



**WELLPOINT.**

**Amerigroup
RealSolutionsSM**
in healthcare

WellPoint and Amerigroup: Leadership in High Growth Government Managed Care



July 9, 2012

Angela Braly, Chair, President & CEO, WellPoint, Inc.

- Transaction overview
- Strategic rationale

Jim Carlson, Chairman & CEO, Amerigroup Corp.

- Benefits of WellPoint-Amerigroup combination

Wayne DeVeydt, Executive Vice President & CFO, WellPoint, Inc.

- Financial review
- Q&A

Jim Truess, Executive Vice President & CFO, Amerigroup Corp

Safe Harbor Statement

Cautionary Statement Regarding Forward-Looking Statements

- This communication contains certain “forward-looking” statements as that term is defined by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Statements that are predictive in nature, that depend on or relate to future events or conditions, or that include words such as “believes”, “anticipates”, “expects”, “may”, “will”, “should”, “estimates”, “intends”, “plans” and other similar expressions are forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties that may cause our actual results in future periods to differ materially from those projected or contemplated in the forward-looking statements as a result of, but not limited to, the following factors: the failure to receive, on a timely basis or otherwise, the required approvals by Amerigroup’s stockholders and government or regulatory agencies; the risk that a condition to closing of the proposed transaction may not be satisfied; Amerigroup’s and WellPoint’s ability to consummate the merger; the possibility that the anticipated benefits and synergies from the proposed transaction cannot be fully realized or may take longer to realize than expected; the failure by WellPoint to obtain the necessary debt financing arrangements set forth in the commitment letter received in connection with the merger; the possibility that costs or difficulties related to the integration of Amerigroup’s and WellPoint’s operations will be greater than expected; operating costs and business disruption may be greater than expected; the ability of Amerigroup to retain and hire key personnel and maintain relationships with providers or other business partners pending the consummation of the transaction; and the impact of legislative, regulatory and competitive changes and other risk factors relating to the industries in which Amerigroup and WellPoint operate, as detailed from time to time in each of Amerigroup’s and WellPoint’s reports filed with the Securities and Exchange Commission (the “SEC”). There can be no assurance that the proposed transaction will in fact be consummated.
- Additional information about these factors and about the material factors or assumptions underlying such forward-looking statements may be found under Item 1.A in each of Amerigroup’s and WellPoint’s Annual Report on Form 10-K for the fiscal year ended December 31, 2011, and Item 1.A in each of Amerigroup’s and WellPoint’s most recent Quarterly Report on Form 10-Q for the quarter ended March 31, 2012. Amerigroup and WellPoint caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on forward-looking statements to make decisions with respect to the proposed transaction, stockholders and others should carefully consider the foregoing factors and other uncertainties and potential events. All subsequent written and oral forward-looking statements concerning the proposed transaction or other matters attributable to Amerigroup and WellPoint or any other person acting on their behalf are expressly qualified in their entirety by the cautionary statements referenced above. The forward-looking statements contained herein speak only as of the date of this communication. Neither Amerigroup nor WellPoint undertakes any obligation to update or revise any forward-looking statements for any reason, even if new information becomes available or other events occur in the future, except as may be required by law.

Safe Harbor Statement

Additional Information and Where to Find It

- This communication is being made in respect of the proposed transaction involving Amerigroup and WellPoint. The proposed transaction will be submitted to the stockholders of Amerigroup for their consideration. In connection with the proposed transaction, Amerigroup will prepare a proxy statement to be filed with the SEC. Amerigroup and WellPoint plan to file with the SEC other documents regarding the proposed transaction. **STOCKHOLDERS ARE URGED TO READ THE PROXY STATEMENT REGARDING THE PROPOSED TRANSACTION AND ANY OTHER RELEVANT DOCUMENTS CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION.** The definitive proxy statement will be mailed to Amerigroup's stockholders. You may obtain copies of all documents filed with the SEC concerning the proposed transaction, free of charge, at the SEC's website at www.sec.gov. In addition, stockholders may obtain free copies of the documents filed with the SEC by Amerigroup by going to Amerigroup's Investor Relations website page by clicking the "Investors" link at www.amerigroup.com or by sending a written request to Amerigroup's Secretary at Amerigroup Corporation, 4425 Corporation Lane, Virginia Beach, Virginia 23462, or by calling the Secretary at (757) 490-6900.

