

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 2022 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</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>NON-CONTRIBUTORY RETIREMENT PROGRAM FOR CERTAIN EMPLOYEES OF BLUECROSS BLUESHIELD OF TENNESSEE</u>	1b	Three-digit plan number (PN) ▶ <u>001</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>BLUECROSS BLUESHIELD OF TENNESSEE</u> <u>1 CAMERON HILL CIRCLE</u> <u>CHATTANOOGA, TN 37402-2520</u>	1c	Effective date of plan <u>01/01/1953</u>
	2b	Employer Identification Number (EIN) <u>62-0427913</u>
	2c	Plan Sponsor's telephone number <u>423-535-5600</u>
	2d	Business code (see instructions) <u>524140</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.	10/05/2023	JOHN BANTA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/05/2023	DANIEL GREGORY
	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 (2022)
v. 220413

3a Plan administrator's name and address ☐ Same as Plan Sponsor NATIONAL EMPLOYEE BENEFITS COMMITTEE BLUECROSS & BLUESHIELD ASSOCIATION 225 N MICHIGAN AVE CHICAGO, IL 60601-7757	3b Administrator's EIN 36-3025560 3c Administrator's telephone number 800-777-8865
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 2426
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 a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits..... d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)..... h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1) 1574 6a(2) 0 6b 0 6c 0 6d 0 6e 0 6f 0 6g 6h 0
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: 1A 1C 1I 3F 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 2022 Form M-1 annual report. If the plan was not required to file the 2022 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
		2022
		This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022	
A Name of plan NON-CONTRIBUTORY RETIREMENT PROGRAM FOR CERTAIN EMPLOYEES OF BLUECROSS BLUESHIELD OF TENNESSEE	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 BLUECROSS BLUESHIELD OF TENNESSEE	D Employer Identification Number (EIN) 62-0427913

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

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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)

BLUE CROSS BLUE SHIELD ASSOCIATION

13-5656874

(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?
14	PLAN ADMIN	240824	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

AON CONSULTING

22-2232264

(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?
11	ACTUARIAL	133600	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MERCER INVESTMENT MANAGEMENT

30-0282430

(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?
51	INVESTMENT MGMT	36922	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)

NORTHERN TRUST COMPANY

36-1561860

(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?
21	TRUSTEE	32382	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

BARLIT BECK LLP

36-3909157

(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?
29	LEGAL	24951	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

GRANT THORTNON LLP

36-6055558

(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	ACCOUNTING	16689	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)

WINSTON AND STRAWN

36-1975990

(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?
29	LEGAL	12179	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 ☐

(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
(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.	
(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.	
(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 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan NON-CONTRIBUTORY RETIREMENT PROGRAM FOR CERTAIN EMPLOYEES OF BLUECROSS BLUESHIELD OF TENNESSEE	B Three-digit plan number (PN) ►	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 BLUECROSS BLUESHIELD OF TENNESSEE	D Employer Identification Number (EIN) 62-0427913	

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)
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a Name of MTIA, CCT, PSA, or 103-12 IE: NATIONAL RETIREMENT TRUST		
b Name of sponsor of entity listed in (a): BLUE CROSS AND BLUE SHIELD ASSOC.		
c EIN-PN 36-6041816-001	d Entity code E	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 65881891
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
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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
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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 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>		
A Name of plan <u>NON-CONTRIBUTORY RETIREMENT PROGRAM FOR CERTAIN EMPLOYEES OF BLUECROSS BLUESHIELD OF TENNESSEE</u>	B Three-digit plan number (PN) ► 001	
C Plan sponsor's name as shown on line 2a of Form 5500 <u>BLUECROSS BLUESHIELD OF TENNESSEE</u>	D Employer Identification Number (EIN) 62-0427913	

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)		6740249
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)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(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)	191005934	65881891
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(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	191005934	72622140

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		19269
i Acquisition indebtedness	1i		
j Other liabilities	1j		72602871
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	72622140

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	191005934	0
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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.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
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)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(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)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(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)		
(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)		50094119
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		1630334
d Total income. Add all income amounts in column (b) and enter total	2d		51724453
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	108638758	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)	133613955	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		242252713
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	261939	
(2) Contract administrator fees	2i(2)	240825	
(3) Investment advisory and management fees	2i(3)	-25090	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		477674
j Total expenses. Add all expense amounts in column (b) and enter total	2j		242730387
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-191005934
l Transfers of assets:			
(1) To this plan	2l(1)		
(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: GRANT THORNTON

(2) EIN: 36-6055568

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		500000
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?			
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?			
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.)			
4m			
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 0.

