

WELLPOINT, INC
 Form 10-Q
 October 23, 2013

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 September 30, 2013

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

WELLPOINT, 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, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

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

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 October 10, 2013
Common Stock, \$0.01 par value	295,417,144 shares

WellPoint, Inc.
 Quarterly Report on Form 10-Q
 For the Period Ended September 30, 2013
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PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

WellPoint, Inc.

Consolidated Balance Sheets

	September 30, 2013	December 31, 2012
	(Unaudited)	
(In millions, except share data)		
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,185.7	\$ 2,484.6
Investments available-for-sale, at fair value:		
Fixed maturity securities (amortized cost of \$17,271.6 and \$16,033.1)	17,538.0	16,912.9
Equity securities (cost of \$1,023.5 and \$869.9)	1,484.9	1,212.4
Other invested assets, current	15.0	14.8
Accrued investment income	175.4	162.2
Premium and self-funded receivables	4,014.0	3,687.4
Other receivables	1,018.3	928.8
Income taxes receivable	152.3	228.5
Securities lending collateral	837.6	564.6
Deferred tax assets, net	367.9	243.2
Other current assets	1,807.8	1,829.0
Total current assets	29,596.9	28,268.4
Long-term investments available-for-sale, at fair value:		
Fixed maturity securities (amortized cost of \$442.6 and \$426.0)	437.8	431.5
Equity securities (cost of \$27.0 and \$27.1)	30.3	30.1
Other invested assets, long-term	1,516.8	1,387.7
Property and equipment, net	1,806.5	1,738.3
Goodwill	17,497.6	17,510.5
Other intangible assets	8,921.6	9,102.8
Other noncurrent assets	456.0	486.1
Total assets	\$ 60,263.5	\$ 58,955.4
Liabilities and shareholders' equity		
Liabilities		
Current liabilities:		
Policy liabilities:		
Medical claims payable	\$ 6,117.3	\$ 6,174.5
Reserves for future policy benefits	60.2	61.3
Other policyholder liabilities	2,322.6	2,345.7
Total policy liabilities	8,500.1	8,581.5
Unearned income	939.7	896.8
Accounts payable and accrued expenses	3,301.2	3,132.5
Security trades pending payable	284.8	69.3
Securities lending payable	837.7	564.7
Short-term borrowings	350.0	250.0
Current portion of long-term debt	0.1	557.1
Other current liabilities	1,828.8	1,785.0
Total current liabilities	16,042.4	15,836.9

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Long-term debt, less current portion	14,514.0	14,170.8
Reserves for future policy benefits, noncurrent	701.9	750.8
Deferred tax liabilities, net	3,322.9	3,381.0
Other noncurrent liabilities	874.2	1,013.2
Total liabilities	35,455.4	35,152.7
Commitment and contingencies – Note 9		
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: 296,188,115 and 304,715,144	3.0	3.0
Additional paid-in capital	10,769.4	10,853.5
Retained earnings	14,040.5	12,647.1
Accumulated other comprehensive (loss) income	(4.8	) 299.1
Total shareholders' equity	24,808.1	23,802.7
Total liabilities and shareholders' equity	\$ 60,263.5	\$ 58,955.4
See accompanying notes.		

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WellPoint, Inc.
Consolidated Statements of Income
(Unaudited)

