

Anthem, Inc.
Form 11-K
June 19, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the fiscal year ended December 31, 2014

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the transition period from _____ to _____

Commission file number: 001-16751

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

ANTHEM 401(k) PLAN

(FORMERLY WELLPOINT 401(k) RETIREMENT SAVINGS PLAN)

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Anthem, Inc.

120 Monument Circle

Indianapolis, IN 46204

REQUIRED INFORMATION

The Anthem 401(k) Plan (the “Plan”) is subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). In lieu of the requirements of Items 1-3 of Form 11-K, the financial statements of the Plan and the supplemental schedule have been prepared in accordance with the financial reporting requirements of ERISA and are presented herein.

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ANTHEM 401(k) PLAN
Financial Statements and Supplemental Schedule
December 31, 2014 and 2013 and for the
Year Ended December 31, 2014
With Report of Independent Registered Public Accounting Firm

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ANTHEM 401(k) PLAN
Financial Statements and Supplemental Schedule
December 31, 2014 and 2013 and for the
Year Ended December 31, 2014
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Report of Independent Registered Public Accounting Firm
To the Pension Committee of
ATH Holding Company, LLC

We have audited the accompanying statements of net assets available for benefits of the Anthem 401(k) Plan as of December 31, 2014 and 2013, and the related statement of changes in net assets available for benefits for the year ended December 31, 2014. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Anthem 401(k) Plan at December 31, 2014 and 2013, and the changes in its net assets available for benefits for the year ended December 31, 2014, in conformity with U.S. generally accepted accounting principles. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2014, has been subjected to audit procedures performed in conjunction with the audit of the Anthem 401(k) Plan's financial statements. The information in the supplemental schedules is the responsibility of the Plan's management. Our audit procedures included determining whether the information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental schedule. In forming our opinion on the information, we evaluated whether such information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Ernst & Young LLP
Indianapolis, Indiana
June 19, 2015

Anthem 401(k) Plan

Statements of Net Assets Available for Benefits

	December 31	
	2014	2013
Assets		
Cash	\$—	\$194,451,327
Investments at fair value	4,979,612,793	4,323,813,465
Receivables:		
Contributions receivable from employer	3,554,868	2,152,070
Contributions receivable from participants	27,303	40,978
Notes receivable from participants	154,435,642	138,002,190
Net assets available for benefits	\$5,137,630,606	\$4,658,460,030
See accompanying notes.		

Anthem 401(k) Plan

Statement of Changes in Net Assets Available for Benefits

Year Ended December 31, 2014

Additions

Interest and dividends	\$ 153,008,167
Interest income on notes receivable from participants	6,273,625
Net appreciation in fair value of investments	248,762,993
Contributions:	
Participants	242,814,633
Rollovers	24,297,182
Employer	114,494,568
Total additions	789,651,168
Deductions	
Benefit payments and withdrawals	291,422,105
Administrative fees	4,493,401
Transfer of assets to unrelated plans	14,565,086
Total deductions	310,480,592
Increase in net assets available for benefits	479,170,576
Net assets available for benefits at beginning of year	4,658,460,030
Net assets available for benefits at end of year	\$5,137,630,606
See accompanying notes.	

Anthem 401(k) Plan
Notes to Financial Statements
December 31, 2014

1. Description of the Plan

General

The Anthem 401(k) Plan (the “Plan”), name changed from WellPoint 401(k) Retirement Savings Plan effective December 2, 2014, is a defined contribution plan, which was established to provide savings opportunities for employees of Anthem, Inc. (“Anthem”) and certain of its subsidiaries (the “Participating Employers”). Employees of the Participating Employers are generally eligible to participate upon employment. The Plan Sponsor is ATH Holding Company, LLC, a wholly owned subsidiary of Anthem, Inc. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

On December 2, 2014, WellPoint, Inc. amended its articles of incorporation to change its name to Anthem, Inc. The ticker symbol for the company's common stock listed on the New York Stock Exchange was changed to "ANTM". Concurrent with the company name change, the Plan name was changed, and the Plan changed the name of the WellPoint Stock Fund to the Anthem Stock Fund.