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 471635.

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 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan NON-CONTRIBUTORY RETIREMENT PROGRAM FOR CERTAIN EMPLOYEES OF BLUECROSS BLUESHIELD OF TENNESSEE		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 BLUECROSS BLUESHIELD OF TENNESSEE		D Employer Identification Number (EIN) 62-0427913
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 0
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): 36-3046063		
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 1664
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)? ☐ Yes ☒ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
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) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (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: <u>2</u> % Investment-Grade Debt: <u>88</u> % High-Yield Debt: <u>10</u> % Real Estate: <u>0</u> % Other: <u>0</u> % 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 _____

**Non-Contributory Retirement Program for Certain
Employees of BlueCross BlueShield of Tennessee, Inc.
(Plan No. 390)**

Financial Statements and
Supplemental Schedules

December 31, 2022 and 2021

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

National Employee Benefit Committee of
Blue Cross and Blue Shield Association

Opinion

We have audited the financial statements for the Non-Contributory Retirement Program for Certain Employees of Blue Cross and Blue Shield of Tennessee (Plan No. 390) (the "Program"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for retirement program benefits (liquidation basis) as of December 31, 2022 and 2021, and the related statements of changes in net assets available for retirement program benefits (liquidation basis) for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for retirement program benefits (liquidation basis) of the Plan as of December 31, 2022 and 2021, and the changes in its net assets available for retirement program benefits (liquidation basis) for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

We conducted our audits of the financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditor's 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 audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the 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 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.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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 US 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 US 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.

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 schedules required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2022, and schedule of reportable transactions for the year ended December 31, 2022, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such supplementary 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 has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures. These additional procedures included 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 US GAAS.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying supplemental schedules are fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Grant Thornton LLP

Chicago, Illinois
September 29, 2023

Financial Statements

Non-Contributory Retirement Program for Certain Employees of BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)

Statements of Net Assets Available For Retirement Program Benefits

	(liquidation basis)	(liquidation basis)
December 31,	2022	2021
Assets		
Program interest in the Blue Cross and Blue Shield National Retirement Trust	\$ 65,881,891	\$ 191,656,743
Receivable from insurance company	5,109,915	—
Other	1,630,334	—
Total assets	72,622,140	191,656,743
Liabilities		
Payments to insurance companies	383,390	—
Payable to qualified replacement plan	72,219,481	—
Accrued expenses expected to be incurred in liquidation	—	83,418
Accrued investment management, professional, and administrative fees	19,269	567,391
Total liabilities	72,622,140	650,809
Net assets available for retirement program benefits	\$ —	\$ 191,005,934

See accompanying notes to the financial statements

Non-Contributory Retirement Program for Certain Employees of BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)

Statements of Changes In Net Assets Available For Retirement Program Benefits

	(liquidation basis)	(liquidation basis)
Years ended December 31,	2022	2021
Additions:		
Program interest in the net investment (loss) income of the Blue Cross and Blue Shield National Retirement Trust	\$ (22,191,129)	\$ (793,570)
Gain on legal settlement	72,285,248	—
Other	1,630,334	—
Total additions, net	51,724,453	(793,570)
Deductions:		
Payments to insurance companies, net	61,394,474	—
Transfer to qualified replacement plan	72,219,481	—
Distributions to retired and terminated employees	108,638,758	15,807,052
Investment management, professional, and administrative fees	477,674	1,786,204
Total deductions	242,730,387	17,593,256
Net decrease	(191,005,934)	(18,386,826)
Net assets available for retirement program benefits		
Beginning of year	191,005,934	209,392,760
End of year	\$ —	\$ 191,005,934

See accompanying notes to the financial statements

**Non-Contributory Retirement Program for Certain Employees of
BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)**

**Notes to Financial Statements
December 31, 2022 and 2021**

1. Description of the Program

The following description of the Non-Contributory Retirement Program for Certain Employees of BlueCross BlueShield of Tennessee, Inc. (Plan No. 390) (the Program) provides only general information. Participants should refer to the Program agreement for a complete description of the Program provisions.