(In millions, except per share data)	Three Months Ended September 30		Nine Months Ended September 30	
	2013	2012	2013	2012
Revenues				
Premiums	\$16,580.9	\$14,037.1	\$49,509.5	\$42,336.6
Administrative fees	1,027.8	955.6	3,006.4	2,928.9
Other revenue	124.3	141.0	360.6	191.7
Total operating revenue	17,733.0	15,133.7	52,876.5	45,457.2
Net investment income	167.6	168.6	482.8	507.0
Net realized gains on investments	95.4	54.6	166.4	232.0
Other-than-temporary impairment losses on investments:				
Total other-than-temporary impairment losses on investments	(27.1	) (3.8	) (74.0	) (24.0
Portion of other-than-temporary impairment losses recognized in other comprehensive income	0.9	—	0.9	3.4
Other-than-temporary impairment losses recognized in income	(26.2	) (3.8	) (73.1	) (20.6
Total revenues	17,969.8	15,353.1	53,452.6	46,175.6
Expenses				
Benefit expense	14,075.0	11,984.8	41,656.3	35,849.8
Selling, general and administrative expense:				
Selling expense	377.3	390.2	1,139.9	1,176.5
General and administrative expense	2,202.7	1,688.4	6,275.6	5,149.6
Total selling, general and administrative expense	2,580.0	2,078.6	7,415.5	6,326.1
Cost of products	68.6	66.5	196.0	73.2
Interest expense	151.5	133.6	456.9	360.3
Amortization of other intangible assets	66.6	63.9	202.2	182.1
Loss on extinguishment of debt	145.3	—	145.3	—
Total expenses	17,087.0	14,327.4	50,072.2	42,791.5
Income before income tax expense	882.8	1,025.7	3,380.4	3,384.1
Income tax expense	226.6	334.5	1,038.9	1,192.8
Net income	\$656.2	\$691.2	\$2,341.5	\$2,191.3
Net income per share				
Basic	\$2.21	\$2.17	\$7.81	\$6.70
Diluted	\$2.16	\$2.15	\$7.69	\$6.63
Dividends per share	\$0.3750	\$0.2875	\$1.1250	\$0.8625

See accompanying notes.

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WellPoint, Inc.
 Consolidated Statements of Comprehensive Income
 (Unaudited)

(In millions)	Three Months Ended September 30		Nine Months Ended September 30		
	2013	2012	2013	2012	
Net income	\$656.2	\$691.2	\$2,341.5	\$2,191.3	
Other comprehensive income (loss), net of tax:					
Change in net unrealized gains/losses on investments	16.3	168.3	(327.0	) 248.5
Change in non-credit component of other-than-temporary impairment losses on investments	(0.6	) —	1.6	4.4
Change in net unrealized gains/losses on cash flow hedges	0.7	(1.0) 2.2	(0.6)
Change in net periodic pension and postretirement costs	4.8	6.9	18.6	19.9	
Foreign currency translation adjustments	1.2	0.5	0.7	(0.2)
Other comprehensive income (loss)	22.4	174.7	(303.9	) 272.0
Total comprehensive income	\$678.6	\$865.9	\$2,037.6	\$2,463.3	

See accompanying notes.

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WellPoint, Inc.
Consolidated Statements of Cash Flows
(Unaudited)

(In millions)	Nine Months Ended	
	2013	September 30 2012
Operating activities		
Net income	\$2,341.5	\$2,191.3
Adjustments to reconcile net income to net cash provided by operating activities:		
Net realized gains on investments	(166.4	) (232.0
Other-than-temporary impairment losses recognized in income	73.1	20.6
Loss on extinguishment of debt	145.3	—
Loss on disposal of assets	5.1	1.6
Deferred income taxes	(12.0	) 255.3
Amortization, net of accretion	592.7	474.8
Depreciation expense	78.4	72.8
Share-based compensation	103.7	123.7
Excess tax benefits from share-based compensation	(23.5	) (23.2
Changes in operating assets and liabilities, net of effect of business combinations:		
Receivables, net	(368.0	) (133.2
Other invested assets	1.7	(26.6
Other assets	51.6	(33.3
Policy liabilities	(130.3	) (16.8
Unearned income	42.9	(102.8
Accounts payable and accrued expenses	95.9	(446.7
Other liabilities	(78.0	) (57.5
Income taxes	87.5	(79.5
Other, net	(61.7	) (3.7
Net cash provided by operating activities	2,779.5	1,984.8
Investing activities		
Purchases of fixed maturity securities	(11,494.1	) (11,808.8
Proceeds from fixed maturity securities:		
Sales	8,756.4	8,433.4
Maturities, calls and redemptions	1,490.0	1,347.8
Purchases of equity securities	(574.4	) (245.1
Proceeds from sales of equity securities	575.2	312.3
Purchases of other invested assets	(207.9	) (153.7
Proceeds from sales of other invested assets	53.0	25.4
Changes in securities lending collateral	(273.1	) 171.5
Purchases of subsidiaries, net of cash acquired	—	(992.3
Purchases of property and equipment	(408.1	) (375.1
Proceeds from sales of property and equipment	—	0.4
Other, net	(3.8	) (0.9
Net cash used in investing activities	(2,086.8	) (3,285.1
Financing activities		
Net proceeds from commercial paper borrowings	224.1	30.1
Proceeds from long-term borrowings	1,250.0	4,935.2
Repayments of long-term borrowings	(1,801.9	) (1,251.2
Proceeds from short-term borrowings	600.0	392.0
Repayments of short-term borrowings	(500.0) (300.0