Interests of Participants

- Amerigroup and WellPoint and each of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of Amerigroup in connection with the proposed transaction. Information regarding Amerigroup's directors and executive officers is set forth in Amerigroup's proxy statement for its 2012 annual meeting of stockholders and its Annual Report on Form 10-K for the fiscal year ended December 31, 2011, which were filed with the SEC on April 27, 2012 and February 24, 2012, respectively. Information regarding WellPoint's directors and executive officers is set forth in WellPoint's proxy statement for its 2012 annual meeting of shareholders and its Annual Report on Form 10-K for the fiscal year ended December 31, 2011, which were filed with the SEC on April 2, 2012 and February 22, 2012, respectively. Additional information regarding persons who may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction will be contained in the proxy statement to be filed by Amerigroup with the SEC when it becomes available.



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- Acquiring a leading company in the high growth government-sponsored marketplace
 - Broadens Medicaid footprint to include 19 states that have nearly 60% of nation's Medicaid enrollment
 - Establishes presence in 13 states with significant dual eligible opportunities
 - Advances capabilities in seniors & persons with disabilities market and long-term services & support programs
 - Enhances competitive positioning for health insurance exchanges
- Doubles proportion of state-sponsored membership
- Accretive in the first year and strong long-term return on investment*

Key Transaction Terms

Price

- \$92.00 per share in cash to acquire all outstanding Amerigroup shares
- Transaction value of approximately \$4.9 billion
- Financed through cash on hand, commercial paper and debt issuance

Path to Completion

- Amerigroup shareholder vote
- Regulatory approvals including Hart-Scott-Rodino, state departments of insurance and other regulators
- Anticipated closing by the end of the first quarter 2013*

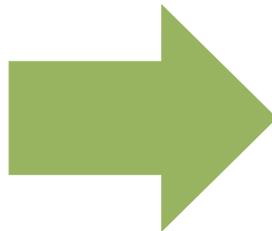
Operational

- Amerigroup will be a subsidiary focused on effectively managing state sponsored programs and further expanding this business
- Key Amerigroup management team members to remain with WellPoint

Eyes wide open

- **Recognized issues**

- Medicaid MCOs are trading at a premium to historical levels
- With political and economic distinctions, states will take varying approaches to fiscal challenges



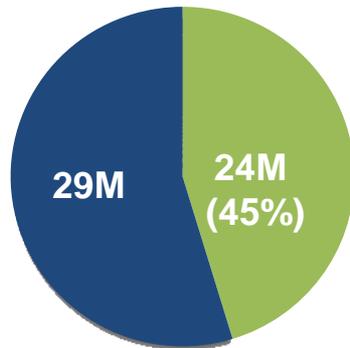
Right deal, Right time

- **Compelling opportunity**

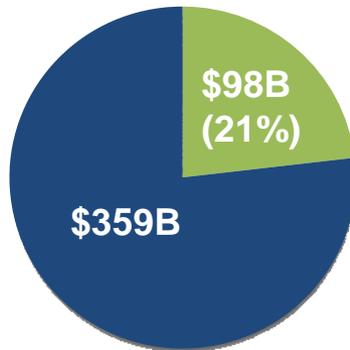
- Significant growth opportunities ahead
- Managed care is a solution to state fiscal issues
- Best partner to serve the rapidly-emerging dual eligible and Medicaid mandates

Medicaid Managed Care is Underpenetrated and Poised for Growth

Current

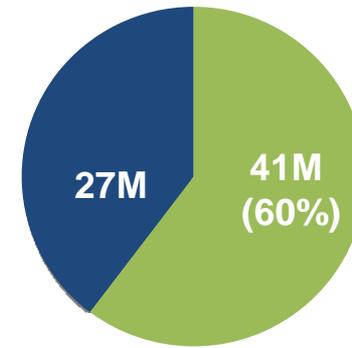


Total Beneficiaries: 53 million

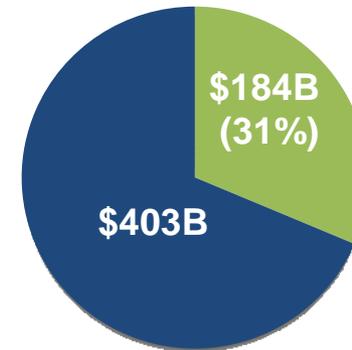


Total Expenditures: \$457 billion

Future (2014)



