

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
---	--	---

Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II	Basic Plan Information—enter all requested information										
1a Name of plan <u>BLUE CROSS AND BLUE SHIELD OF ALABAMA 401(K) SALARY DEFERRAL PLAN & TRUST</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>07/01/1985</u></td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) <u>63-0103830</u></td> </tr> <tr> <td colspan="2">2c Plan Sponsor's telephone number <u>205-220-2555</u></td> </tr> <tr> <td colspan="2">2d Business code (see instructions) <u>524140</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>07/01/1985</u>		2b Employer Identification Number (EIN) <u>63-0103830</u>		2c Plan Sponsor's telephone number <u>205-220-2555</u>		2d Business code (see instructions) <u>524140</u>	
1b Three-digit plan number (PN) ▶	<u>002</u>										
1c Effective date of plan <u>07/01/1985</u>											
2b Employer Identification Number (EIN) <u>63-0103830</u>											
2c Plan Sponsor's telephone number <u>205-220-2555</u>											
2d Business code (see instructions) <u>524140</u>											
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>BLUE CROSS AND BLUE SHIELD OF ALABAMA</u> <u>450 RIVERCHASE PKWY EAST</u> <u>BIRMINGHAM, AL 35244</u>											

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	09/27/2022	BURT SCHUESSLER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2021)
v. 210624

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN	
5 Total number of participants at the beginning of the plan year		5	4671
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year.....		6a(1)	4053
a(2) Total number of active participants at the end of the plan year		6a(2)	3992
b Retired or separated participants receiving benefits.....		6b	92
c Other retired or separated participants entitled to future benefits		6c	822
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	4906
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	13
f Total. Add lines 6d and 6e		6f	4919
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	4795
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	139
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2S 2T 3H			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2021
		This Form is Open to Public Inspection.

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan BLUE CROSS AND BLUE SHIELD OF ALABAMA 401(K) SALARY DEFERRAL PLAN & TRUST	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 BLUE CROSS AND BLUE SHIELD OF ALABAMA	D Employer Identification Number (EIN) 63-0103830	

Part I	Service Provider Information (see instructions)
---------------	--

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

GREAT-WEST LIFE & ANNUITY INS. CO

84-0467907

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 37 38 49 50 59 60 61 63 64 65 72 99	N/A	381617	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

AON HEWITT

36-3109431

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	N/A	79921	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

WARREN AVERETT, LLC

45-4084397

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	N/A	26500	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

RELiance TRUST COMPANY

58-1428634

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
19 25 99	N/A	0	Yes ☒ No ☐	Yes ☐ No ☒	595	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
GREAT-WEST LIFE & ANNUITY INSURANCE	52 59 60 63 62	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
SEE ATTACHED SCHEDULE C REPORT 84-0467907	SEE ATTACHED FROM 5500 SCHEDULE C REPORT	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
RELIANCE TRUST COMPANY	19 99 25	595
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
GREAT-WEST LIFE & ANNUITY INSURANCE 84-0467907	SEE ATTACHED FROM 5500 SCHEDULE C REPORT	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration		DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.		OMB No. 1210-0110 2021 This Form is Open to Public Inspection.	
For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021					
A Name of plan BLUE CROSS AND BLUE SHIELD OF ALABAMA 401(K) SALARY DEFERRAL PLAN & TRUST				B Three-digit plan number (PN) ▶ 002	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 BLUE CROSS AND BLUE SHIELD OF ALABAMA				D Employer Identification Number (EIN) 63-0103830	
Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)					
a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO STABLE RETURN Q					
b Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.					
c EIN-PN 52-2250959-001		d Entity code C		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 62673062	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code			

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
--	--	--

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan BLUE CROSS AND BLUE SHIELD OF ALABAMA 401(K) SALARY DEFERRAL PLAN & TRUST	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 BLUE CROSS AND BLUE SHIELD OF ALABAMA	D Employer Identification Number (EIN) 63-0103830	

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	12986475	13246369
(9) Value of interest in common/collective trusts.....	1c(9)	63743005	62673062
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts.....	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	582556018	672972143
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities.....	1d(1)	
(2)	Employer real property.....	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	659285498 748891574
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness.....	1i	
j	Other liabilities.....	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	659285498 748891574

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

		(a) Amount	(b) Total
Income			
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	12531278
	(B) Participants	2a(1)(B)	22065991
	(C) Others (including rollovers).....	2a(1)(C)	1760151
(2)	Noncash contributions.....	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	36357420
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans.....	2b(1)(E)	652039
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	652039
(2)	Dividends: (A) Preferred stock.....	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	39685833
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	39685833
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		1154190
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		56874374
c Other income.....	2c		285706
d Total income. Add all income amounts in column (b) and enter total.....	2d		135009562
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	46483954	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		46483954
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		137613
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)	26500	
(2) Contract administrator fees.....	2i(2)	381617	
(3) Investment advisory and management fees.....	2i(3)	79921	
(4) Other.....	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		488038
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		47109605
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		87899957
l Transfers of assets:			
(1) To this plan.....	2l(1)		1706119
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: WARREN AVERETT, LLC

(2) EIN: 45-4084437

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		X	
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection.
---	--	---

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan BLUE CROSS AND BLUE SHIELD OF ALABAMA 401(K) SALARY DEFERRAL PLAN & TRUST	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 BLUE CROSS AND BLUE SHIELD OF ALABAMA	D Employer Identification Number (EIN) 63-0103830

Part I	Distributions
--------	---------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 04-1590850 Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
---------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? If the plan is a defined benefit plan, go to line 8.	☐ Yes ☐ No ☐ N/A
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.	
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a
b Enter the amount contributed by the employer to the plan for this plan year	6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c
If you completed line 6c, skip lines 8 and 9.	
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes ☐ No ☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes ☐ No ☐ N/A

Part III	Amendments
----------	------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase ☐ Decrease ☐ Both ☐ No
--	--

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
---------	--

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes ☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes ☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes ☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes ☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2021
v. 201209

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year

15b

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN**

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE**

DECEMBER 31, 2021 AND 2020



www.warrenaverett.com

The report accompanying this deliverable was issued
by Warren Averett, LLC.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
TABLE OF CONTENTS
DECEMBER 31, 2021 AND 2020**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	5
Statement of Changes in Net Assets Available for Benefits	6
Notes to the Financial Statements	7
SUPPLEMENTARY SCHEDULE	
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)	15

INDEPENDENT AUDITORS' REPORT

To the Retirement Plan Committee and Executive Committee
Blue Cross and Blue Shield of Alabama 401(k) Salary Deferral Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed an audit of the accompanying financial statements of Blue Cross and Blue Shield of Alabama 401(k) Salary Deferral Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL's) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the Financial Statements section—

- the amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- the information in the financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current Plan instrument, including all Plan amendments; administering the Plan; and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditors' Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control related matters that we identified during the audit.