Plan Divestiture and Mergers

In connection with WellPoint, Inc.'s January 31, 2014 divestiture of 1-800 CONTACTS, Inc., net assets available for benefits of \$14,565,086 were transferred from the Plan to the 1-800 CONTACTS Retirement and Savings Plan, an unrelated plan sponsored by 1-800 CONTACTS, Inc. Active associates of 1-800 CONTACTS, Inc. ceased making contributions to the Plan effective April 1, 2014.

Effective March 31, 2015, the CareNex Health Services LLC 401(k) Retirement Savings Plan (the “CareNex Plan”) was merged into the Plan. Net assets available for benefits of \$59,349 were transferred to the Plan on the date of the merger. Employees of CareNex Health Services LLC became eligible to participate in the Plan effective August 26, 2013, when the CareNex Plan was frozen to new contributions.

In May 2015, the Plan Sponsor approved a resolution to merge the CareMore 401(k) Pension Plan (the “CareMore Plan”) into the Plan effective June 30, 2015. The CareMore Plan was frozen effective December 31, 2012 and actively employed participants in the CareMore Plan became eligible to participate in the Plan effective January 1, 2013. The CareMore Plan had assets of approximately \$40 million at December 31, 2014.

Participant Accounts

Individual accounts are maintained by the Plan for each eligible employee who participates in the Plan (“Participant”). Each Participant's account is credited with the Participant's contributions, allocations of the Plan Sponsor's contributions, and an allocation of Plan earnings or losses, reduced by Participant withdrawals and certain administrative fees. Participant accounts are Participant directed. Forfeited balances of terminated Participants' nonvested accounts are used to reduce future Plan Sponsor contributions and to pay administrative expenses of the Plan. The benefit to which a Participant is entitled is the benefit that can be provided from the Participant's account.

Contributions

Participants may make voluntary contributions of 1% to 60% of eligible compensation, as defined in the Plan document, subject to limitations imposed by applicable Internal Revenue Service (“IRS”) regulations. Participants may make pretax contributions to a traditional 401(k) account or after tax contributions to a Roth 401(k) account. Eligible employees who do not make an election within 30 days of their date of hire are automatically enrolled in the Plan for pretax contributions of 4% of eligible compensation.

Anthem 401(k) Plan

Notes to Financial Statements (continued)

After the Participant has completed one year of service, the Plan Sponsor will match up to 100% of the first 3% of the Participant's eligible compensation contributed, then 50% of the next 2% of the Participant's eligible compensation contributed, for a total Plan Sponsor match potential of 4%. The Plan Sponsor match is contributed as a pretax contribution. In addition to the Plan Sponsor match contribution, the Plan permits discretionary contributions to the Plan by the Plan Sponsor.

Participants who attain age 50 by the end of the plan year may elect to contribute additional amounts to their account as permitted by the Economic Growth and Tax Relief Reconciliation Act of 2001 and as provided by the Plan. A "catch-up contribution" enables Participants to contribute additional funds beyond the regular IRS limits as they near retirement. Catch-up contributions are not eligible for matching contributions.

Participants direct their elective contributions into various investment options offered by the Plan, including the Anthem Stock Fund and a brokerage option account. The Anthem Stock Fund is a unitized fund that invests in Anthem common stock. A portion of the fund may also be invested in short-term reserves to accommodate daily transactions. Generally, Participants are permitted to change investment options daily. Plan Sponsor contributions are allocated in the same manner as that of the Participant's elective contributions.

Vesting

Active Participants are immediately 100% vested in employee and employer contributions and any earnings thereon. Participants in former plans of acquired companies who were not active employees at the date the plans were merged into the Plan may be subject to separate vesting schedules on former plan employer contributions.

Benefit Payments and Withdrawals

An active Participant in the Plan may make a complete or partial in-service hardship withdrawal of the amounts held in the Participant's account attributable to the Participant's contributions, rollovers, pre-2006 employer match, and income allocated to the contributions account. The in-service hardship withdrawal must be necessary in light of an immediate and heavy financial need of the Participant due to one of six causes specified by the Plan, and the Participant shall have obtained all other withdrawals and nontaxable loans provided by the Plan. Participant contributions to the Participant's account are suspended for the six months following a hardship withdrawal from a Participant's account.

