



More than 4.4 million customers know they can rely on Southern Company to provide clean, safe, reliable and affordable energy. Because our employees are our greatest asset, we are focused on creating a workplace environment where they can be their best. That includes making a commitment to competitive, quality health care benefits.

In 2013, Southern Company embarked on a multiyear effort to adapt our programs to the realities of health care reform while continuing to provide options that meet employees' needs. A key focus is on educating employees about the changing landscape and providing tools that help them become better consumers of health care.

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One of our first steps was to simplify benefit choices, making it easier for employees to pick the plans that are best for them and their family members and also helping the company get the most out of every dollar spent. As part of 2014 annual enrollment, employees were provided with a new plan-selection tool that has enabled them to analyze their health care costs and determine the best coverage for their individual needs. About 46 percent of our 26,000 employees used the tool in 2014, exceeding our projections, and those using the tool were 10 percent more likely to choose the optimal plan than those who did not. We were encouraged by the first-year results and expect that using the tool to make data-driven decisions will result in more employees selecting optimal plans over time.

This year, we are rolling out a quality and price transparency tool in partnership with Healthcare Blue Book. Our goal is to empower employees to more easily compare the quality of care along with the cost of common procedures that are typically scheduled in advance. This enables employees and family members to facilitate discussions with their doctors about alternative treatments, quality and price and engages them directly in making important health care decisions. This new tool will work hand-in-hand with Best Doctors®, our existing second-opinion and provider-referral service.

As we continue to value and develop our people, we will look for more ways to engage and partner with employees through communications, tools, incentives and plan design for affordable, quality health care options.



Thomas A. Fanning

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Chairman, President and Chief Executive Officer