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Changes in securities lending payable	273.0	(171.5)
Changes in bank overdrafts	72.3	(94.6)
Repurchase and retirement of common stock	(1,170.4	) (1,828.8)
Cash dividends	(337.5	) (280.0)
Proceeds from issuance of common stock under employee stock plans	374.9	86.7	
Excess tax benefits from share-based compensation	23.5	23.2	
Net cash (used in) provided by financing activities	(992.0	) 1,541.1	
Effect of foreign exchange rates on cash and cash equivalents	0.4	(0.3)
Change in cash and cash equivalents	(298.9	) 240.5	
Cash and cash equivalents at beginning of period	2,484.6	2,201.6	
Cash and cash equivalents at end of period	\$2,185.7	\$2,442.1	
See accompanying notes.			

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WellPoint, Inc.
Consolidated Statements of Shareholders' Equity
(Unaudited)

(In millions)	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
	Number of Shares	Par Value				
January 1, 2013	304.7	\$3.0	\$10,853.5	\$12,647.1	\$ 299.1	\$23,802.7
Net income	—	—	—	2,341.5	—	2,341.5
Other comprehensive loss	—	—	—	—	(303.9)	(303.9)
Repurchase and retirement of common stock	(15.6)	(0.1)	(566.2)	(607.4)	—	(1,173.7)
Convertible debenture tax adjustment	—	—	(3.3)	—	—	(3.3)
Dividends and dividend equivalents	—	—	—	(340.7)	—	(340.7)
Issuance of common stock under employee stock plans, net of related tax benefits	7.1	0.1	485.4	—	—	485.5
September 30, 2013	296.2	\$3.0	\$10,769.4	\$14,040.5	\$ (4.8)	\$24,808.1
January 1, 2012	339.4	\$3.4	\$11,679.2	\$11,490.7	\$ 114.9	\$23,288.2
Net income	—	—	—	2,191.3	—	2,191.3
Other comprehensive income	—	—	—	—	272.0	272.0
Repurchase and retirement of common stock	(28.6)	(0.3)	(986.4)	(842.1)	—	(1,828.8)
Dividends and dividend equivalents	—	—	—	(283.1)	—	(283.1)
Issuance of common stock under employee stock plans, net of related tax benefits	3.2	—	176.9	—	—	176.9
September 30, 2012	314.0	\$3.1	\$10,869.7	\$12,556.8	\$ 386.9	\$23,816.5

See accompanying notes.

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WellPoint, Inc.

Notes to Consolidated Financial Statements

(Unaudited)

September 30, 2013

(In Millions, Except Per Share Data or As Otherwise Stated Herein)

1. Organization

References to the terms “we”, “our”, “us”, “WellPoint” or the “Company” used throughout these Notes to Consolidated Financial Statements refer to WellPoint, Inc., an Indiana corporation, and unless the context otherwise requires, its direct and indirect subsidiaries.

