worked, contact the HRSolutions at HRSC@Anthem.com.

- Your final paycheck will contain wages earned through your last day worked including overtime and any unused PTO as outlined in the PTO policy.

- These items will be withheld from your last paycheck: health benefits elections, 401(k) contributions and loans if applicable, garnishments, volunteer deductions such as PAC, Savings Bonds, Liberty Mutual, etc.

- Your final paycheck will be delivered in the same manner you currently receive your pay (direct deposit or Money Card). In some states, you may receive your pay earlier than the usual bi-weekly date to comply with state requirements. The severance pay benefit will be paid in the same manner as usual bi-weekly on the company’s regular pay cycle and will be retroactive to your retirement date.

- If you want or need copies of your past paycheck advices, please print them before leaving the company. Advices for future paychecks will be mailed to your home.

Returning Company Property

All company property must be returned to your manager by your last day of work. Examples of company property: identification/access cards, keys, pagers, telephones, computer equipment, air cards, manuals, letters, notes, notebooks, reports, customer or prospect lists, lists of employees, data, information or files etc. that were in your possession or control. If you are a Work@Home associate and cannot drive computer equipment to an office, contact your manager to make arrangements for a vendor to retrieve the equipment. Equipment should be returned within one day of termination when possible. Failure to return company property in a timely manner could affect rehire eligibility.
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Anthem member information (including customer lists) and other proprietary information developed at Anthem are owned by Anthem and must be returned. Any inappropriate direct or indirect use or disclosure of Anthem’s member or proprietary information may be unlawful.

If you have a company charge card, please shred it for disposal. It will be deactivated. Please submit any unpaid business expenses immediately on Chrome River.

Paid Time Off (PTO)

You will be paid for up to a maximum of 5 days (40 hours) of accrued but unused PTO when your employment ends (except as noted below). A “day” is a maximum of 8 hours (prorated for associates who work part time schedules). Any PTO accrued prior to December 31, 2015 but not used will be paid out in full. If the 2015 PTO time equals or exceeds 5 days, time accrued in subsequent years will not be paid. Taxes on any PTO time paid out will be withheld at the supplemental rate.

Some states require payment for all accrued and unused PTO upon termination of employment. Currently, associates working in California, Illinois, Louisiana, Massachusetts, Montana, Nebraska, North Dakota and Rhode Island will be paid for all accrued and unused PTO upon termination of employment. This exception also applies to union associates and any SCA-covered associates (for example, NGS non-exempt and WMC associates).

Dependent Life Insurance

Your dependent life insurance coverage will remain in effect until midnight of the last day of the month in which your last day of employment falls. Call Anthem Life Conversion at 1-800-801-6142 for an application form if you wish to convert your eligible dependents’ group term life insurance to individual whole life policies. You must return your written application and first premium payment within 31 days after your retirement date.

Short Term Disability (STD)

If you are not receiving STD benefits on your retirement date, your eligibility for coverage under the company’s STD plan will cease on your retirement date.

If you are receiving STD benefits on your retirement date, you will receive severance payments and continuation of your elected medical, dental, vision and FSA benefits from termination through the duration of the severance pay period. The severance pay period will run concurrently with the STD benefits. You will receive the greater of the two benefits. Contact the HRSolutions for details.

Short Term Disability Supplement Bank

The time in your STD supplement bank will not be paid out at termination and will not be reinstated upon rehire.
Post-Retirement Medical Benefits and Life Insurance Information

This section may not apply to all participating associates. Depending on the terms of the applicable plan, you may be eligible for post-retirement medical and life insurance benefits. Retirement eligibility is at least age 55 with at least 15 years of service. However, if you have less than 15 years of service, you will be treated as though you had 15 years of service solely for purposes of determining your eligibility for and access to post-retirement medical and life insurance benefits.

You may elect to begin your post-retirement medical benefits (in lieu of COBRA) the first of the month following your severance end date. You may defer the retiree medical benefit until a later date but you must be able to show proof of continuous medical coverage.

You must have active life insurance coverage on your retirement date and during severance in order to be eligible for retiree life insurance benefits. If you waive retiree life insurance benefits, you will not have the option to enroll at a later date. Note that life insurance premiums are not eligible for reimbursement under the Retiree Medical Spending Account (RMSA).

A retiree-medical and life insurance election form will be mailed to your home 45 days before the end of your severance. Please send an email to Retirement@Anthem.com if you have any questions.