General

The Program is a defined benefit pension plan covering eligible employees or participants of BlueCross BlueShield of Tennessee, Inc. (the Sponsor) and participating employers as of July 1, 2006, who completed one year of service, reached the age of 21, were hired or rehired on or before July 1, 2006, entered the Program prior to January 1, 2008, and remain continuously employed (the Covered group). The Program was amended effective January 1, 2008 to close participation to new entrants, and to freeze a participant's years of service for purposes of calculating the age and service credits. Effective December 31, 2009, final average earnings were frozen for participants whose benefit is calculated under the grandfathered Memphis formula (rule of 62). Effective December 31, 2020, the Program was amended to freeze earnings under the DLS formula, and thereby cease (freeze) all benefit accruals, for all participants. The Program is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

The trustee of the Program is The Northern Trust Company (the Trustee or Northern Trust).

Contributions

The Sponsor makes annual contributions to the Program to fund the retirement benefits to be paid to Program participants and their beneficiaries. Annual contributions to the Program are determined by the Sponsor in consultation with the Program's actuary.

The Program had no contributions for 2022 and 2021 which met the minimum funding requirements of ERISA.

Program Termination

As discussed above, the Program froze all benefit accruals as of December 31, 2020. By authorization of written action of the Board of Directors, the Sponsor resolved to proceed with the steps needed to terminate its retirement program and its funding through the Blue Cross and Blue Shield National Retirement Trust (the Trust), a 103-12 investment entity.

Pursuant to the Board of Directors resolution adopted April 9, 2021, the proper officers of the Sponsor were authorized and directed to: (i) take all actions to terminate the Program, including the purchase of annuity contracts and (ii) cause to be prepared, filed, furnished, and distributed such notices, reports, documents, and other information as may be required under applicable law. The termination amendment confirms the vesting of all benefits that have not yet been distributed.

In connection with the termination, lump sum payments to participants under a one time window of approximately \$92.0 million were paid August 1, 2022. On August 16, 2022, assets of \$66.1 million were transferred from the Trust to the annuity carrier and included in the Trust's statements of changes in net assets available for retirement program benefits as transfers to other trustees or annuity carriers. The National Employee Benefits Committee of the Blue Cross and Blue Shield Association (the Program administrator or NEBC) continued to administer the BCBSTN program through October 17, 2022, including the payment of lump sum, monthly, and periodic benefits. The termination of the Program and its participation in the Trust, in compliance with the termination procedures of Title IV of ERISA was completed as of October 17, 2022, except for (i) a true-up re-calculation and final premium adjustment and (ii) the transfer of surplus pension assets from the Trust to a qualified replacement plan as defined under Section 4980(d) of the Internal Revenue Code (the Code), maintained by the Sponsor.

(continued)

**Non-Contributory Retirement Program for Certain Employees of
BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)**

**Notes to Financial Statements
December 31, 2022 and 2021**

As of November 1, 2022, the obligation to pay participants with benefits that remained to be paid shifted to an annuity carrier pursuant to a fully paid group annuity contract purchased by the BCBSTN program. The annuity contract is intended to preserve all benefits rights and options previously provided by the BCBSTN program.

The Program's obligations to participants have been fully satisfied as noted in the termination sections above. Subsequent to year end, \$5.1 million was refunded to the Trust due to the annuity carrier's true-up recalculation and final premium adjustment and as of December 31, 2022 a receivable was recorded. A net payment of \$61.4 million to the insurance companies is included in the statements of changes in net assets available for retirement program benefits.

Subsequent to year end, the Program transferred excess funds of approximately \$72.2 million to the BlueCross BlueShield of Tennessee Employee Retirement Savings Program, a qualified replacement plan as defined under Section 4980(d) of the Code, which is administered by the NEBC.

The Program received a favorable determination letter from the Internal Revenue Service (the IRS) dated March 29, 2022, indicating the Program is in compliance with the requirements of the Code upon termination.

The following paragraphs describe the policies applicable to the Program prior to its termination.