Supplemental Schedule Required by ERISA

The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2021 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion—

- the form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Other Matter – Auditors' Report on the 2020 Financial Statement

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform any auditing procedures with respect to the information certified by Reliance, the trustee of the Plan. In our report dated October 1, 2021, we indicated that (1) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (2) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were prepared in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Warren Averett, LLC

Birmingham, Alabama
September 21, 2022

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
INVESTMENTS AT FAIR VALUE	\$ 735,645,205	\$ 646,299,023
RECEIVABLES		
Notes receivable from participants	<u>13,246,369</u>	<u>12,986,475</u>
Total receivables	<u>13,246,369</u>	<u>12,986,475</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 748,891,574</u></u>	<u><u>\$ 659,285,498</u></u>

See accompanying notes to the financial statements.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2021**

ADDITIONS

Investment income:	
Net appreciation in fair value of investments	\$ 58,028,564
Interest and dividend income	<u>39,971,539</u>
	98,000,103
Interest income on notes receivable from participants	652,039
Contributions:	
Employers	12,531,278
Participants	22,065,991
Rollover	<u>1,760,151</u>
Total contributions	<u>36,357,420</u>
Total additions	<u>135,009,562</u>

DEDUCTIONS

Distributions to participants	46,621,567
Administrative expenses	<u>488,038</u>
Total deductions	<u>47,109,605</u>

NET INCREASE

87,899,957

TRANSFER FROM TOTAL PLAN SERVICES, INC.

401(K) PLAN

145,769

TRANSFER FROM CAPROCK HEALTH GROUP, LLC.

401(K) PLAN

1,153,598

TRANSFER FROM ACCESS HEALTH, INC.

401(K) PLAN

406,752

NET ASSETS AVAILABLE FOR BENEFITS AT

BEGINNING OF YEAR

659,285,498

**NET ASSETS AVAILABLE FOR BENEFITS AT END OF
YEAR**

\$ 748,891,574

See accompanying notes to the financial statements.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

1. DESCRIPTION OF PLAN

The following description of Blue Cross and Blue Shield of Alabama 401(k) Salary Deferral Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

Blue Cross and Blue Shield of Alabama (the Corporation) established the Plan effective July 1, 1985, for its employees. The Plan's purpose is to provide benefits to eligible employees upon retirement, termination of employment, death or disability.

The Plan is a defined contribution plan available to all full-time and part-time employees of the Corporation who have at least six months of employment and who are 21 years of age or older. Employees are allowed to participate in the Plan as of the beginning of any payroll period on or after the first calendar quarter coinciding with or following the date they met the eligibility requirements. In addition, any employee or participant who has been terminated and who is subsequently reemployed is eligible to participate upon meeting the eligibility requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Reliance Trust Company (Reliance) is the trustee. All investment transactions with Reliance qualify as party-in-interest transactions. The Plan is administered by the Corporation Retirement Plan Committee (Committee), by operation of its subcommittees. The Committee has overall responsibility for the operation and administration of the Plan. The Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Executive Committee, which has oversight of the Plan.

Contributions

A participant may elect to contribute a specific percentage of a payroll period's compensation, as defined in the Plan, for each payroll period. The maximum percentage contribution is 75% of the participant's compensation, limited to \$19,500 (pretax) for 2021, with 1% of the participant's compensation being the minimum contribution each payroll period. After-tax contributions range from a minimum of 1% to a limit of 10%. The Corporation will match 100% of the first 3% contributed by each participant and 50% of the next 2% contributed by each participant. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. For participants who became eligible after April 1, 2013, the automatic deferral rate was increased to 5%. The Corporation contributes a non-discretionary contribution equal to 5% of eligible compensation to the fund accounts for all participants eligible to participate in the non-discretionary contribution component of the Plan.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

1. DESCRIPTION OF PLAN – CONTINUED

Contributions – Continued

Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan.

The Plan also includes a nonelective discretionary contribution in such amount (if any) as determined by the Corporation in its sole and absolute discretion to the Plan.

Participant Accounts

Each participant's account is credited with the participant's contributions, Corporation matching contributions, nonelective Corporation contributions and allocations of Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. The recordkeeping fee is a flat fee charged to each participant. Other administrative expenses are allocated per capita. Specific participant transactions, such as loans, distributions, etc., are charged to the specific participant, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participant contributions, matching Corporation contributions and rollover contributions to the Plan become fully vested upon receipt. Non-discretionary and discretionary nonelective Corporation contributions and associated earnings are subject to a six-year graded vesting schedule. Employees with less than two years of service are 0% vested. At two years of service through six years of service, employees vest 20% each year, such that at six years of service an employee is 100% vested in nonelective Corporation contributions and earnings.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. Participant loans are secured by the balance in the participant's account. Loan terms range from one to five years or up to 30 years for the purchase of a primary residence. The interest rate charged is prime plus 1%. Interest rates on loans that were outstanding at December 31, 2021, ranged from 3.25% to 9.25%. Principal and interest payments are paid ratably through payroll deductions.

Payment of Benefits

Upon retirement, termination of employment, death or disability, payments may be made in one of the following forms at the discretion of the participant or beneficiary: lump-sum payment in cash; periodic payments of substantially equal amounts for a specified number of years, not to exceed 15 years; any combination of either of the above two options; or direct rollover.

BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Plan Amendments

Effective January 1, 2021, the Plan was amended and restated to reflect adoption of the participant employers, Total Plan Services, Inc. (TPS), Caprock Health Group, LLC. (Caprock), Access Health, Inc. (AH), and HealthCare Solutions Group, Inc. (HSG). The Corporation wholly owns Preferred Care Services, Inc. (PCS) which owns 100% of TPS, Caprock, AH, and HSG.