A Participant may make a withdrawal of voluntary after-tax contributions made to a traditional 401(k) account prior to January 1, 2012, or take a qualified distribution of Roth 401(k) contributions, as defined by the IRS, at any time. Additionally, after attaining age 59½, a Participant may withdraw Participant and Plan Sponsor contributions for any reason.

Upon termination of employment, the Participant is entitled to receive the fully vested current value of his or her account. If the current value of the vested account is less than \$1,000, the account is paid in a lump-sum payment. If the vested account value is more than \$1,000 but less than \$5,000, the account will be rolled over into an IRA unless the Participant elects otherwise. If the vested account value is more than \$5,000, the account will remain in the Plan unless the Participant elects otherwise. The Participant may elect to have the entire portion, if any, of the account held in the Anthem Stock Fund paid in whole shares of Anthem common stock, with fractional shares and any uninvested funds paid in cash. Participant accounts must be distributed by the year following the later of retirement or attainment of age 70½. Upon death, payments are made to the Participant's beneficiary in the form of a lump-sum payment or in installments.

Participant Loans

Participants may request a loan not in excess of the lesser of: (1) 50% of the vested account balance, or (2) \$50,000, less the highest outstanding loan balance during the preceding year. Repayment of loans shall not exceed five years,

Anthem 401(k) Plan

Notes to Financial Statements (continued)

except for loans used to acquire the Participant's principal residence. Each loan bears interest equal to the prime lending rate plus 1% as listed by Reuters on the last business day of the month prior to the month the loan is requested and is set on the day the loan is approved. Repayments are made by payroll deduction. Participants may have no more than three loans outstanding at any one time.

Forfeitures

Forfeitures of terminated nonvested account balances totaling \$1,215,388 and \$823,835 remained in the Plan as of December 31, 2014 and 2013, respectively. Forfeitures of \$246,322 were used to reduce Plan Sponsor contributions and pay administrative expenses during 2014.

Plan Termination

Although it has not expressed any intent to do so, the Plan Sponsor has the right to terminate the Plan subject to the terms of ERISA. In the event the Plan is terminated, each Participant's account shall be nonforfeitable with respect to both the Participant's and the Plan Sponsor's contributions, and the net assets are to be set aside for the payment of withdrawals to the Participants. The Plan Sponsor has the right to amend the Plan or to suspend matching contributions to the Plan at any time, either permanently or temporarily, for any length of time.

Administration of the Plan

Vanguard Fiduciary Trust Company ("Vanguard") serves as the Plan's trustee to administer the Plan's assets. The Vanguard Group, Inc. serves as the Plan's recordkeeper and provides investment services.

The Plan Sponsor may bear certain costs associated with administering the Plan. These costs are not included in the accompanying financial statements and constitute exempt party-in-interest transactions. Transaction fees related to loan processing are paid from individual participant accounts.

More detailed information concerning the Plan may be found by consulting the summary plan description, which is available from the Plan Sponsor.

2. Significant Accounting Policies

Basis of Presentation

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting and are in conformity with accounting principles generally accepted in the United States ("GAAP"). Accordingly, contributions to the Plan and interest and dividend income are recognized as earned, and realized gains and losses and net unrealized appreciation (depreciation) of fair value of investments are recognized as they occur. Plan benefit payments and withdrawals are recognized when paid.

Use of Estimates

The preparation of financial statements in accordance with GAAP requires the use of estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Investment Valuation and Income Recognition

Investments of the Plan are recorded at fair value. See Note 5 for further discussion of fair value measurements.

Anthem 401(k) Plan

Notes to Financial Statements (continued)

Purchases and sales of securities are recorded on a trade-date basis and interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Notes Receivable from Participants

Notes receivable from participants represent Participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2014 or 2013. If a Participant ceases to make loan repayments and the Plan administrator deems the Participant loan to be a distribution, the Participant loan balance is reduced and a benefit payment is recorded.

3. Investments

During 2014, the Plan restructured certain investments offered to participants. Target Date Retirement collective trusts were moved to similar collective trusts with lower expense ratios.