Benefits

Employees who meet the criteria of the Covered group and completed three or more years of vesting service are entitled to annual pension benefits beginning at normal retirement age (as defined below). The retirement benefit is calculated according to a defined lump-sum (the DLS) formula, which is equal to the sum of the participant's basic service credits, multiplied by their final average salary, and including their total excess service credits multiplied by the amount of their final average salary exceeding two-thirds of the Social Security wage base in the year of employment termination, if any. Effective January 1, 2008, service credit under the Program was frozen. Effective December 31, 2009, final average earnings were frozen for participants whose benefit is calculated under the grandfathered Memphis formula (rule of 62). Effective December 31, 2020, earnings after December 31, 2020 are not counted under the DLS formula as the Program ceased benefit accruals for all participants. Service after December 31, 2020 is counted for vesting and early retirement purposes. Minimum benefits are provided for employees who were Program participants at the time of past Program amendments. The break-in-service rules were amended for new participants effective July 1, 2000, providing that prior service credit be counted only if the participant's break-in-service did not exceed five years, or they were vested during their first period of employment.

Effective January 1, 2008, active employee participant's pension benefits become non-forfeitable (vested) at the completion of three years of vesting service. Normal retirement age under the Program is age 65 with provisions for early and late retirement. Certain provisions apply to active employee participants who became totally and permanently disabled prior to January 1, 2008 and these participants are 100% vested and had two years added to their credited service.

Participants who have completed three years of service may elect to receive a retirement program benefit on the first day of any month on or after employment termination. The benefit is calculated using the normal retirement benefit formula. Minimum benefit formulas, and related early retirement provisions and benefit commencement provisions may apply for certain participants. Participants may elect the benefit be paid as a lump-sum or as a monthly lifetime annuity (50% joint pension, if married), or as an optional form of payment available under the Program (provided written consent of the participant's spouse).

A pre-retirement death benefit is paid to a participant's spouse or other named beneficiary if the participant dies after completing three years of service and his or her pension has not commenced. The survivor benefit is equal to the amount specified in the Program agreement. The spousal benefit is payable as of the date the participant would have attained age 65, or, if the spouse elects, the first day of the month following the participant's death. The benefit to a non-spouse beneficiary is payable on the first day of the month following the participant's death.

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**Non-Contributory Retirement Program for Certain Employees of
BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)**

**Notes to Financial Statements
December 31, 2022 and 2021**

The latest date for commencement of benefits is the 60th day after the end of the calendar year in which the latest of the following dates occurs: attain age 65, 10-year anniversary of a participant's first date of Program participation, or employment termination date. The Program was amended on December 29, 2010 to add a simultaneous death benefit provision to the pre-retirement survivor death benefit and to clarify that participants may submit their benefit elections on the benefit commencement date (first day of the month), provided a benefit is payable beginning on such benefit commencement date, if the participant is living on such benefit commencement date.

Program Amendments

Effective January 1, 2020, the Program was amended to change the starting age for required minimum distributions from 70½ to 72, with respect to participants who attain age 70½ after December 31, 2019.

Effective August 1, 2021, the Program was amended to formally terminate the Program following distribution of all of the Trust's assets held for the benefit of Program participants, and to transfer surplus pension assets to a qualified replacement plan.

The Program was amended during 2021 to restore omitted language with respect to grandfathered benefits: regarding the calculation of final average earnings with respect to the Prior Memphis benefit (i.e., the words "December 31, 2009"), and with respect to optional forms of payment for participants on December 31, 1997 and January 1, 1998.

2. Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the liquidation basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The NEBC approved a plan of liquidation on August 1, 2021.

The Program has a beneficial interest in the Trust, a 103-12 investment entity, for which Northern Trust serves as Trustee and securities custodian. The Trust allows eligible Blue Cross and Blue Shield employers (the Employers) both the opportunity to adopt a retirement program and the ability to obtain certain economies of scale through the consolidated management of funds. This arrangement is referred to as the Blue Cross and Blue Shield National Retirement Program (the NRP). The NEBC delegated administration of the NRP to the National Employee Benefits Committee of the Blue Cross and Blue Shield Association.

The Trust's earnings, market adjustments, and administrative expenses relating to transactions in portfolio investments are allocated to the Program based on the respective Program's share of the Trust's assets.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires the Program administrator to make significant estimates and assumptions that affect the reported amounts of net assets available for retirement program benefits at the reporting date, the actuarial present value of accumulated retirement program benefits as of the benefit information date, the changes in net assets available for retirement program benefits and changes in accumulated retirement program benefits at the reporting date, and, when applicable, disclosure of contingent assets and liabilities at the reporting date. Actual results could differ from those estimates.

Distributions to Retired and Terminated Employees

Benefit payments to participants are recorded upon distribution.