Total Beneficiaries: 68 million



Total Expenditures: \$587 billion

■ Unmanaged

■ Comprehensive Managed Care

Outsized Growth Potential

2012 – 2014



**RFP Pipeline –
~\$50 Billion**

2012 – 2020



**Long-term
Services and
Support**

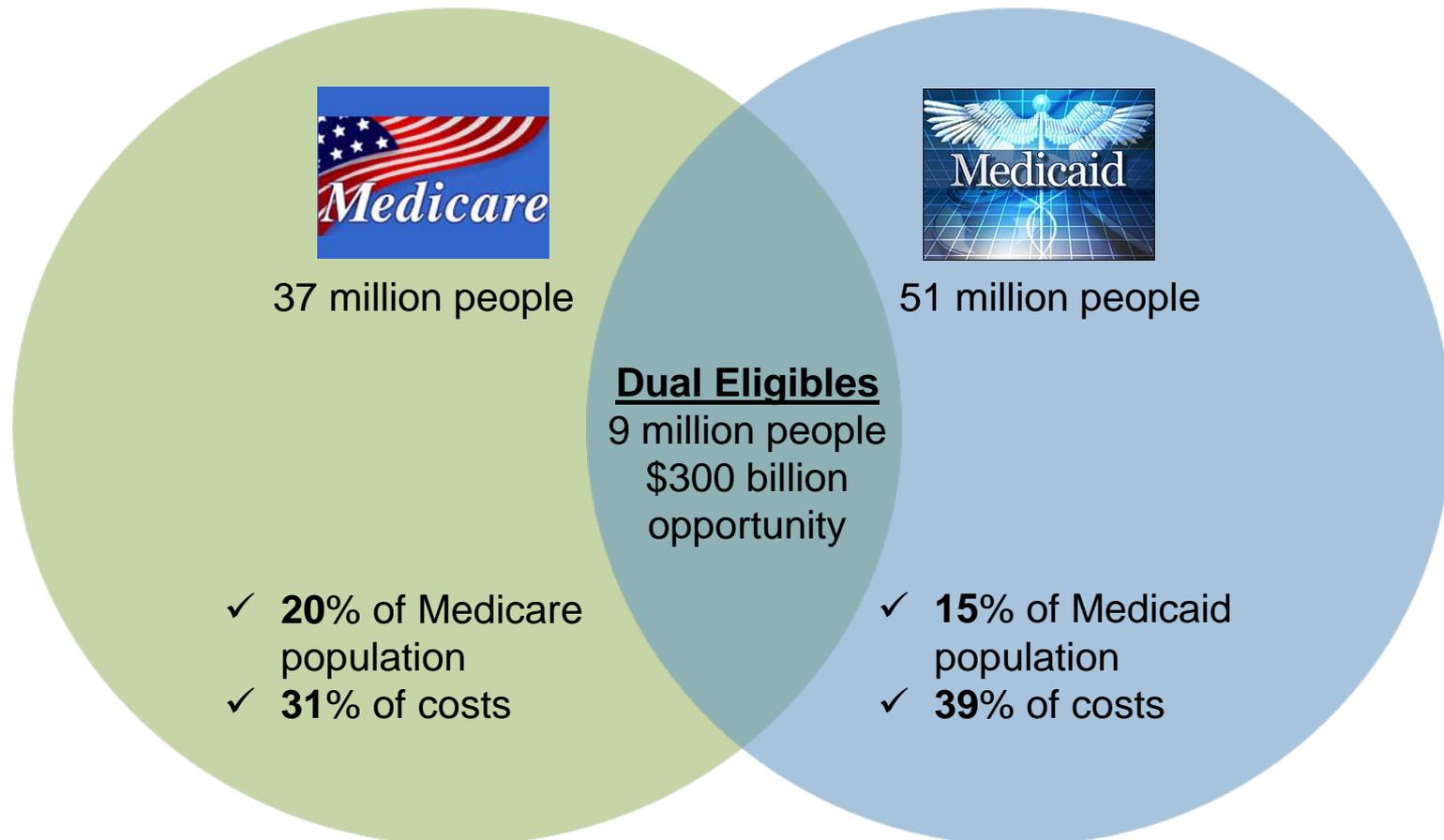
2013 – 2022



Dual Eligibles

Dual Eligible Opportunity

Duals are managed through government programs and account for \$300 billion growing to \$700 billion in 10 years

