

OUR 2023 FINANCIAL STEWARDSHIP STORY

Transparency with your premiums is our responsibility

As a mission-driven, not-for-profit company, our first priority is to improve the health of our 3.4 million members and the communities we serve.

We used 88 cents from every premium dollar to pay for our members’ medical needs. And we worked hard to operate efficiently to keep costs down for our customers.

88%

Direct Medical Costs

- 7¢ Other medical services
- 8¢ Prescription drugs
- 21¢ Outpatient facility care
- 23¢ Inpatient facility care
- 29¢ Physician services

11%

Operating Costs

- 3¢ Taxes and fees
- 8¢ Operations

1%

After-tax profit

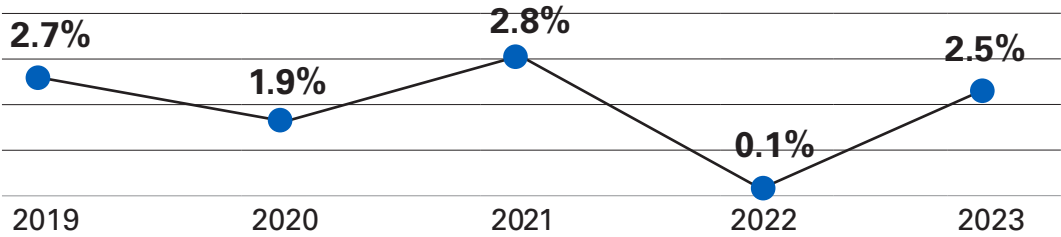
Our members’ health care claims totaled \$17.81 billion in 2023.



OUR NET INCOME

We paid \$507 million in taxes that support programs and services benefitting Tennesseans, and we earned \$509 million in after-tax net income.

Our net income represents 2.5% of our gross revenues, and our five-year average for net income is 2.0%.



OUR REQUIRED RESERVES

We are a not-for-profit, which allows us to earn lower margins but also brings a responsibility to maintain strong reserves.

Just as financial experts advise families save for about 4-6 months for unexpected expenses, we follow a similar approach. Our total reserves would cover our members’ claims for about 4 months.



Our reserves – built over 75 years – now total \$4.8 billion, but \$2.8 billion of those are required based on how many members we have and how much we have to charge in premiums. These reserves are as important as ever as we navigate economic shifts and uncertainty together.

We’re right here for good. See how at [BCBSTnews.com](https://www.bcbstnews.com)