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**Non-Contributory Retirement Program for Certain Employees of
BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)**

**Notes to Financial Statements
December 31, 2022 and 2021**

Expenses

Expenses other than investment management, Trustee, audit, legal, actuarial, computer consulting, and staff costs relating to the administration of the Program are paid by the Sponsor.

3. Investments Held By the Trust

The Program's interest in the net assets of the Trust is based on the individual program's share of the Trust. Each Employer within the NRP has the option to adopt a customized LDI strategy (standard glidepath) as managed by the Program administrator and which replaced a formally standardized allocation (standard allocation), or at the option of the respective program sponsor, to adopt a non-standard custom investment allocation. As of December 31, 2022, the Program elected a custom investment allocation and its assets were targeted to be allocated 100.0% to money market investments. As of December 31, 2021, the Program elected a custom investment allocation and its assets were targeted to be allocated as follows: 2.0% equities and 98.0% fixed income investments.

The Trust invests in any combination of stocks, bonds, fixed income securities, real estate investment funds, registered investment companies, common/collective trust funds, partnership interests, and other investment securities. The Trust also invests in certain investment funds managed by the Trustee. Investment portfolio diversification guidelines for the Trust have been recommended by the Program administrator and third-party consultants and approved by the NEBC. The Program's funds are credited with actual earnings on the underlying investments and charged for Program withdrawals and administrative expenses.

The net appreciation or depreciation in fair value of the Trust's investment portfolio, consisting of the realized gains or losses and the unrealized appreciation or depreciation of those investments, is presented within the Trust's statements of changes in net assets available for retirement program benefits.

Purchases and sales of investments are reflected on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

The Program administrator has systems and procedures in place to monitor the fair value of its investments valued using the net asset value (NAV) as a practical expedient for fair value. The Program administrator determines the fair value of these assets by using the NAV provided by the investment managers through monthly or quarterly financial statements and the respective fund's annual audited financial statements. To the extent the Program administrator believes the NAV is no longer an appropriate method of valuing such investments, fair value would be determined using the best available information. The valuation processes are overseen by the Program administrator.

Fair Value Measurement

The Program performs fair value measurements in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820 Fair Value Measurement, which defines fair value, establishes a framework for measuring fair value under U.S. GAAP, and requires certain disclosures about fair value measurements.

Level 1: Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date.

Level 2: Inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and the fair value can be determined through the use of models or other valuation methodologies.

Level 3: Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset and liability and the reporting entity makes estimates and assumptions relating to the pricing of the asset or liability, including assumptions regarding risk.

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**Non-Contributory Retirement Program for Certain Employees of
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**Notes to Financial Statements
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ASC 820 permits a reporting entity to measure the fair value of an investment in a private investment fund that does not have a readily determinable fair value based on the NAV of the investment as a practical expedient for fair value, without further adjustment, unless it is probable the investment will be sold at a value significantly different than the NAV. If the practical expedient NAV is not as of the reporting entity's measurement date, the NAV is adjusted to reflect any significant events that may change the valuation.

Cash and short-term investments: Interest-bearing investments with initial maturities of three months or less are recorded at cost plus accrued interest.

Investments traded in open markets: Common stock, preferred stock, fixed income securities including government and corporate obligations, non-agency backed securities, and derivatives traded in active markets on national and international securities exchanges are valued at closing prices on the last business day of each period presented. Securities traded in markets that are not considered active are valued based on quoted market prices, broker or dealer quotations, or alternative pricing sources with reasonable levels of price transparency. Securities that trade infrequently and therefore have little or no price transparency are valued using the Trust's investment managers' best estimates. In general, corporate obligations are valued based on yields currently available on comparable securities of issuers with similar credit ratings. Investments in government obligations are estimated using best available trade data. Investments in certain restricted common stocks are valued at the quoted market price of the issuer's unrestricted common stock less an appropriate discount. Investments in other equities are based on quoted market prices.

Real estate investment funds: Valued using the NAV provided by the administrator of the fund as a practical expedient. The NAV is based on the value of the underlying assets owned by the fund minus its liabilities, divided by the number of shares outstanding.

Private equity funds: Investments not quoted in an active market do not permit redemptions. Though an investor may broker a sale in a secondary market, such a transaction is likely to be at a discount to the NAV of the fund. Investments in these funds are carried at fair value as determined by the general partner in the absence of readily determinable market values. Fair value may be estimated using the NAV per share of the investment (or its equivalent) as a practical expedient without further adjustment. Additional techniques, for which there is sufficient data available to value the portfolios, such as a market or income approach, may also be used. Investments may be discounted to reflect illiquidity of the fund. Due to the inherent uncertainty in the valuation of these investments, the determined value may materially differ from the value that would have been used had a ready market for the investments existed.