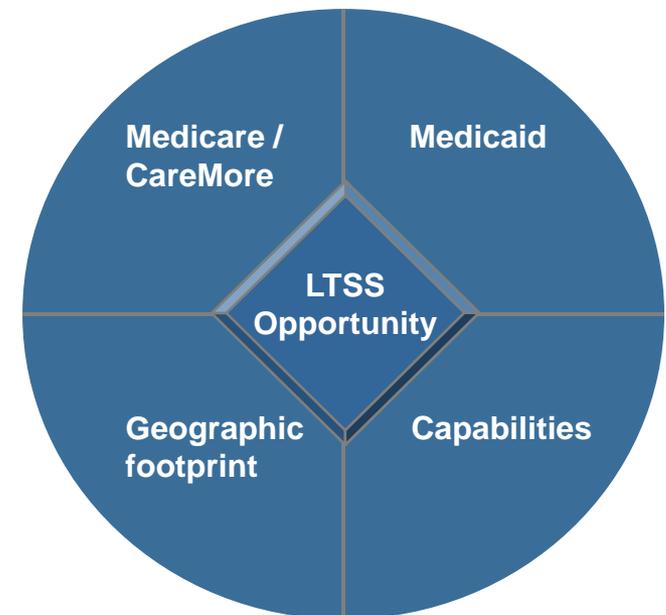


LTSS model of care is scalable, cost efficient and synergistic with CareMore

LTSS Opportunity

- Significant and broad growth opportunity in Medicaid (~15 million lives today)
 - High-cost populations in every state
 - Home and community based services
- Amerigroup has 5 LTSS programs
 - CareMore provides additional capabilities
 - Duals initiative creates stimulative effect for LTSS
- CMS currently working with more than two dozen states

