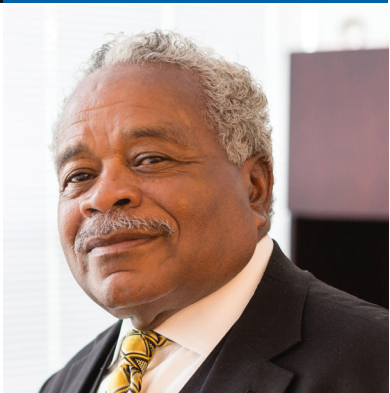




THE
POWER
OF **WE**



2016 ANNUAL
DIVERSITY REPORT



WE BELIEVE EACH PERSON COUNTS.

In this report, we'll take a look at ways we measure this commitment and how it makes a difference in the lives of the people we serve.



At BlueCross, we deeply believe in diversity and inclusion.

It's the right way to do business for our members. And it gives us a competitive advantage by intentionally creating a workforce that's a reflection of the individuals we serve.

Like anything worthwhile, our commitment is more than words. We put our belief into action, and we've approached it in a disciplined way with measurable goals tied directly to executive performance.

Those goals include:

- employee development and engagement,
- cultural awareness and competence,
- supplier relationships and community partnerships,
- and most important, they include our recruitment and hiring practices.

Diversity - like people - is always changing. That's why we've made a long-term commitment to this effort, and we're confident we're moving in the right direction.

JD Hickey, M.D.

President and CEO

2016 RECOGNITION



FORBES ONE OF AMERICA'S BEST LARGE EMPLOYERS

- #312 out of 500
- #10 in insurance sector

MODERN HEALTHCARE MAGAZINE **100 BEST PLACES TO WORK IN HEALTHCARE**

THE COMMERCIAL APPEAL **TOP 60 WORKPLACES IN THE GREATER MEMPHIS AREA**

CIO 100 FOR INNOVATION, TECHNOLOGY

OUR PEOPLE



TOTAL
EMPLOYEES
NEARLY
6,000



43% OF EMPLOYEES ARE
**PROFESSIONAL OR
TECHNICAL EXPERTS**



6 OFFICES ACROSS THE STATE



72% ON-SITE **28%** TELECOMMUTER



BOARD OF DIRECTORS

29% FEMALE **29%** BLACK



LEADERSHIP

100% OF CEO'S DIRECT REPORTS HAVE
**MEASURABLE DIVERSITY
GOALS** TIED TO THEIR INCENTIVES

AND IN 2016, 100% ACHIEVED THESE GOALS

EXECUTIVE TEAM

44% FEMALE **33%** BLACK

MANAGEMENT

18% ETHNIC
MINORITY **NEARLY
60%** FEMALE

ETHNIC GROUP



24%

ETHNIC
MINORITY

73%

NON-
MINORITY

3%

NOT
SPECIFIED



BLACK OR AFRICAN AMERICAN 19%

ASIAN 3%

HISPANIC 1%

TWO OR MORE RACES 1%

PACIFIC ISLANDER >1%

AMERICAN INDIAN OR ALASKA
NATIVE >1%

GENDER



74%

FEMALE

26%

MALE

PEOPLE WHO ARE LGBTQ



We offer a wide range of benefits including:

- Domestic partner health care benefits for same-gender partners
- Transgender benefits, including gender-reassignment surgery

We work to actively recruit and retain people who self-identify as LGBTQ, through:

- Connecting with universities to encourage LGBTQ students to attend recruitment events
- Including sexual orientation and gender identity as part of our nondiscrimination policy

AGE

MILLENNIAL



27%

(1996-1981)

GENERATION X



48%

(1980-1965)

BABY BOOMER



25%

(1964-1946)

ALL OTHERS



>1%

(1945 and earlier)

Data as of Dec. 31, 2016. All figures rounded to nearest whole percent.