Registered investment companies: Investments traded on an exchange are valued at the closing price on the valuation date. For those funds not traded on an exchange, the investments are valued using the NAV provided by the administrator of the fund. The NAV is considered a readily determinable fair value and therefore continues to be included in the fair value hierarchy. The NAV is based on the value of the underlying assets owned by the fund minus its liabilities, divided by the number of shares outstanding.

Common/collective trust funds: Investments with various investment managers. Some units held in common/collective trusts, including stable value funds, are valued using the NAV provided by the administrator of the fund as a practical expedient, and others are valued at NAV and considered to hold a readily determinable fair value. The NAV is based on the value of the underlying assets owned by the fund minus its liabilities, divided by the number of shares outstanding. Units held in common/collective trusts, including stable value funds, are valued at the unit value as reported by the investment managers.

Foreign investments: Investments denominated in currencies other than the U.S. dollar are converted using exchange rates prevailing at the end of the periods presented. Purchases and sales of such investments are translated at the rate of exchange on the respective dates of such transactions.

Derivatives: The Trust invests in derivatives as authorized by the NEBC with advice from investment advisors. Derivatives are financial arrangements between two parties whose payments are based on, or derived from, the

(continued)

**Non-Contributory Retirement Program for Certain Employees of
BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)**

**Notes to Financial Statements
December 31, 2022 and 2021**

performance of an agreed upon benchmark. Derivatives serve as part of the Trust's overall investment strategy and are held primarily with the intent to mitigate risk exposure. The Trust does not use derivatives to leverage its investments. The Trust has a master netting arrangement policy in which positions under the same broker agreements are netted against one another. The Trust invests in futures contracts and forward contracts, swaps, and options.

Futures and forward contracts: The Trust enters into futures contracts and forward contracts for trading purposes. Futures contracts are used to replicate the performance of the stock market and to reduce transaction costs associated with rebalancing an indexed portfolio in the event of cash inflows or cash outflows. Forward foreign currency contracts are used to manage the risk of foreign currency fluctuations and to ensure adequate funds, denominated in the local currency, are available to settle purchases of foreign securities. Forward contracts to purchase government agency obligations are used to take advantage of market yield premiums available for delayed settlement contracts. For the year ended December 31, 2022, the gross exposure of futures and forward contracts held by the Trust was \$103.6 million and \$3.5 million, respectively. For the year ended December 31, 2021, the gross exposure of futures and forward contracts held by the Trust was \$242.8 million and \$53.9 million, respectively.

Futures contracts, forward foreign currency contracts, and forward contracts to purchase government agency obligations are stated at market value which is considered fair value. Futures contracts are marked to market as determined by prices quoted on national security exchanges, and fluctuations in the value are recognized as realized gains or losses settled daily with cash through a margin account. Forward foreign currency contracts are valued by the Trust's investment managers (or independent third parties on behalf of the investment managers) using quoted forward foreign currency exchange rates. When the forward contract is closed or delivery is taken, a realized gain or loss is recorded equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. At the end of each period presented, changes in fair value of futures contracts, forward foreign currency contracts, and forward contracts are recorded as unrealized gains or losses or realized gains or losses incurred in the period within the net appreciation or depreciation of the fair value of investments within the Trust's statements of changes in net assets available for retirement program benefits.

The market risk associated with these instruments is the possibility of equity prices or foreign exchange rates changing in an unanticipated manner, resulting in a loss in value of the investment. The credit risk associated with these instruments is related to the failure of the counterparty to pay based on the contractual terms of the agreement. The Trust anticipates counterparties will be able to fully satisfy their obligations under the contracts given their high credit ratings. Each equity futures contract requires that the Trust place an amount equal to the initial margin requirement for the contract on deposit with the executing counterparty. The maintenance margin requirement is recalculated daily based on the change in market value. The Trust transfers funds to or receives credit from the maintenance margin on deposit on a daily basis based on the recalculated maintenance margin. The Trust experienced no credit-related losses on these arrangements in 2022 or 2021.