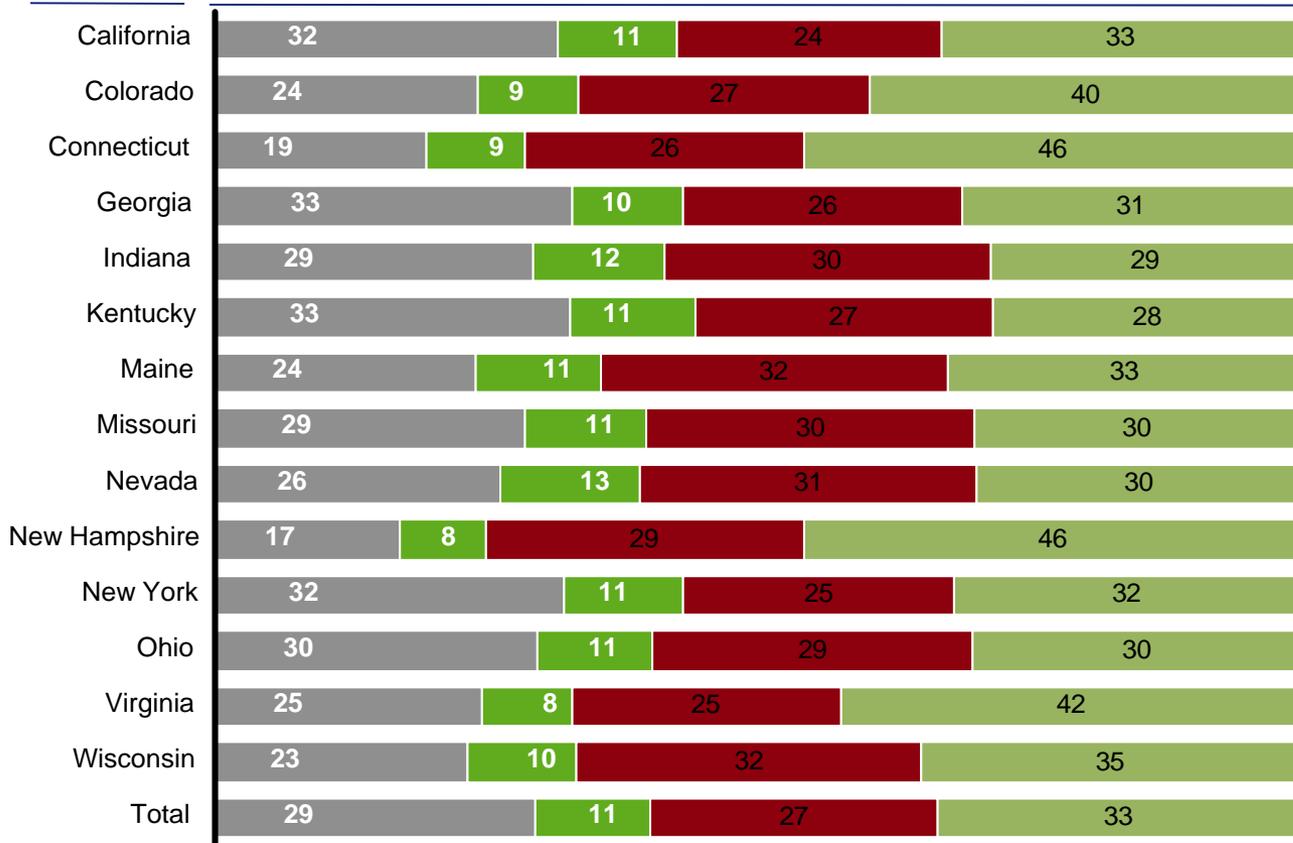
Positioning to Capture Market Share



Government Business Expected to Increase

Income Distribution By State

% of 2010 state population



- Approximately 29% of the population in our Blue markets have incomes that would make them eligible for Medicaid under PPACA
- Approximately 38% of the population in our Blue markets have incomes that would make them eligible for exchange subsidies

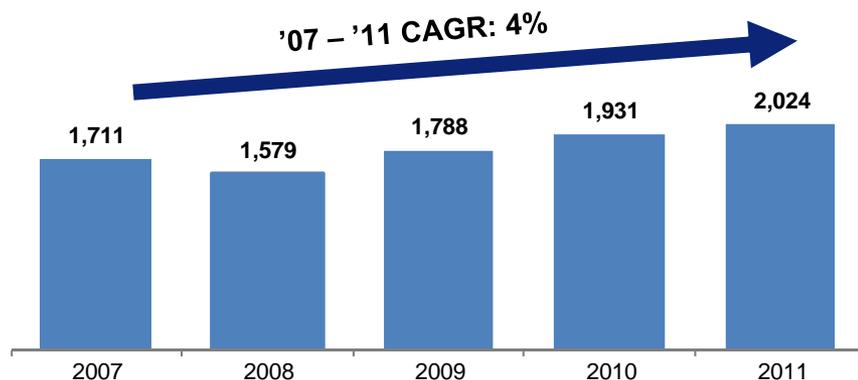
<133% of Federal Poverty Level
 133-200% of Federal Poverty Level
 200-400% of Federal Poverty Level
 >400% of Federal Poverty Level

Amerigroup is Exceptionally Attractive

- Superior pure-play government managed care platform and management team
- Leader in serving high needs populations
 - 40% of revenues from SPD, LTSS, MA and dual members*
- Disciplined approach to growth – thoughtfulness in selecting markets
- Well-positioned for future RFPs

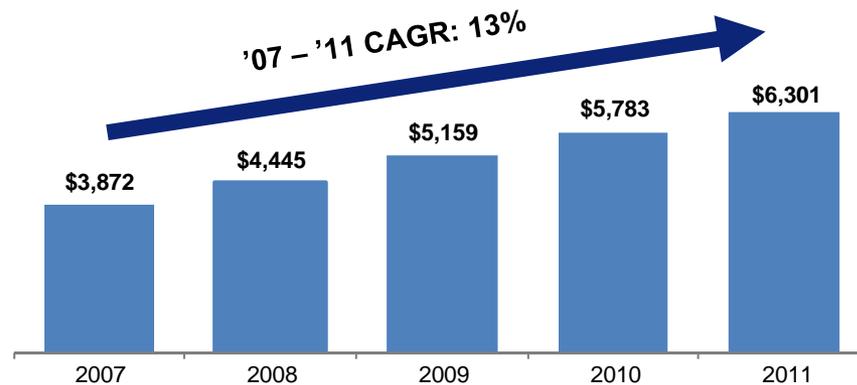
Membership

(Members in '000s)



Premium revenue

(\$ in millions)