We are one of the largest health benefits companies in the United States, serving 35.5 medical members through our affiliated health plans and approximately 67.4 individuals through all subsidiaries as of September 30, 2013. We offer a broad spectrum of network-based managed care plans to large and small employer, individual, Medicaid and Medicare markets. Our managed care plans include: preferred provider organizations, or PPOs; health maintenance organizations, or HMOs; point-of-service, or POS, plans; traditional indemnity plans and other hybrid plans, including consumer-driven health plans, or CDHPs; and hospital only and limited benefit products. In addition, we provide a broad array of managed care services to self-funded customers, including claims processing, underwriting, stop loss insurance, actuarial services, provider network access, medical cost management, disease management, wellness programs and other administrative services. We provide an array of specialty and other insurance products and services such as behavioral health benefit services, dental, vision, life and disability insurance benefits, radiology benefit management, analytics-driven personal health care guidance and long-term care insurance. We also provide services to the Federal Government in connection with the Federal Employee Program, or FEP, and various Medicare programs. Finally, we sell contact lenses, eyeglasses and other ocular products through our 1-800 CONTACTS, Inc., or 1-800 CONTACTS, business.

We are an independent licensee of the Blue Cross and Blue Shield Association, or BCBSA, an association of independent health benefit plans. We serve our members as the Blue Cross licensee for California; the Blue Cross and Blue Shield, or BCBS, licensee for Colorado, Connecticut, Georgia, Indiana, Kentucky, Maine, Missouri (excluding 30 counties in the Kansas City area), Nevada, New Hampshire, New York (as the BCBS licensee in 10 New York City metropolitan and surrounding counties and as the Blue Cross or BCBS licensee in selected upstate counties only), Ohio, Virginia (excluding the Northern Virginia suburbs of Washington, D.C.) and Wisconsin. In a majority of these service areas we do business as Anthem Blue Cross, Anthem Blue Cross and Blue Shield, Blue Cross and Blue Shield of Georgia, Empire Blue Cross Blue Shield, or Empire Blue Cross (in our New York service areas). Through our AMERIGROUP Corporation subsidiary, or Amerigroup, we conduct business in Florida, Georgia, Kansas, Louisiana, Maryland, Nevada, New Jersey, New Mexico, New York, Tennessee, Texas and Washington. Amerigroup also provided services to the state of Ohio through June 30, 2013. We also serve customers throughout the country as HealthLink, UniCare and in certain Arizona, California, Nevada, New York and Virginia markets through our CareMore Health Group, Inc., or CareMore, subsidiary. We are licensed to conduct insurance operations in all 50 states through our subsidiaries.

2. Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles, or GAAP, for interim financial reporting. Accordingly, they do not include all of the information and footnotes required by GAAP for annual financial statements. We have omitted certain footnote disclosures that would substantially duplicate the disclosures in our 2012 Annual Report on Form 10-K, unless the information contained in those disclosures materially changed or is required by GAAP. In the opinion of management, all adjustments, including normal recurring adjustments, necessary for a fair statement of the consolidated financial statements as of and for the three and nine months ended September 30, 2013 and 2012 have been recorded. The results of operations for the three and nine months ended September 30, 2013 are not necessarily indicative of the results that may be expected for the full year ending December 31, 2013. These unaudited consolidated financial statements should be read in conjunction with our audited consolidated financial statements for the year ended December 31, 2012 included in our 2012 Annual Report on Form 10-K.

Certain of our subsidiaries operate outside of the United States and have functional currencies other than the U.S. dollar, or USD. We translate the assets and liabilities of those subsidiaries to USD using the exchange rate in effect at the end of the period. We translate the revenues and expenses of those subsidiaries to USD using the average exchange rates in effect during the period. The net effect of these translation adjustments is included in “Foreign currency translation adjustments” in our consolidated statements of comprehensive income.

Certain prior period amounts have been reclassified to conform to the current period presentation, including the presentation of our segment disclosures.