Effective July 30, 2021, the Plan was amended to add an automatic salary deferral increase on an annual basis. The increase is 1% annually up to 10%, and all participants deferring less than 10% are automatically enrolled, with the ability to opt out.

Effective July 30, 2021, the Company non-discretionary contribution increased from 3% to 5% of base salary for each paycheck.

Basis of Accounting

The financial statements of the Plan are prepared on the accrual method of accounting.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Committee, by operation of its subcommittees, determines the Plan's valuation policies utilizing information provided by the investment advisors and Reliance. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Net appreciation includes the Plan's gains and losses on investments bought and sold, as well as held, during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balances plus accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make loan repayments, and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

Payment of Benefits

Benefits are recorded when paid.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Administrative Expenses

Expenses related to the administration of the Plan are paid by the Plan. Participant accounts are allocated a portion of administrative expenses. Fees related to the administration of notes receivable from participants are charged directly to the participants receiving the loans. In addition, participants receiving distributions are charged fees for each payment received. Administration expenses were \$488,038 for the year ended December 31, 2021. Investment related expenses are included in net appreciation in fair value of investments.

3. INFORMATION CERTIFIED BY TRUSTEE

Certain information related to investments disclosed in the accompanying financial statements and ERISA-required supplemental schedule, including investments at December 31, 2021 and 2020, and net appreciation in fair value of investments, interest and dividends for the year ended December 31, 2021, was obtained by management and agreed to or derived from information certified as complete and accurate by Reliance.

4. FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest level of priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under the guidance are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

4. FAIR VALUE MEASUREMENTS – CONTINUED

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

Mutual funds: Valued at the Net Asset Value (NAV) of shares held by the Plan at year end. This category includes mutual fund investment alternatives to meet the needs of the participants and allows for diversification based on risk and target distribution dates. Investment alternatives include equity, bond, and blended fund options that invest in both domestic and international investments and are valued as Level 1 measurements. See supplementary schedule included herein for schedule of assets at December 31, 2021.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's investment assets at fair value as of December 31, 2021

Description	Assets at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Investments, at fair value:				
Mutual funds	\$ 672,971,932	\$ -	\$ -	\$ 672,971,932
Total assets in the fair value hierarchy	672,971,932	-	-	672,971,932
Investments measured at NAV ^{(a)(b)}				
Collective trust fund	-	-	-	62,673,273
Total investments at fair value	\$ 672,971,932	\$ -	\$ -	\$ 735,645,205

^(a)This category includes various investments measured at fair value using NAV as a practical expedient. The fair value of the funds has been estimated based on the fair value of the underlying investments in the fund as previously discussed in Note 2.

^(b)In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items in the statement of net assets available for benefits.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

4. FAIR VALUE MEASUREMENTS – CONTINUED

The following table sets forth by level, within the fair value hierarchy, the Plan's investment assets at fair value as of December 31, 2020:

Description	Assets at Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Investments, at fair value:				
Mutual funds	\$ 582,555,807	\$ -	\$ -	\$ 582,555,807
Total assets in the fair value hierarchy	582,555,807	-	-	582,555,807
Investments measured at NAV ^{(a)(b)}				
Collective trust fund	-	-	-	63,743,216
Total investments at fair value	\$ 582,555,807	\$ -	\$ -	\$ 646,299,023

^(a)This category includes various investments measured at fair value using NAV as a practical expedient. The fair value of the funds has been estimated based on the fair value of the underlying investments in the fund as previously discussed in Note 2.

^(b)In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items in the statement of net assets available for benefits.

The following table summarizes investments measured at fair value based on NAV per share as of December 31, 2021 and 2020, respectively.

		Unfunded	Redemption	
	Fair Value	Commitments	Frequency	Redemption
December 31, 2021			(if currently	Notice Period
			eligible)	
Wells Fargo Stable Value Fund C	\$ 62,673,273	N/A	Daily	12 months
December 31, 2020	Fair Value	Unfunded	Redemption	Redemption
		Commitments	Frequency	Notice Period
			(if currently	
			eligible)	
Wells Fargo Stable Value Fund C	\$ 63,743,216	N/A	Daily	12 months

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

5. TAX STATUS

Effective January 1, 2015, the Plan was amended and restated. A new Internal Revenue Service (IRS) determination letter was received in February 2018. The IRS has discontinued the determination letter process. The plan administrator believes that the Plan currently is designed and is operating in compliance with the applicable requirements of the Internal Revenue Code (IRC), that the Plan continues to qualify under IRC Section 401(a), and the related trust continues to be tax-exempt as of December 31, 2021.

The Plan applies the provisions of ASC 740, *Uncertain Tax Positions*. The guidance requires entities to assess their uncertain tax positions for the likelihood that they would be overturned upon IRS examination. In accordance with this guidance, the Plan has determined that it does not have any positions at December 31, 2021 and 2020, that it would be unable to substantiate.

The Plan has filed a Form 5500, which is the annual return for employee benefit plans, for all years through December 31, 2020. Years ended December 31, 2018, and subsequent remain subject to audit by taxing authorities.

6. PLAN TERMINATION

Although it has not expressed any intent to do so, the Corporation has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of such Plan termination, each participant or beneficiary will remain 100% vested in his or her account balance.

7. RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

8. SUBSEQUENT EVENTS

The Corporation has evaluated subsequent events and their potential effects on these financial statements through September 21, 2022, which is the date the financial statements were available to be issued.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

8. SUBSEQUENT EVENTS – CONTINUED

Effective January 1, 2022, a participation agreement was executed to reflect the adoption of the participant employers, Stirling Benefits, Inc. (Stirling), Managed Care of Alabama, Inc. (MCA), and Allied National, LLC (Allied), into the Plan. The Corporation wholly owns PCS, which wholly owns Stirling, MCA and Allied. Prior to January 1, 2022, Stirling, MCA and Allied managed their own 401(k) plans.