Investments that represent 5% or more of the Plan's net assets available for benefits as of December 31 were as follows:

	2014	2013
The Vanguard Group mutual funds:		
Prime Money Market Fund Institutional Shares	\$461,859,199	\$445,459,693
Institutional Index Fund Plus Shares	712,889,172	643,874,257
Total Bond Market Index Fund Institutional Plus Shares	422,673,640	341,396,833
Total International Stock Index Fund Institutional Plus Shares	376,245,825	335,083,022
Wellington Fund Admiral Shares	367,536,367	328,734,231
PRIMECAP Fund Admiral Shares	371,029,292	285,065,254
Extended Market Index Fund Institutional Plus Shares	297,618,761	267,562,710
The Vanguard Group collective trusts:		
Target Retirement 2025 Trust Plus	287,328,228	—
Target Retirement 2025 Trust I	—	252,277,279
Anthem common stock	312,328,676	241,493,837

Anthem 401(k) Plan
Notes to Financial Statements (continued)

During the year ended December 31, 2014, the Plan's investments, including investments bought, sold, and held during the year, appreciated as follows:

Mutual funds	\$101,827,630
Collective trusts	62,411,018
Anthem common stock	84,524,345
Net appreciation in fair value of investments	\$248,762,993

4. Employee Stock Ownership Plan (ESOP)

The portion of a Participant's account held in the Anthem Stock Fund is designated as an ESOP and the account is considered an eligible individual account plan as defined by ERISA. Anthem common stock is purchased by the ESOP using Participant directed contributions. Each Participant is entitled to exercise voting rights attributable to the shares allocated to his or her account.

Put Option

In accordance with IRS regulations, Anthem stock that ceases to be readily tradable on an established market includes a put option for any Participant who is otherwise entitled to a total distribution from the Plan. The put option is the right to require that the Plan Sponsor repurchase the Anthem stock credited to the Participant's account under a fair valuation formula. The distribution may be paid with interest over a period of not more than five years.

Dividends Paid on Anthem Stock

Any cash dividends paid to the Participant's account will be reinvested in the Anthem Stock Fund unless the Participant elects to receive the dividend in cash paid directly to the Participant. Participants may change their election to receive dividends in cash or to reinvest dividends at least quarterly.

5. Fair Value of Investments

Accounting Standards Codification Topic 820 ("ASC 820"), Fair Value Measurement, defines fair value, establishes a framework for measuring fair value in accordance with GAAP, and requires certain disclosures about fair value measurements.

Investments recorded at fair value in the statements of net assets available for benefits are categorized based on the level of judgment associated with the inputs used to measure their fair value. Level inputs, as defined by ASC 820, are as follows:

Level Input: Input Definition:

Level I	Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.
Level II	Inputs other than quoted prices included in Level I that are observable for the asset or liability through corroboration with market data at the measurement date.
Level III	Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

Anthem 401(k) Plan

Notes to Financial Statements (continued)

Transfers between Levels, if any, are recorded as of the beginning of the reporting period.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

The following methods and assumptions were used to determine the fair value of investments recorded at fair value in the statements of net assets available for benefits.

Mutual funds: Valued at quoted market prices, which represent net asset value, of shares held by the Plan at year end.

Equity securities: Valued at the quoted market price reported on the active market on which the individual securities are traded on the last business day of the Plan year.

Collective trusts: Value is based on the value of the underlying investments divided by the number of units outstanding. The collective trusts replicate Vanguard's Target Date mutual funds. There are no restrictions on redemptions from the collective trusts.

Anthem common stock: Valued at the closing price on the New York Stock Exchange on the last business day of the Plan year.

Life insurance contracts: Valued at the cash surrender value of the policies as reported by the insurer.

Anthem 401(k) Plan
 Notes to Financial Statements (continued)

A summary of fair value measurements by level for investments measured at fair value on a recurring basis is as follows:

December 31, 2014	Level I	Level II	Level III	Total
Mutual funds:				
Money market	\$466,261,731	\$—	\$—	\$466,261,731
Domestic equities	2,373,474,761	—	—	2,373,474,761
International equities	383,852,204			