401(k) Plan

If you are currently enrolled in the 401(k) plan, contributions and company match will generally end at your retirement date (although you may have contributions deducted from eligible compensation that is paid in the first two pay periods after your retirement date). Severance pay is not an eligible pay category under the 401(k) plan.

If you have an account balance remaining in the plan, you must wait for 30 days after your retirement date before requesting a distribution from your account. This ensures that all final contributions have been deposited to your account before the balance is paid out. After that period, contact Vanguard at (800) 523-1188 or online at Vanguard.com if you wish to request a distribution or rollover of your account. Please read through the tax notice Vanguard will provide to ensure you understand the taxes and potential penalties you may incur if you take a distribution and do not roll your distribution over to another qualified plan or IRA.

If you have an outstanding loan (or loans) from your 401(k) account, payroll deductions for these loan repayments will cease on your retirement date. You have two options: 1) repay your loan balance in full within three months; or 2) receive a taxable distribution equal to your outstanding loan balance. If you do not repay your loan within three months or take a total distribution of your account without repaying your loan, the value of your outstanding loan balance will automatically be considered a taxable distribution. You will then be required to report that amount on your personal income tax return. Taxable distributions may also be subject to early withdrawal penalties.

Pension Plan

This may not apply to all participating associates. If you have a vested benefit in a company pension plan, an information packet will be mailed to your home within 45 days of your retirement date. Please send an email to Retirement@Anthem.com if you have any questions.

Employee Stock Purchase Plan (ESPP)

If you are participating in the ESPP, you will receive a refund of all contributions taken during the second quarter of 2017. This refund will be included on your last regular paycheck or as soon as administratively possible after your termination. Please note that your refund may be reduced by any overpayment in pay that may have been made to
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you. Any shares you have already purchased through the ESPP are yours and will remain in your account. You may sell or transfer these shares at any time or continue to hold them.

Stock Grants

As a retiree, all unvested equity granted prior to Jan. 1, 2017 will continue to vest on the scheduled vesting dates after you retire. If you receive a 2017 stock grant award, it will be prorated and will continue to vest on the scheduled vesting dates. If your retirement date is in April, you will receive 3/12 of your 2017 grant, 4/12 for May retirements and 5/12 for June retirements. Stock options need to be exercised within five years from your date of retirement, or the remainder of your grants existing term, whichever is sooner. Please review your Grant Letters located in your E*TRADE account, for the treatment of your restricted stock units, performance stock units and stocks option upon the end of your employment. If you have any questions about your stock grants or stock options, please send an email to Stock.Admin@Anthem.com. To check your stock information or exercise your stock options, log onto your online E*TRADE account at www.etrade.com or call 1-800-838-0908.

AIP and QIP

Associates in the Annual Incentive Plan (AIP) will receive their annual incentive in March of 2018 based on their eligible earnings from 2017. Associates in the Quarterly Incentive Plan (QIP) will receive Q1 2017 payout only.

You must satisfy all criteria in the AIP and QIP plans in order to be eligible for a payout from those plans. Please refer to the plan summaries for more information.

Education Assistance

Reimbursements for eligible expenses under the Education Assistance program will be accepted for classes that began prior to your retirement date. If you need a reimbursement form or assistance with reimbursement, please contact HRSolutions.

Health Club Reimbursement

You are eligible for reimbursement for eligible health club dues through the end of the calendar month prior to your retirement date. Requests submitted after the month following the quarter in which your retirement date falls will not be reimbursable. Contact HRSolutions for a reimbursement request form.

Workers’ Compensation

If you are on Workers’ Compensation on your retirement date, please notify your Workers’ Compensation claims adjuster.

W-2 Forms

Your W-2 will be mailed to your home address listed in PeopleSoft no later than Jan. 31 of the following calendar year. Please make sure that your home address is correct in PeopleSoft. Contact the HRSolutions via email at HRSC@anthem.com if you have a change.
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Employment Verification

“The Work Number” is an automated process to handle employment or income verifications for such things as loan applications, leases and job applications. To set up an account, call 1(800) 367-2884 (800-EMP-AUTH) or log onto www.theworknumber.com. Go to the “Enter Employee Section” and enter “Anthem” or the company code 10219. You will need to provide your verifier or lender with the Company Code of 10219 and your Social Security Number. You may also request a report for your own use on this site. Your assigned PIN is your associate ID number which is listed next to your name on the first page of this letter and on your paycheck. Please allow two weeks for “The Work Number” to update your information.

Employee Assistance Program (EAP)

The employee assistance program is available 24 hours a day, seven days a week through the end of the month in which your severance pay period ends. The EAP number is 1-877-361-7974.