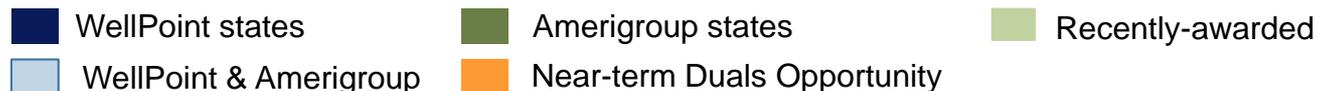
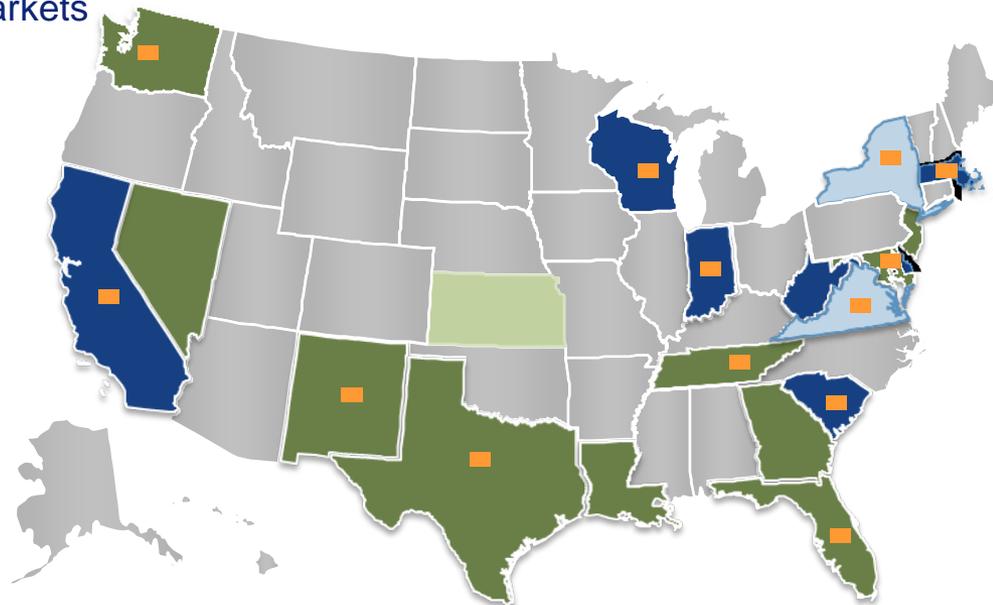
Geographic Breadth and Diversification

Pro Forma Combination

- 19 combined Medicaid states (excludes OH)
 - 17 primarily fully insured
 - 2 ASO (SC, MA)
- 30% of Amerigroup membership is in WellPoint Blue markets

2014 Duals Combined Opportunity

- Presence in 13 states with near-term dual eligible opportunities
- Potential for nearly \$16 billion of revenue*



* Estimated based on current projections.

Large and Attractive Government Managed Care Presence

WellPoint becomes a leader in the four largest dual spending states

- 19 combined states comprise more than \$180 billion of the nation's \$300 billion dual spending

(\$ in millions, lives in thousands)

	Medicaid enrollment	Dual eligible lives	ABD lives	Uninsured lives	Duals spending (\$)
California	7,327	1,168	1,268	7,084	\$36,559
New York	4,741	724	680	2,779	35,009
Texas	3,764	609	617	6,259	17,551
Florida	2,853	561	485	3,868	16,232
Massachusetts	1,417	251	193	324	9,899
New Jersey	1,039	200	168	1,286	7,780
Tennessee	1,204	276	174	947	7,593
Wisconsin	1,144	215	108	531	7,004
Georgia	1,497	262	229	1,844	6,850
Virginia	884	168	149	988	5,345
Louisiana	892	182	175	790	5,148
Indiana	1,035	149	118	837	4,921
Washington	1,121	144	138	839	4,864
South Carolina	808	149	112	737	4,286
Maryland	902	108	108	731	4,146
West Virginia	335	77	80	262	2,346
Kansas	326	62	46	347	2,215
New Mexico	546	53	60	449	1,736
Nevada	265	38	41	517	1,157
Total	32,100	5,398	4,948	31,418	\$180,639
<i>% of US total</i>	<i>59%</i>	<i>61%</i>	<i>63%</i>	<i>65%</i>	<i>60%</i>