SUPPLEMENTARY SCHEDULE

BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
EMPLOYER ID # 63-0103830
PLAN # 002
SCHEDULE H, LINE 4i –
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2021

(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(e) Current Value
	American Europacific Fund	Mutual Fund	\$ 25,736,729
	Earnest PTNR SMID CAP CR-Class 1	Mutual Fund	35,462,670
	Investment Company of America Fund	Mutual Fund	50,016,453
	Mainstay Large Cap Growth Fund	Mutual Fund	119,693,874
	Pimco Total Return Fund	Mutual Fund	26,446,519
	T. Rowe Price Retirement 2005 Fund	Mutual Fund	3,203,609
	T. Rowe Price Retirement 2010 Fund	Mutual Fund	3,293,290
	T. Rowe Price Retirement 2015 Fund	Mutual Fund	5,541,903
	T. Rowe Price Retirement 2020 Fund	Mutual Fund	22,162,527
	T. Rowe Price Retirement 2025 Fund	Mutual Fund	43,160,665
	T. Rowe Price Retirement 2030 Fund	Mutual Fund	56,986,820
	T. Rowe Price Retirement 2035 Fund	Mutual Fund	47,525,378
	T. Rowe Price Retirement 2040 Fund	Mutual Fund	38,965,003
	T. Rowe Price Retirement 2045 Fund	Mutual Fund	27,726,230
	T. Rowe Price Retirement 2050 Fund	Mutual Fund	15,857,975
	T. Rowe Price Retirement 2055 Fund	Mutual Fund	9,399,683
	T. Rowe Price Retirement 2060 Fund	Mutual Fund	2,419,875
	Vangaurd Total BND Market Index	Mutual Fund	6,620,262
	Vanguard Institutional Index Fund	Mutual Fund	70,875,313
	Vanguard Small Cap Index Fund	Mutual Fund	21,700,259
	Vanguard Total International Stock Index	Mutual Fund	3,392,226
	William Blair Smmidcap CR Cit-I	Mutual Fund	36,784,669
	Wells Fargo Stable Return Fund Q	Collective Trust	62,673,273
			735,645,205
*	Notes receivable from participants	Rates of interest ranging from 3.5% to 9.25%, various maturities	13,246,369
			<u>\$ 748,891,574</u>

* Indicates parties-in-interest to the Plan

Column (d) has not been presented as this information is not applicable.

See independent auditors' report.

Fee and Compensation Disclosure Report

This document is intended to assist a plan administrator (“you”) in completing the Form 5500 Schedule C¹ by identifying different types of compensation paid with respect to the product utilized by your plan.

As permitted under the Schedule C rules, compensation is disclosed in the attached report as an actual dollar amount, an estimate or a formula or rate.

- Where an actual dollar amount of compensation is disclosed, no further notation regarding compensation calculations is generally provided.
- Where an estimate of the compensation amount is disclosed, we have used a reasonable method to arrive at the estimate and we have described the method used to arrive at the estimated amount.
- Where a formula or rate is provided to report compensation, we have used a reasonable method to arrive at the estimate and we have described the method used to arrive at the estimated amount. This formula or rate may be disclosed to describe the compensation to which it applies under the Schedule C rules. Alternatively, for purposes of Schedule C disclosure or in connection with your fiduciary review of the compensation paid with respect to the services, products and investment options utilized by the plan, you may calculate and disclose an actual or estimated dollar amount by multiplying the rate by the total assets to which it applies.

Please note that, unless otherwise indicated in the descriptions contained in this report, direct compensation is presented on a plan year basis 01/01/2021 - 12/31/2021 and indirect compensation is presented on a calendar year basis ending 12/31/2021.

This report includes compensation actually paid to or by MassMutual within the indicated plan year as part of your MassMutual-serviced product. *(Note: If the plan year period or plan year end indicated in this Schedule C reporting package is incorrect, please notify your MassMutual customer service representative immediately).* This report does not include amounts deducted from plan assets and paid to third parties (other than MassMutual). In addition, the report does not include compensation related to investments held by the plan that are not serviced on our recordkeeping system. You should contact your other service providers for reportable compensation information. You may also receive information on the compensation reported here from other service providers as is described below.

Please note that we have provided suggested service codes with respect to services provided through our product. Please review all Schedule C and other Form 5500 materials with your experienced benefits counsel and other professionals to determine the most appropriate codes for your plan. In addition, please note that because plans with fewer than 100 participants (as of the beginning of the plan year) are generally not required to file Schedule C, you should refer to the instructions provided by the IRS for Schedule C and/or review the applicability of Schedule C to your plan with your experienced tax/benefits counsel, to determine whether it is necessary for the plan to report the information contemplated by this report.

Please contact your MassMutual Service Team should you require additional information regarding the compensation paid to or by MassMutual with respect to your plan.

Information provided in this document and related materials we provide are not intended to be and shall not be deemed tax advice, tax form preparation services, legal advice, advice to plans regarding compliance with ERISA reporting compliance, or accounting or other professional services. As described above, the information contained in this report may not cover all of the compensation received by the plan’s service providers. We strongly encourage you to review all Schedule C and other Form 5500 materials with experienced benefits counsel and other professionals.

¹Please refer to the Schedule C of the Form 5500 and its instructions (available at: <http://www.dol.gov/ebsa/5500main.html>), and please confer with experienced benefits counsel and other professionals, to determine the applicability of Schedule C to your plan.

FORM 5500 SCHEDULE C REPORT
SCHEDULE C, LINE 2(h) AND LINE 3(e) FORMULA DESCRIPTION
BLUE CROSS AND BLUE SHIELD OF AL 401(K) PLAN (001258)
EIN #: 63-0103830

Important Note: On December 31, 2020, Empower Retirement acquired the retirement business of Massachusetts Mutual Life Insurance Company ("MassMutual"). Following an initial transition period, Empower Retirement will become the sole administrator of this business. If the Plan utilizes an insurance product and the contract was issued by MassMutual, this material is being provided to you by Great-West Life & Annuity Insurance Company, affiliated with Empower Retirement, with respect to Empower Retirement's role as the administrator of this business, on MassMutual's behalf and pursuant to a Power of Attorney granted to Great-West Life & Annuity Insurance Company by MassMutual. If the Plan utilizes an insurance product and the contract was issued by Talcott Resolution Life Insurance Company ("Talcott", formerly named Hartford Life Insurance Company) and formerly administered by MassMutual, this material is being provided to you by Great-West Life & Annuity Insurance Company, affiliated with Empower Retirement, with respect to Empower Retirement's role as the administrator of this business pursuant to a Power of Attorney granted to Great-West Life & Annuity Insurance Company by Talcott. Empower Retirement refers to the products and services offered by Great-West Life & Annuity Insurance Company ("GWLA") and its subsidiaries, including Empower Retirement, LLC. Neither Great-West Life & Annuity Insurance Company nor Empower Retirement is affiliated with MassMutual, Talcott or their respective affiliates.

