

Being open about how we use your money 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 86 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.

86%

Direct Medical Costs

- 6¢ Other medical services
- 9¢ Prescription drugs
- 21¢ Outpatient facility care
- 24¢ Inpatient facility care
- 26¢ Physician services

14%

Operating Costs

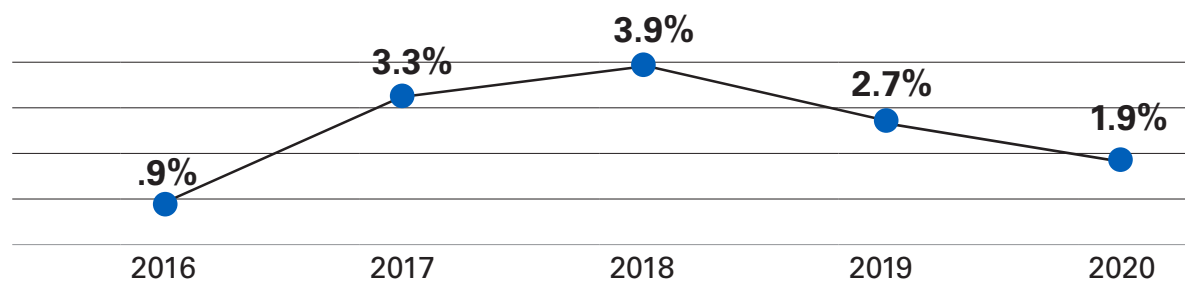
- 4¢ Taxes and fees
- 8¢ Operations
- 2¢ After-tax profit



Our members' health care claims totaled \$16 billion in 2020.

We paid \$601 million in taxes that support programs and services benefitting Tennesseans, and we earned \$355 million in after-tax net income.

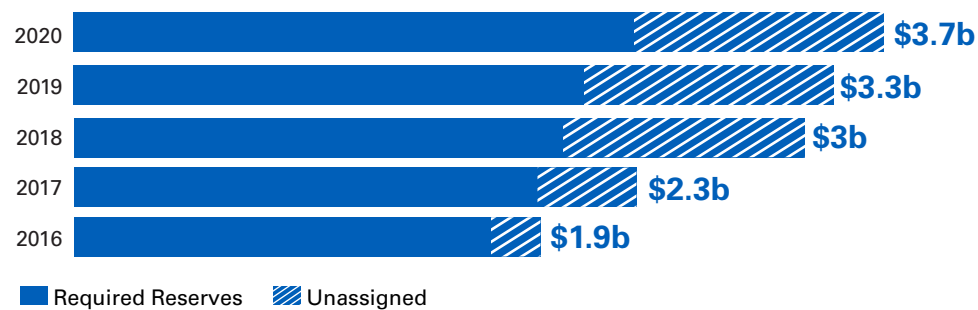
Our net income represents 1.9% of our gross revenues, and our five-year average for net income is 2.6%.



We met our modest financial goals, but primarily because we received a damages award of \$214 million related to the Affordable Care Act's risk corridors program.

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 66 days. We have \$390 per member in additional reserves, which would cover another 38 days of claims.



Our reserves – built over 75 years – now total \$3.7 billion, but \$2.3 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 face the COVID-19 pandemic together.