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3. Restructuring Activities

As a result of restructuring activities implemented during 2012 and 2011, we recorded liabilities for employee termination costs and lease and other contract exit costs. The restructuring activities are classified as components of general and administrative expenses in the consolidated statements of income for the respective period in which they occurred.

The 2012 restructuring activities were initiated primarily as a result of personnel changes, organizational realignment to create efficiencies in our business processes and certain integration activities associated with the Amerigroup acquisition. Activity related to these liabilities for the nine months ended September 30, 2013, by reportable segment, is as follows:

	Commercial and Specialty Business	Government Business	Other	Total
2012 Restructuring Activities				
Employee termination costs:				
Liability for employee termination costs at January 1, 2013	\$60.0	\$54.7	\$2.9	\$117.6
Payments	(30.2)	) (32.4)	) (1.5)	) (64.1)
Liability released	(6.1)	) (1.6)	) (0.2)	) (7.9)
Liability for employee termination costs at September 30, 2013	23.7	20.7	1.2	45.6
Lease and other contract exit costs:				
Liability for lease and other contract exit costs at January 1, 2013	8.8	2.9	0.1	11.8
Payments	(5.1)	) (1.7)	) (0.2)	) (7.0)
Liability released	(0.6)	) (0.2)	) —	) (0.8)
Liability for lease and other contract exit costs at September 30, 2013	3.1	1.0	(0.1)	4.0
Total liability for 2012 restructuring activities at September 30, 2013	\$26.8	\$21.7	\$1.1	\$49.6

The 2011 restructuring activities were initiated as a result of a change in strategic focus primarily in response to federal health care reform. At September 30, 2013, our total liability for 2011 restructuring activities was \$18.8, of which \$2.4 related to employee termination costs and \$16.4 related to lease and other contract exit costs. We expect the remaining payments for employee termination costs to be substantially completed by the end of 2013. Payments for lease and other contract exit costs will continue to occur over the remaining terms of the related contracts.

4. Investments

We evaluate our investment securities for other-than-temporary declines based on qualitative and quantitative factors. Other-than-temporary impairment losses recognized in income totaled \$26.2 and \$3.8 for the three months ended September 30, 2013 and 2012, respectively. Other-than-temporary impairment losses recognized in income totaled \$73.1 and \$20.6 for the nine months ended September 30, 2013 and 2012, respectively. There were no individually significant other-than-temporary impairment losses on investments by issuer during the three and nine months ended September 30, 2013 and 2012. We continue to review our investment portfolios under our impairment review policy. Given the current market conditions and the significant judgments involved, there is a continuing risk that further declines in fair value may occur and additional material other-than-temporary impairment losses on investments may be recorded in future periods.

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A summary of current and long-term investments, available-for-sale, at September 30, 2013 and December 31, 2012 is as follows:

	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses		Estimated Fair Value	Non-Credit Component of Other-Than-Temporary Impairments Recognized in AOCI
			Less than 12 Months	12 Months or Greater		
September 30, 2013:						
Fixed maturity securities:						
United States Government securities	\$464.0	\$4.1	\$(1.4)	\$—	\$466.7	\$—
Government sponsored securities	195.2	0.9	(1.5)	—	194.6	—
States, municipalities and political subdivisions, tax-exempt	6,143.2	234.9	(93.6)	(1.2)	6,283.3	—
Corporate securities	7,780.3	212.0	(109.3)	(12.4)	7,870.6	(0.1)
Options embedded in convertible debt securities	81.0	—	—	—	81.0	—
Residential mortgage-backed securities	2,198.4	52.6	(29.4)	(3.3)	2,218.3	—
Commercial mortgage-backed securities	488.1	11.3	(3.4)	—	496.0	—
Other debt securities	364.0	5.8	(3.2)	(1.3)	365.3	(0.8)
Total fixed maturity securities	17,714.2	521.6	(241.8)	(18.2)	17,975.8	\$(0.9)
Equity securities	1,050.5	481.4	(16.7)	—	1,515.2	
Total investments, available-for-sale	\$18,764.7	\$1,003.0	\$(258.5)	\$(18.2)	\$19,491.0	
December 31, 2012:						
Fixed maturity securities:						
United States Government securities	\$330.3	\$13.1	\$(0.2)	\$—	\$343.2	\$—
Government sponsored securities	153.6	2.6	—	—	156.2	—
States, municipalities and political subdivisions, tax-exempt	5,501.3	388.2	(5.7)	(1.6)	5,882.2	—
Corporate securities	7,642.0	387.0	(17.0)	(8.0)	8,004.0	(1.7)
Options embedded in convertible debt securities	67.2	—	—	—	67.2	—
Residential mortgage-backed securities	2,204.7	103.1	(1.1)	(1.9)	2,304.8	(0.4)
Commercial mortgage-backed securities	323.2	22.5	—	—	345.7	—
Other debt securities	236.8	7.6	(0.2)	(3.1)	241.1	(1.3)
Total fixed maturity securities	16,459.1	924.1	(24.2)	(14.6)	17,344.4	\$(3.4)
Equity securities	897.0	358.0	(12.5)	—	1,242.5	
Total investments, available-for-sale	\$17,356.1	\$1,282.1	\$(36.7)	\$(14.6)	\$18,586.9	

At September 30, 2013, we owned \$2,714.3 of mortgage-backed securities and \$341.8 of asset-backed securities out of a total available-for-sale investment portfolio of \$19,491.0. These securities included sub-prime and Alt-A securities with fair values of \$33.6 and \$108.4, respectively. These sub-prime and Alt-A securities had accumulated net unrealized gains of \$1.3 and \$6.1, respectively. The average credit rating of the sub-prime and Alt-A securities was “BB” and “CCC”, respectively.

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The following tables summarize for fixed maturity securities and equity securities in an unrealized loss position at September 30, 2013 and December 31, 2012, the aggregate fair value and gross unrealized loss by length of time those securities have been continuously in an unrealized loss position:

(Securities are whole amounts)	Less than 12 Months			12 Months or Greater		
	Number of Securities	Estimated Fair Value	Gross Unrealized Loss	Number of Securities	Estimated Fair Value	Gross Unrealized Loss
September 30, 2013:						
Fixed maturity securities:						
United States Government securities	24	\$119.9	\$(1.4)	—	\$—	\$—
Government sponsored securities	23	56.6	(1.5)	—	—	—
States, municipalities and political subdivisions, tax-exempt	768	1,979.3	(93.6)	22	14.3	(1.2)
Corporate securities	1,700	3,075.0	(109.3)	57	53.0	(12.4)
Residential mortgage-backed securities	434	921.9	(29.4)	54	65.8	(3.3)
Commercial mortgage-backed securities	50	216.8	(3.4)	1	0.6	—
Other debt securities	52	145.7	(3.2)	17	17.7	(1.3)
Total fixed maturity securities	3,051	6,515.2	(241.8)	151	151.4	(18.2)
Equity securities	624	194.2	(16.7)	—	—	—
Total fixed maturity and equity securities	3,675	\$6,709.4	\$(258.5)	151	\$151.4	\$(18.2)
December 31, 2012:						
Fixed maturity securities:						
United States Government securities	17	\$48.5	\$(0.2)	—	\$—	\$—
States, municipalities and political subdivisions, tax-exempt	184	420.1	(5.7)	1	46.9	(1.6)
Corporate securities	457	1,066.5	(17.0)	74	52.6	(8.0)
Residential mortgage-backed securities	79	211.0	(1.1)	44	25.5	(1.9)
Commercial mortgage-backed securities	4	10.1	—	3	4.1	—
Other debt securities	7	5.4	(0.2)	21	28.9	(3.1)
Total fixed maturity securities	748	1,761.6	(24.2)	143	158.0	(14.6)
Equity securities	961	149.6				