

Anthem, Inc.  
Form 10-Q  
July 26, 2017

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

FORM 10-Q  
(Mark One)

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

For the Quarterly Period Ended June 30, 2017

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

ANTHEM, INC.

(Exact name of registrant as specified in its charter)

INDIANA 35-2145715  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification Number)

120 MONUMENT CIRCLE 46204-4903  
INDIANAPOLIS, INDIANA (Zip Code)

(Address of principal executive offices)  
Registrant's telephone number, including area code: (317) 488-6000

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer  Accelerated filer   
Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company   
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Title of Each Class	Outstanding at July 13, 2017
Common Stock, \$0.01 par value	262,584,689 shares



Anthem, Inc.  
 Quarterly Report on Form 10-Q  
 For the Period Ended June 30, 2017  
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## PART I. FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

Anthem, Inc.

## Consolidated Balance Sheets

	June 30, 2017	December 31, 2016
	(Unaudited)	
(In millions, except share data)		
Assets		
Current assets:		
Cash and cash equivalents	\$4,561.2	\$ 4,075.3
Investments available-for-sale, at fair value:		
Fixed maturity securities (amortized cost of \$18,560.5 and \$16,991.8)	18,948.2	17,163.1
Equity securities (cost of \$1,378.3 and \$1,076.1)	1,823.8	1,468.5
Other invested assets, current	19.1	15.8
Accrued investment income	158.2	164.5
Premium and self-funded receivables	6,105.7	5,860.8
Other receivables	2,525.4	2,536.6
Income taxes receivable	—	168.7
Securities lending collateral	1,214.5	1,079.8
Other current assets	1,774.6	1,781.8
Total current assets	37,130.7	34,314.9
Long-term investments available-for-sale, at fair value:		
Fixed maturity securities (amortized cost of \$516.7 and \$524.6)	524.8	524.4
Equity securities (cost of \$27.3 and \$27.2)	32.3	31.4
Other invested assets, long-term	2,352.1	2,240.5
Property and equipment, net	1,975.7	1,977.9
Goodwill	17,561.2	17,561.2
Other intangible assets	7,882.4	7,964.9
Other noncurrent assets	778.4	467.9
Total assets	\$68,237.6	\$ 65,083.1
Liabilities and shareholders' equity		
Liabilities		
Current liabilities:		
Policy liabilities:		
Medical claims payable	\$7,969.5	\$ 7,892.6
Reserves for future policy benefits	69.6	71.8
Other policyholder liabilities	2,447.5	2,221.1
Total policy liabilities	10,486.6	10,185.5
Unearned income	1,837.8	971.9
Accounts payable and accrued expenses	3,815.7	4,014.9
Income taxes payable	113.0	—
Security trades pending payable	227.8	93.5
Securities lending payable	1,213.7	1,078.9
Short-term borrowings	580.0	440.0
Current portion of long-term debt	624.4	928.4
Other current liabilities	3,668.9	3,581.3
Total current liabilities	22,567.9	21,294.4
Long-term debt, less current portion	15,088.0	14,358.5

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Reserves for future policy benefits, noncurrent	619.0	666.1
Deferred tax liabilities, net	2,632.7	2,779.9
Other noncurrent liabilities	898.3	883.8
Total liabilities	41,805.9	39,982.7
Commitment and contingencies – Note 11		
Shareholders' equity		
Preferred stock, without par value, shares authorized – 100,000,000; shares issued and outstanding – none	—	—
Common stock, par value \$0.01, shares authorized – 900,000,000; shares issued and outstanding – 263,095,951 and 263,747,395	2.6	2.6
Additional paid-in capital	8,897.0	8,805.1
Retained earnings	17,667.0	16,560.6
Accumulated other comprehensive loss	(134.9 )	(267.9 )
Total shareholders' equity	26,431.7	25,100.4
Total liabilities and shareholders' equity	\$68,237.6	\$65,083.1

See accompanying notes.

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Anthem, Inc.  
 Consolidated Statements of Income  
 (Unaudited)

	Three Months Ended		Six Months Ended	
	June 30		June 30	
(In millions, except per share data)	2017	2016	2017	2016
Revenues				
Premiums	\$20,813.1	\$19,948.0	\$41,764.4	\$38,936.9