



August 1, 2013

By now we are sure that you have seen several news reports that highlight studies indicating the potential impacts that the federal Affordable Care Act will have on health insurance premiums in 2014. 2014 will bring an entire new set of products to the market, with rates that will no longer be dependent, in part, upon an individual's own health status, but that of a broad number of people who buy individual insurance. As a result, some individuals will see lower rates for this new coverage in 2014, while others will see higher rates.

These changes will require termination of the existing products under which you are enrolled as of the first policy year that begins in 2014. Because our insurance policies have not designated a policy year before, federal law would require us to treat January 1, 2014 as the start of your policy year, and thus the date that your product must change to comply with the 2014 product design and rating rules.

However, to give you the opportunity to retain your existing coverage for a longer period of time, we have enclosed an endorsement which for the first time defines a policy year for your policy. The policy year has been defined so that your 2013 policy year will begin on your 2013 premium renewal date and end one year later. With this endorsement, the coverage under this policy will terminate on your first renewal date in 2014. This will give you the opportunity to retain your coverage for the full 12 months of your renewal period.

This policy year change has no effect on how your deductible, coverage limits, or out of pocket expenses accumulate under your policy.

Anthem is making this change to preserve as many options for you as possible as 2014 approaches. You will have the ability during the open enrollment period for 2014 products that begins October 1, 2013 to shop for those products. They may be a better fit for you, because of coverage, rates, or the opportunities for federal subsidies for products available on the public exchange. We will provide you information about our coverage options closer to the open enrollment period.

However, with this endorsement, if you find that the offerings for 2014 do not meet your needs, you can retain your existing coverage until your first renewal date in 2014.

If you have any questions, please talk to your agent or call our customer service team at the number printed on the back of your ID card. They're available from 8 a.m. to 6 p.m. EST, Monday to Friday.

Thank you for trusting us to help protect your health and the health of your family.