Important Note: The information in this document is applicable to the plan prior to transitioning recordkeeping platforms.

Please note that, unless otherwise indicated in the descriptions contained in this report, direct compensation is presented on a plan year basis 01/01/2021 - 12/31/2021 and indirect compensation is presented on a calendar year basis ending 12/31/2021.

For use with lines 2(h), 3(c), 3(d), 3(e)

Total Direct Compensation Paid	\$488,037.28
---------------------------------------	---------------------

The total amount identified above reflects all fees deducted from plan assets at the plan administrator's direction for the plan year. Service providers which have received portions of these direct fees are listed below, along with the amount of fees they received. Please note that if there is a discrepancy between the total direct fees reported above and the sum of the direct fees reported below, you should contact your other service providers or your plan records to identify the recipient(s) of the fees and any other information relevant to your Schedule C filing.

Recipient: Great-West Life & Annuity Insurance Company ("GWLA") EIN: 84-0467907

Service Codes: 15, 37, 38, 49, 59, 60, 61, 63, 64, 65, 72, 99, 50 (if direct compensation amount reflected below)

Direct Compensation	\$381,616.57
----------------------------	---------------------

The total amount identified above reflects fees deducted from plan assets at the plan administrator's direction for the 2021 plan year for the above named recipient. Please review other service providers, below, to determine whether direct fees were also paid to them. Also, please review your records to determine whether other service providers may have received any compensation not reported below (e.g., a reimbursement paid to any plan fiduciary, your employee benefits counsel, or a plan auditor).

Note: Due to system accounting protocols (including 'cash basis' accounting), amounts reported as Direct Compensation and amounts reported as paid to MassMutual Retirement Services, LLC ("MMRS") are the net result of aggregating direct compensation after the effects of adjustments processed in 2021, some of which may have pertained to prior years.

Please review the detailed breakdown at the end of the report for further information.

Indirect Compensation

Non Monetary Compensation

Please note that items of nonmonetary compensation need to be reported for Schedule A or C (Form 5500) purposes if they exceed certain *de minimus* amounts. Transactions generating nonmonetary compensation may include gifts, gratuities, or certain types of in-kind benefits. In addition, if applicable to the plan, MassMutual agents may qualify for certain forms of non-monetary compensation as a result of the sale of MassMutual contracts. These forms of non-monetary compensation include health, vision, life and disability coverage; matching contributions to 401(k) plans; cash balance and nonqualified pension plan contributions; participation at MassMutual-sponsored conferences based on recognition; and other non-monetary compensation (meals, entertainment, prizes, awards, gifts). If applicable, each plan in the agent's book of business is allocated compensation based on a pro rata basis using the number of plans representing the agent's book of business as of 12/31/2021. Information concerning reportable transactions undertaken between or among non-MassMutual parties may not be available to MassMutual. Please consult with your legal or tax advisors if you have any questions.

Compensation paid with respect to Funds

<i>Investment Option Name</i>	<i>EIN</i>	<i>Rate of Fees and Payments Received By MassMutual with Respect to the Fund (rates as of 12/31/2021)</i>	<i>Total Fund Annual Operating Expenses (Fund Expense Ratio) (as of 12/31/2021)</i>
AMERICAN BEACON SM CAP VALUE-R6	75-2401150		0.80%
AMERICAN FUNDS EUROPACIFIC-R6	95-1411037		0.46%
AMERICAN FUNDS INV CO AMER-R6	95-1426645		0.27%
EARNEST PTNR SMID CAP CR-CLASS1	NA ¹		0.00%
FIDELITY BALANCED	04-6026952	0.25%	0.51%
JPMORGAN MID CAP VALUE L	13-3963293	0.10%	0.83%
JPMORGAN US GOV MONEY MARKET-INS	26-3613641		0.23%
MAINSTAY WINSLOW LARGE CAP GR R6	13-5582869		0.64%
PIMCO TOTAL RETURN INSTL	95-2632339		0.47%
T. ROWE PRICE RET 2005 TRUST-F	61-6434302		0.43%
T. ROWE PRICE RET 2015 TRUST-F	35-6941654		0.43%
T. ROWE PRICE RET 2020 TRUST-F	36-7594871		0.43%
T. ROWE PRICE RET 2025 TRUST-F	37-6495447		0.43%
T. ROWE PRICE RET 2030 TRUST-F	38-7010946		0.43%
T. ROWE PRICE RET 2035 TRUST-F	36-7595013		0.43%
T. ROWE PRICE RET 2040 TRUST-F	35-6941729		0.43%
T. ROWE PRICE RET 2045 TRUST-F	32-6199848		0.43%
T. ROWE PRICE RET 2050 TRUST-F	30-6303214		0.43%
T. ROWE PRICE RET 2055 TRUST-F	35-6941728		0.43%
T. ROWE PRICE RET 2060 TRUST-F	47-1088316		0.43%
T. ROWE PRICE RET 2010 TRUST-F	32-6199795		0.43%
VANGUARD INSTITUTIONAL INDEX	23-1945930		0.03%
VANGUARD SMALL CAP INDEX-INST	23-1999755		0.04%
VANGUARD TOT BOND MKT INDEX-ADM	23-1945930		0.05%
VANGUARD TOTAL BND MRKT IDX INST	23-1945930		0.03%
VANGUARD TOTAL INTL STK INDX-ADM	23-1945930		0.11%
VIRTUS ALLIANZGI TECHNOLOGY INST	06-1349805	0.10%	1.15%
WELLS FARGO STABLE RETURN-Q	NA ¹		0.34%
WILLIAM BLAIR SMMIDCAP GR CIT-I	NA ¹		0.88%

¹ At the time this report was generated this information was not available.

The list includes any investment option held by the plan on at least one month end during the 2021 calendar year. To arrive at an estimate of the dollar amount that MassMutual received from each fund, multiply the rate of fees received from each fund by your plan's year-end balance (or if the fund was liquidated prior to year end, the balance on the liquidation date) and, if applicable, the per participant fee by the number of participants in the fund at year end (or the liquidation date if earlier). This will be an estimate because your plan's balance and number of participants will vary over the course of the year, so the year-end balance and number of participants may be higher or lower than the daily balance. In addition, these fees are calculated on a daily basis.