YEARS OF SERVICE

LESS THAN 1 - 10%

1 TO 4 - 30%

5 TO 9 - 21%

10 TO 14 - 12%

15+ - 27%



WE ACTIVELY RECRUIT VETERANS

And provide benefits for members
of the National Guard and Reserve
during deployment



PEOPLE WHO ARE DIFFERENTLY ABLED

WE WORK TO ACTIVELY RECRUIT AND RETAIN PEOPLE WHO SELF-IDENTIFY
AS DIFFERENTLY ABLED, THROUGH:

- Offering facilities that include accessibility features beyond the requirements set forth in the Americans with Disabilities Act
- Ensuring our recruitment personnel are formally trained on employment best practices for people who are differently abled
- Connecting with universities to encourage students who are differently abled to attend recruitment events
- Posting job openings with organizations/ websites that work specifically with this community – as well as requiring non-specialized employment sourcing channels to target differently abled talent
- Inviting candidates to self-identify as differently abled and asking if a job accommodation or aide will be required
- Including accommodations for differently abled people in our emergency evacuation plans

OUR PROGRAMS

4 EMPLOYEE RESOURCE GROUPS

An Employee Resource Group (ERG) is a voluntary employee association that operates under the oversight of Corporate Diversity and is organized around a common dimension of diversity:

- Women's Leadership Network
- Employee Veterans Group
- Generational Diversity Employee Resource Group
- International Employee Resource Group

ERGs are inclusive and open to any active employee who wishes to join.



100%

of ERGs have executive sponsors,
and our CEO meets with each ERG quarterly



NEARLY 100 EMPLOYEES

Participated in a company-sponsored mentoring program as either mentor or mentee

CEO-LED EXECUTIVE DIVERSITY COUNCIL

Helps shape official diversity policy and programs and includes representation from employees across the company in multiple job roles (leadership, entry-level, exempt and nonexempt)



4 CULTURAL AWARENESS SESSIONS

The company sponsors quarterly events available to all employees:

- Black History Month
- Working with Colleagues who are Differently Abled
- Hispanic Heritage
- International Employees



We hire and provide internship opportunities for individuals with Autism Spectrum Disorders in partnership with the MoSAIC program at the University of Tennessee at Chattanooga.

OUR COMMUNITIES



NEARLY
\$10.5 MILLION
GIVEN TO TENNESSEE

Led by the BlueCross BlueShield of Tennessee Health Foundation, our philanthropic efforts center on three key goals: increasing access to health care for all Tennesseans, helping address the problem of addiction and substance abuse statewide, and supporting efforts to help residents increase their levels of physical activity.



DIVERSITY SCHOLARSHIP PROGRAM

HAS AWARDED MORE THAN \$100,000 TO MINORITY STUDENTS STUDYING FOR CAREERS IN HEALTH CARE FIELDS

- 2013: \$15,000
- 2014-2016: \$30,000 annually



PROVIDED NEARLY 4,000 VOLUNTEERS TO MEET NEEDS ACROSS TENNESSEE

OUR SUPPLIERS



- BlueCross spent nearly \$66 million with diverse suppliers in 2016
- And we spent nearly \$68 million with small and disadvantaged businesses



SINCE 2014, WE'VE INCREASED OUR SPENDING WITH MINORITY-OWNED BUSINESSES 10% ANNUALLY

Meet our people

bcbst.com/diversity

Join our team

bcbst.com/careers



[linkedin.com/company/blue-cross-blue-shield-of-tennessee](https://www.linkedin.com/company/blue-cross-blue-shield-of-tennessee)



[facebook.com/bcbstcareers](https://www.facebook.com/bcbstcareers)

Connect with us

bcbstn.com



[facebook.com/bcbst](https://www.facebook.com/bcbst)



[@bluecrosstnnews](https://twitter.com/bluecrosstnnews)

Learn about our communities

bettertennesse.com



[facebook.com/bettertennessee](https://www.facebook.com/bettertennessee)



[@bettertennessee](https://www.instagram.com/bettertennessee)



**Diversity
is more
than facts
and figures.**

THE
POWER
OF **WE**



BlueCross BlueShield of Tennessee
1 Cameron Hill Circle
Chattanooga, TN 37402
bcbst.com



Visit [bcbst.com/diversity](https://www.bcbst.com/diversity)

Hear our employees' personal experiences
with diversity at BlueCross.

BlueCross BlueShield of Tennessee, Inc., an
Independent Licensee of the BlueCross
BlueShield Association

BlueCare Tennessee, an Independent Licensee of the
BlueCross BlueShield Association

17CCM2054 (3/17)
2016 BlueCross Annual Diversity Report