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www.state.de.us/inscom

P R E S S R E L E A S E

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WELLPOINT REFILES APPLICATION TO ACQUIRE BLUE CROSS BLUE SHIELD OF DELAWARE

DOVER, DE – Insurance Commissioner Donna Lee H. Williams announced today that WellPoint Health Networks, Inc. and CareFirst, Inc. have re-filed an application to allow WellPoint to acquire CareFirst and its Delaware non-profit subsidiary, BCBSD, Inc. commonly known as Blue Cross Blue Shield of Delaware and to permit BCBSD to become a part of WellPoint, a profit health insurance company.

On August 16, 2002, WellPoint withdrew its original application to acquire BCBSD thereby terminating the proceedings in Delaware even though similar applications in Maryland and D.C. remained active. This new filing in Delaware will re-start the review process by the Delaware Insurance Department and the Delaware Attorney General.

Under existing Delaware law and Commissioner Williams' Order of March 20, 2000, the approval and conversion process will face a comprehensive legal and financial review. The acquisition of control of an insurance licensee is only permitted after the companies submit

comprehensive financial and market information, which will be strictly scrutinized by the Delaware Insurance Department to assure that it:

- Will be legal;**
- Will not create a monopoly;**
- Will not adversely affect policyholders;**
- Will not harm the public interest;**
- Will assure that the integrity of the new officers and/or directors will be beneficial to the policyholders and the public.**

Commissioner Williams announced that former Superior Court Judge Vincent A. Bifferato, Sr., will be re-appointed as the hearing officer to preside over the public hearing required before a decision to approve or deny WellPoint's application. The public hearing will not only consider the applicant's evidence relating to the application, but will allow the public an opportunity to present testimony relevant to the transaction and its effect on the health insurance concerns of the citizens of the State of Delaware.

Because this application is so important to all Delawareans, Commissioner Williams has continually maintained a special link on her webpage (www.state.de.us/inscom) for consumer information about this transaction since the application was first filed in January 2002. The webpage link will allow the public to view the Order entered on March 20, 2000, abstracts of the filings for this application, public notices, and press releases concerning this transaction. The webpage will allow consumer comments to be directly submitted to the Delaware Insurance Department. The webpage also provides links to the proceedings in Maryland and D.C.

With some exceptions, most of the documents relating to the application will be available for inspection and copying under the Freedom of Information Act at the Commissioner's office in Dover. Please contact the Insurance Department at (302) 739-4251 for more information on access to the official documents under the Freedom of Information Act.

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