Recipient: Other EIN: 99-9999999

Service Codes:

Please contact your Service Provider for the list of applicable services performed and Service Codes.

Direct Compensation

\$106,420.71

The total amount identified above reflects fees deducted from plan assets at the plan administrator's direction for the 2021 plan year for the above named recipient.

Note: Due to system accounting protocols (including 'cash basis' accounting), amounts reported as Direct Compensation are the net result of aggregating direct compensation after the effects of adjustments processed in 2021, some of which may have pertained to prior years.

Please review the detailed breakdown at the end of the report for further information.

Indirect Compensation

\$0.00

Our records indicate that this recipient did not receive any Indirect Compensation. Please review your records to determine whether this service provider may have received any compensation not reported.

Recipient: Reliance Trust Company EIN: 58-1428634

Indirect Compensation

Trust Service Fee (if Reliance Trust Company is acting as directed trustee)

\$325.00

Service Codes: 25, 99

Payors: Great-West Life & Annuity Insurance Company EIN: 84-0467907
("GWLA")

Reflects the annual per plan trust service fee in effect as of December 31, 2021. For additional information, please refer to your "RELiance TRUST COMPANY ERISA 408(b)(2) Fee Disclosure" materials.

Custodial Fee

\$270.00

Service Codes: 19, 25, 99

Payors: Great-West Life & Annuity Insurance Company EIN: 84-0467907
("GWLA")

This is an estimate as of December 31, 2021, determined by dividing a flat annual fee paid to Reliance Trust Company by the number of plans to whom this feature is made available.

Direct Revenue Detail

Recipient: *Great-West Life & Annuity Insurance Company ("GWLA")*

<u>Fee Description</u>	<u>Dollar Amount</u>
Loan Set-up Fee	\$72,900.00
Rapid Delivery Fee	\$22,040.00
Recordkeeping Fee	\$276,023.67
One-Time Distribution Fee	\$10,652.90
Total Direct Revenue:	\$381,616.57

Recipient: *Other*

<u>Fee Description</u>	<u>Dollar Amount</u>
Conversion Fee	\$79,920.71
TPA Ad-Hoc Fee	\$26,500.00
Total Direct Revenue:	\$106,420.71

Grand Total Direct Fees:	\$488,037.28
---------------------------------	---------------------

Schedule C Soft Dollar Compensation Eligible Indirect Compensation Statement

Mutual fund investments of the plan (whether direct or indirect through a separate investment account) may have soft dollar arrangements pursuant to which the investment advisor or sub-advisor to the mutual fund (and/or its affiliates) may direct trades to certain brokers in exchange for research and other services, other than just trade execution. For plans investing directly or indirectly in MassMutual funds, the funds listed below had soft dollar arrangements during the previous fiscal year-end. For details, please refer to the Portfolio Transactions and Brokerage section of the Statement of Additional Information (“SAI”). For all other mutual funds, MassMutual provided the required written disclosure in the Statement of Additional Information (“SAI”).

For additional information on soft dollar compensation, refer to the section of the mutual fund’s SAI that discusses brokerage allocation and other practices.

MassMutual Global Fund	MassMutual RetireSMART by JPMorgan in Retirement Fund
MassMutual Growth Opportunities Fund	MassMutual RetireSMART by JPMorgan 2020 Fund
MassMutual International Equity Fund	MassMutual RetireSMART by JPMorgan 2025 Fund
MassMutual Main Street Fund	MassMutual RetireSMART by JPMorgan 2030 Fund
MassMutual Mid Cap Growth Fund	MassMutual RetireSMART by JPMorgan 2035 Fund
MassMutual Mid-Cap Value Fund	MassMutual RetireSMART by JPMorgan 2040 Fund
MassMutual Overseas Fund	MassMutual RetireSMART by JPMorgan 2045 Fund
MassMutual Small Cap Growth Equity Fund	MassMutual RetireSMART by JPMorgan 2050 Fund
MassMutual Small Cap Opportunities Fund	MassMutual RetireSMART by JPMorgan 2055 Fund
MassMutual Small Cap Value Equity Fund	MassMutual RetireSMART by JPMorgan 2060 Fund
MassMutual Small Cap Value Fund	
MassMutual Strategic Emerging Markets Fund	

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN**

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE**

DECEMBER 31, 2021 AND 2020



www.warrenaverett.com

The report accompanying this deliverable was issued
by Warren Averett, LLC.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
TABLE OF CONTENTS
DECEMBER 31, 2021 AND 2020**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	5
Statement of Changes in Net Assets Available for Benefits	6
Notes to the Financial Statements	7
SUPPLEMENTARY SCHEDULE	
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)	15

INDEPENDENT AUDITORS' REPORT

To the Retirement Plan Committee and Executive Committee
Blue Cross and Blue Shield of Alabama 401(k) Salary Deferral Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed an audit of the accompanying financial statements of Blue Cross and Blue Shield of Alabama 401(k) Salary Deferral Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL's) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the Financial Statements section—

- the amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- the information in the financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current Plan instrument, including all Plan amendments; administering the Plan; and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditors' Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control related matters that we identified during the audit.

Supplemental Schedule Required by ERISA

The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2021 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion—

- the form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Other Matter – Auditors' Report on the 2020 Financial Statement

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform any auditing procedures with respect to the information certified by Reliance, the trustee of the Plan. In our report dated October 1, 2021, we indicated that (1) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (2) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were prepared in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Warren Averett, LLC

Birmingham, Alabama
September 21, 2022

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
INVESTMENTS AT FAIR VALUE	\$ 735,645,205	\$ 646,299,023
RECEIVABLES		
Notes receivable from participants	<u>13,246,369</u>	<u>12,986,475</u>
Total receivables	<u>13,246,369</u>	<u>12,986,475</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 748,891,574</u></u>	<u><u>\$ 659,285,498</u></u>

See accompanying notes to the financial statements.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2021**

ADDITIONS

Investment income:	
Net appreciation in fair value of investments	\$ 58,028,564
Interest and dividend income	<u>39,971,539</u>
	98,000,103
Interest income on notes receivable from participants	652,039
Contributions:	
Employers	12,531,278
Participants	22,065,991
Rollover	<u>1,760,151</u>
Total contributions	<u>36,357,420</u>
Total additions	<u>135,009,562</u>

DEDUCTIONS

Distributions to participants	46,621,567
Administrative expenses	<u>488,038</u>
Total deductions	<u>47,109,605</u>

NET INCREASE

87,899,957

TRANSFER FROM TOTAL PLAN SERVICES, INC.

