

As a mission-driven, not-for-profit company, our first priority is to improve the health of our 3.3 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

- 6¢ Other medical services
- 8¢ Prescription drugs
- 22¢ Outpatient facility care
- 25¢ Inpatient facility care
- 27¢ Physician services

12%

Operating Costs

- 2¢ Taxes and fees
- 8¢ Operations
- 2¢ After-tax profit

We paid \$16.76 billion for our members’ health care.

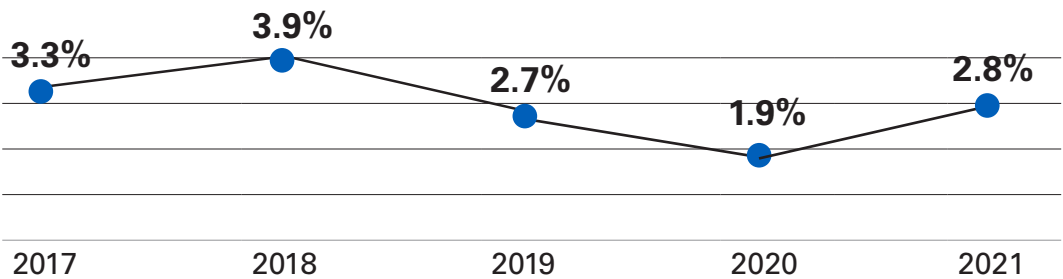
\$1.1 billion went to cover claims for COVID-19 testing and treatment.



OUR NET INCOME

We paid \$451 million in taxes that support programs and services benefitting Tennesseans, and we earned \$521 million in after-tax net income. 62% of our net income in 2021 came from investments rather than business operations.

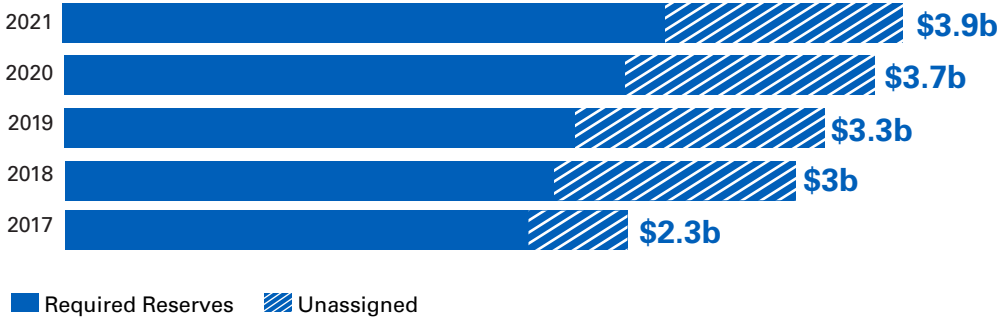
Our net income represents 2.8% of our gross revenues, and our five-year average for net income is 2.9%.



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.

Our required reserves would cover our members’ claims for 68 days. We have \$414 per member in additional reserves, which would cover another 38 days of claims.



Our reserves – built over 75 years – now total \$3.9 billion, but \$2.5 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.