Similar cultures and organizational values

- Track records of excellent customer service, strong clinical care management and deep provider collaboration
- Strong and valued relationships with federal, state and local governments
- Focus on access, affordability and consumer experience
- Commitment to improving health care costs and quality
- Management teams committed to successfully integrating and achieving future growth targets

Proven Management Team

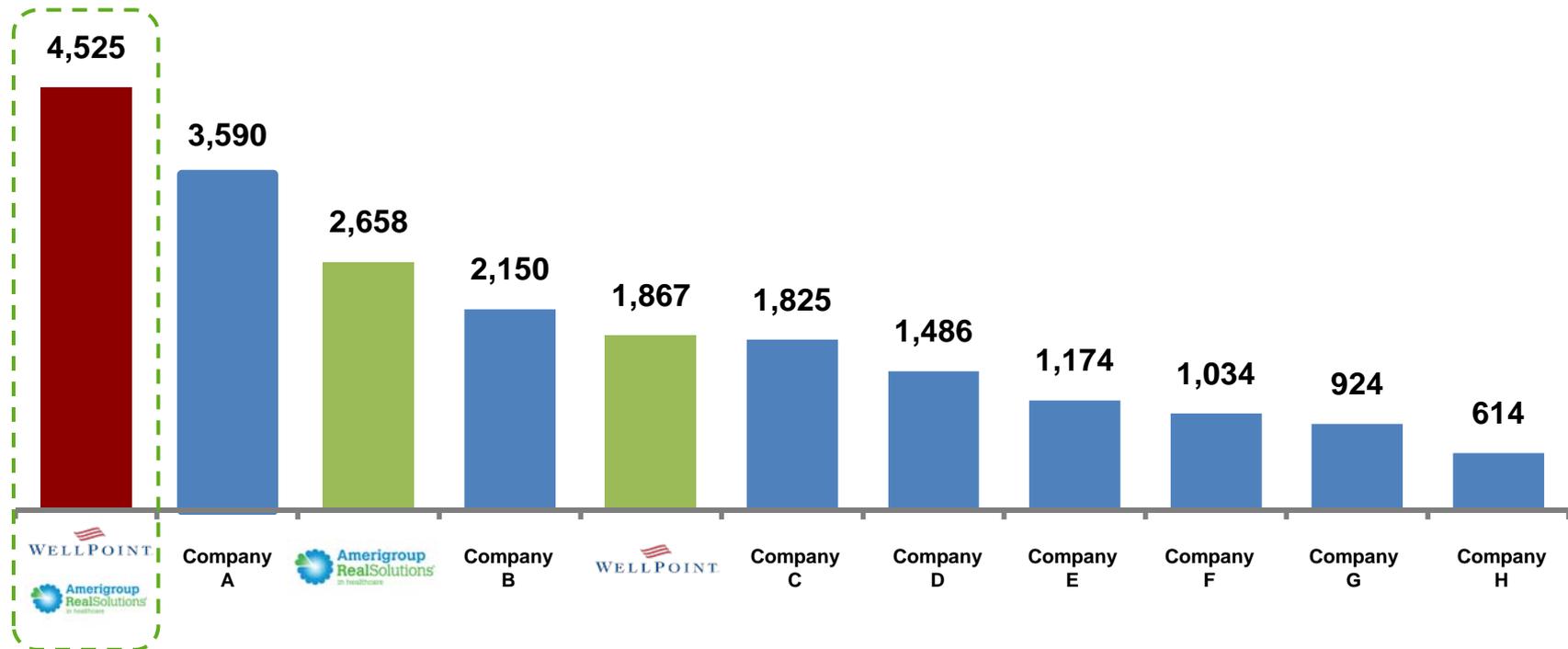
Name	Role	Age	Years with Amerigroup	Remaining with Company?
Jim Carlson	Chairman and CEO	60	9	✓
Jim Truess	Executive Vice President and CFO	46	6	✓
Richard Zoretic	Executive Vice President and COO	54	9	✓

- Amerigroup has approximately 6,600 associates in total

Creates Market Leader in the Medicaid Space

- Pro forma Medicaid membership of more than 4.5 million lives
- Pro forma 2012E Medicaid revenue of more than \$12 billion*

(# of Medicaid members in thousands)