401(K) PLAN

145,769

TRANSFER FROM CAPROCK HEALTH GROUP, LLC.

401(K) PLAN

1,153,598

TRANSFER FROM ACCESS HEALTH, INC.

401(K) PLAN

406,752

**NET ASSETS AVAILABLE FOR BENEFITS AT
BEGINNING OF YEAR**

659,285,498

**NET ASSETS AVAILABLE FOR BENEFITS AT END OF
YEAR**

\$ 748,891,574

See accompanying notes to the financial statements.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

1. DESCRIPTION OF PLAN

The following description of Blue Cross and Blue Shield of Alabama 401(k) Salary Deferral Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

Blue Cross and Blue Shield of Alabama (the Corporation) established the Plan effective July 1, 1985, for its employees. The Plan's purpose is to provide benefits to eligible employees upon retirement, termination of employment, death or disability.

The Plan is a defined contribution plan available to all full-time and part-time employees of the Corporation who have at least six months of employment and who are 21 years of age or older. Employees are allowed to participate in the Plan as of the beginning of any payroll period on or after the first calendar quarter coinciding with or following the date they met the eligibility requirements. In addition, any employee or participant who has been terminated and who is subsequently reemployed is eligible to participate upon meeting the eligibility requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Reliance Trust Company (Reliance) is the trustee. All investment transactions with Reliance qualify as party-in-interest transactions. The Plan is administered by the Corporation Retirement Plan Committee (Committee), by operation of its subcommittees. The Committee has overall responsibility for the operation and administration of the Plan. The Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Executive Committee, which has oversight of the Plan.

Contributions

A participant may elect to contribute a specific percentage of a payroll period's compensation, as defined in the Plan, for each payroll period. The maximum percentage contribution is 75% of the participant's compensation, limited to \$19,500 (pretax) for 2021, with 1% of the participant's compensation being the minimum contribution each payroll period. After-tax contributions range from a minimum of 1% to a limit of 10%. The Corporation will match 100% of the first 3% contributed by each participant and 50% of the next 2% contributed by each participant. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. For participants who became eligible after April 1, 2013, the automatic deferral rate was increased to 5%. The Corporation contributes a non-discretionary contribution equal to 5% of eligible compensation to the fund accounts for all participants eligible to participate in the non-discretionary contribution component of the Plan.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

1. DESCRIPTION OF PLAN – CONTINUED

Contributions – Continued

Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan.

The Plan also includes a nonelective discretionary contribution in such amount (if any) as determined by the Corporation in its sole and absolute discretion to the Plan.

Participant Accounts

Each participant's account is credited with the participant's contributions, Corporation matching contributions, nonelective Corporation contributions and allocations of Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. The recordkeeping fee is a flat fee charged to each participant. Other administrative expenses are allocated per capita. Specific participant transactions, such as loans, distributions, etc., are charged to the specific participant, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participant contributions, matching Corporation contributions and rollover contributions to the Plan become fully vested upon receipt. Non-discretionary and discretionary nonelective Corporation contributions and associated earnings are subject to a six-year graded vesting schedule. Employees with less than two years of service are 0% vested. At two years of service through six years of service, employees vest 20% each year, such that at six years of service an employee is 100% vested in nonelective Corporation contributions and earnings.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. Participant loans are secured by the balance in the participant's account. Loan terms range from one to five years or up to 30 years for the purchase of a primary residence. The interest rate charged is prime plus 1%. Interest rates on loans that were outstanding at December 31, 2021, ranged from 3.25% to 9.25%. Principal and interest payments are paid ratably through payroll deductions.

Payment of Benefits

Upon retirement, termination of employment, death or disability, payments may be made in one of the following forms at the discretion of the participant or beneficiary: lump-sum payment in cash; periodic payments of substantially equal amounts for a specified number of years, not to exceed 15 years; any combination of either of the above two options; or direct rollover.

BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Plan Amendments

Effective January 1, 2021, the Plan was amended and restated to reflect adoption of the participant employers, Total Plan Services, Inc. (TPS), Caprock Health Group, LLC. (Caprock), Access Health, Inc. (AH), and HealthCare Solutions Group, Inc. (HSG). The Corporation wholly owns Preferred Care Services, Inc. (PCS) which owns 100% of TPS, Caprock, AH, and HSG.

Effective July 30, 2021, the Plan was amended to add an automatic salary deferral increase on an annual basis. The increase is 1% annually up to 10%, and all participants deferring less than 10% are automatically enrolled, with the ability to opt out.

Effective July 30, 2021, the Company non-discretionary contribution increased from 3% to 5% of base salary for each paycheck.

Basis of Accounting

The financial statements of the Plan are prepared on the accrual method of accounting.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Committee, by operation of its subcommittees, determines the Plan's valuation policies utilizing information provided by the investment advisors and Reliance. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Net appreciation includes the Plan's gains and losses on investments bought and sold, as well as held, during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balances plus accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make loan repayments, and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

Payment of Benefits

Benefits are recorded when paid.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Administrative Expenses

Expenses related to the administration of the Plan are paid by the Plan. Participant accounts are allocated a portion of administrative expenses. Fees related to the administration of notes receivable from participants are charged directly to the participants receiving the loans. In addition, participants receiving distributions are charged fees for each payment received. Administration expenses were \$488,038 for the year ended December 31, 2021. Investment related expenses are included in net appreciation in fair value of investments.

3. INFORMATION CERTIFIED BY TRUSTEE

Certain information related to investments disclosed in the accompanying financial statements and ERISA-required supplemental schedule, including investments at December 31, 2021 and 2020, and net appreciation in fair value of investments, interest and dividends for the year ended December 31, 2021, was obtained by management and agreed to or derived from information certified as complete and accurate by Reliance.

4. FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest level of priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under the guidance are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

4. FAIR VALUE MEASUREMENTS – CONTINUED

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

Mutual funds: Valued at the Net Asset Value (NAV) of shares held by the Plan at year end. This category includes mutual fund investment alternatives to meet the needs of the participants and allows for diversification based on risk and target distribution dates. Investment alternatives include equity, bond, and blended fund options that invest in both domestic and international investments and are valued as Level 1 measurements. See supplementary schedule included herein for schedule of assets at December 31, 2021.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's investment assets at fair value as of December 31, 2021

Description	Assets at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Investments, at fair value:				
Mutual funds	\$ 672,971,932	\$ -	\$ -	\$ 672,971,932
Total assets in the fair value hierarchy	672,971,932	-	-	672,971,932
Investments measured at NAV ^{(a)(b)}				
Collective trust fund	-	-	-	62,673,273
Total investments at fair value	\$ 672,971,932	\$ -	\$ -	\$ 735,645,205

^(a)This category includes various investments measured at fair value using NAV as a practical expedient. The fair value of the funds has been estimated based on the fair value of the underlying investments in the fund as previously discussed in Note 2.

^(b)In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items in the statement of net assets available for benefits.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

4. FAIR VALUE MEASUREMENTS – CONTINUED

The following table sets forth by level, within the fair value hierarchy, the Plan's investment assets at fair value as of December 31, 2020:

Description	Assets at Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Investments, at fair value:				
Mutual funds	\$ 582,555,807	\$ -	\$ -	\$ 582,555,807
Total assets in the fair value hierarchy	582,555,807	-	-	582,555,807
Investments measured at NAV ^{(a)(b)}				
Collective trust fund	-	-	-	63,743,216
Total investments at fair value	\$ 582,555,807	\$ -	\$ -	\$ 646,299,023

^(a)This category includes various investments measured at fair value using NAV as a practical expedient. The fair value of the funds has been estimated based on the fair value of the underlying investments in the fund as previously discussed in Note 2.

^(b)In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items in the statement of net assets available for benefits.

The following table summarizes investments measured at fair value based on NAV per share as of December 31, 2021 and 2020, respectively.

December 31, 2021	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Wells Fargo Stable Value Fund C	\$ 62,673,273	N/A	Daily	12 months
December 31, 2020	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Wells Fargo Stable Value Fund C	\$ 63,743,216	N/A	Daily	12 months

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

5. TAX STATUS

Effective January 1, 2015, the Plan was amended and restated. A new Internal Revenue Service (IRS) determination letter was received in February 2018. The IRS has discontinued the determination letter process. The plan administrator believes that the Plan currently is designed and is operating in compliance with the applicable requirements of the Internal Revenue Code (IRC), that the Plan continues to qualify under IRC Section 401(a), and the related trust continues to be tax-exempt as of December 31, 2021.

The Plan applies the provisions of ASC 740, *Uncertain Tax Positions*. The guidance requires entities to assess their uncertain tax positions for the likelihood that they would be overturned upon IRS examination. In accordance with this guidance, the Plan has determined that it does not have any positions at December 31, 2021 and 2020, that it would be unable to substantiate.

The Plan has filed a Form 5500, which is the annual return for employee benefit plans, for all years through December 31, 2020. Years ended December 31, 2018, and subsequent remain subject to audit by taxing authorities.

6. PLAN TERMINATION

Although it has not expressed any intent to do so, the Corporation has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of such Plan termination, each participant or beneficiary will remain 100% vested in his or her account balance.

7. RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

8. SUBSEQUENT EVENTS

The Corporation has evaluated subsequent events and their potential effects on these financial statements through September 21, 2022, which is the date the financial statements were available to be issued.

**BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

8. SUBSEQUENT EVENTS – CONTINUED

Effective January 1, 2022, a participation agreement was executed to reflect the adoption of the participant employers, Stirling Benefits, Inc. (Stirling), Managed Care of Alabama, Inc. (MCA), and Allied National, LLC (Allied), into the Plan. The Corporation wholly owns PCS, which wholly owns Stirling, MCA and Allied. Prior to January 1, 2022, Stirling, MCA and Allied managed their own 401(k) plans.

SUPPLEMENTARY SCHEDULE

BLUE CROSS AND BLUE SHIELD OF ALABAMA
401(k) SALARY DEFERRAL PLAN
EMPLOYER ID # 63-0103830
PLAN # 002
SCHEDULE H, LINE 4i –
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2021

(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(e) Current Value
	American Europacific Fund	Mutual Fund	\$ 25,736,729
	Earnest PTNR SMID CAP CR-Class 1	Mutual Fund	35,462,670
	Investment Company of America Fund	Mutual Fund	50,016,453
	Mainstay Large Cap Growth Fund	Mutual Fund	119,693,874
	Pimco Total Return Fund	Mutual Fund	26,446,519
	T. Rowe Price Retirement 2005 Fund	Mutual Fund	3,203,609
	T. Rowe Price Retirement 2010 Fund	Mutual Fund	3,293,290
	T. Rowe Price Retirement 2015 Fund	Mutual Fund	5,541,903
	T. Rowe Price Retirement 2020 Fund	Mutual Fund	22,162,527
	T. Rowe Price Retirement 2025 Fund	Mutual Fund	43,160,665
	T. Rowe Price Retirement 2030 Fund	Mutual Fund	56,986,820
	T. Rowe Price Retirement 2035 Fund	Mutual Fund	47,525,378
	T. Rowe Price Retirement 2040 Fund	Mutual Fund	38,965,003
	T. Rowe Price Retirement 2045 Fund	Mutual Fund	27,726,230
	T. Rowe Price Retirement 2050 Fund	Mutual Fund	15,857,975
	T. Rowe Price Retirement 2055 Fund	Mutual Fund	9,399,683
	T. Rowe Price Retirement 2060 Fund	Mutual Fund	2,419,875
	Vangaurd Total BND Market Index	Mutual Fund	6,620,262
	Vanguard Institutional Index Fund	Mutual Fund	70,875,313
	Vanguard Small Cap Index Fund	Mutual Fund	21,700,259
	Vanguard Total International Stock Index	Mutual Fund	3,392,226
	William Blair Smmidcap CR Cit-I	Mutual Fund	36,784,669
	Wells Fargo Stable Return Fund Q	Collective Trust	62,673,273
			735,645,205
*	Notes receivable from participants	Rates of interest ranging from 3.5% to 9.25%, various maturities	13,246,369
			<u>\$ 748,891,574</u>

* Indicates parties-in-interest to the Plan

Column (d) has not been presented as this information is not applicable.

See independent auditors' report.