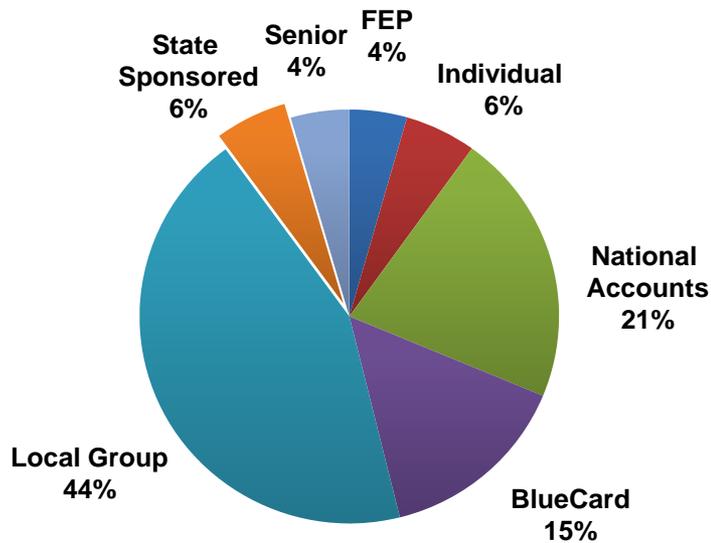


Note: Medicaid membership as of 3/31/12, except for Amerigroup as of May 2012 and Company H as of 12/31/11.

* Estimated based on current projections.

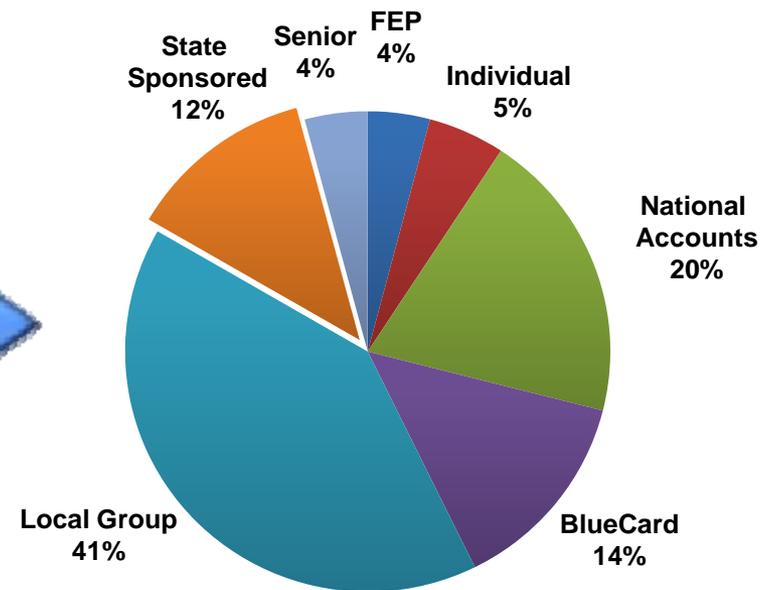
Doubles Proportion of State Sponsored Membership

Current WellPoint Business Mix



Total Membership: 33.7 million

Pro forma Business Mix



Total Membership: 36.4 million

Medical Members

36.4 million in total
More than 4.5 million Medicaid

1 in 9 Americans &
1 in 12 Medicaid recipients

2012E Revenue

Total revenue:
More than \$70 billion

Medicaid revenue:
More than \$12 billion

Financial Metrics

Low SG&A
expense ratio

Strong statutory
capital position

Annual Synergies

Fully integrated:
More than \$125 million

Investment income
Administrative efficiencies
PBM and other ancillary services

Financially Compelling*

EPS

- **No change to 2012 guidance**
- **Accretive in 2013, including one time transaction and integration costs**
- **Increasing accretion in 2014, exceeding \$1.00 per share by 2015**

ROI

- **Double-digit long-term cash on cash return**
- **Mid-teens IRR**

Balance Sheet

- **Pro forma debt to capital ratio up to 39%**
- **Intention to steadily lower over 18-24 months**
- **Expect solid investment grade debt rating**



A Compelling Combination



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- Furthers our objective of creating the best health care value in the industry
- Advances leadership in government sponsored managed care
- Enhances future growth potential in multiple market segments
- Strong long-term return on investment for shareholders*
- Retains proven management team with a highly compatible culture