Swaps: The Trust enters into various swaps, including interest rate swaps and credit default swaps. Swaps are used to hedge against unfavorable changes in the value of investments, to efficiently gain exposure to a particular asset class index, and to protect against adverse movement in interest rates or credit performance with counterparties. Generally, a swap is an agreement that obligates two parties to exchange a series of cash flows at a specified notional amount of the underlying assets. The payments are usually netted against each other, with the difference paid by one party to the other. Swaps may be entered into centrally through a clearinghouse where margins are posted and daily changes in the fair values result in a variation margin receivable or payable with the clearinghouse.

The fair value of open swaps reported in the Trust's statements of net assets available for retirement program benefits may differ from what would be realized if the Trust terminated its position in the contract. The risk associated is a result of the failure of the counterparty swap contract to comply with the terms of the swap contract. The loss incurred by the failure of a counterparty is generally limited to the aggregate fair value of swaps in an unrealized gain position. The Trust considers the creditworthiness of each counterparty to a swap in evaluating potential credit risk. Additionally, risks may arise from unanticipated movements in the fair value of the underlying investments. For the year ended December 31, 2022, the fair value of swap assets and liabilities was \$1.2 million and \$4.2 million, respectively. As of December 31, 2022, the notional value of swap assets categorized by long exposure and short exposure was \$90.0

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**Non-Contributory Retirement Program for Certain Employees of
BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)**

**Notes to Financial Statements
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million and \$15.2 million, respectively. As of December 31, 2022, the notional value of swap liabilities categorized by long exposure and short exposure was \$2.6 million and \$93.6 million, respectively. For the year ended December 31, 2021, the fair value of swap assets and liabilities was \$8.6 million and \$2.9 million, respectively. As of December 31, 2021, the notional value of swap assets categorized by long exposure and short exposure was \$172.3 million and \$96.8 million, respectively. As of December 31, 2021, the notional value of swap liabilities categorized by long exposure and short exposure was \$8.1 million and \$177.8 million, respectively.

Options: Options represent the right, but not the commitment, to buy or sell an asset at a current price over a specified period. The option price is generally a small percentage of the underlying asset value. The Trust will pay a premium at the time of the agreement for the option, and the counterparty will bear the risk of an unfavorable change in the price of the instrument underlying the option. For the year ended December 31, 2022, the fair value of option assets was \$0.4 million and option liabilities was \$30 thousand. As of December 31, 2022, the notional value of option assets had long exposure of \$0.7 million and the notional value of option liabilities had short exposure of \$4.7 million. For the year ended December 31, 2021, the fair value of option assets was \$1.5 million and option liabilities was \$2.8 million. As of December 31, 2021, the notional value of option assets had long exposure of \$105.2 million and the notional value of option liabilities had short exposure of \$386.0 million.

Cash overlay program: The Trust employed a cash overlay program managed by State Street Global Markets which uses index futures contracts to provide enhanced cash management and liquidity, while benefiting from added portfolio diversification and equity-like returns consistent with that of the S&P 400 Index. At December 31, 2021, the Trust held futures contracts with a notional value of approximately \$36.2 million in funds intended to mirror the S&P 400 Index and the S&P MidCap Index. The futures contracts are settled on a daily basis through a margin account. The fair value of the margin account was approximately \$1.4 million at December 31, 2021, and is recorded within due from/to brokers on the Trust's statements of net assets available for retirement program benefits. The cash overlay program was terminated in Quarter 4, 2022 with no balance remaining at December 31, 2022.

Due from/to Brokers

Due from/to brokers reflects pending investment sales and purchases that occurred prior to year-end and did not settle until after December 31. As a result, these balances represent receivables and payables to the Trust at December 31.

Allianz Structured Alpha Funds

In March 2020, the Trust experienced significant declines in investments it had made in portable alpha hedge funds managed by Allianz called the Structured Alpha Funds, and redeemed these investments realizing losses of \$2.3 billion. The Program's portion of the Trust's losses associated with the Structured Alpha Funds as of December 31, 2020 was \$93.6 million.

The NEBC initiated litigation against Allianz and Aon Investments USA, Inc. (Aon), the NEBC's investment advisor, seeking recovery for losses and other damages resulting from Allianz's and Aon's breaches of legal duties that caused the losses in the Structured Alpha funds.

The NEBC and Allianz entered confidential mediation in 2021, and a final settlement agreement was signed on February 17, 2022. The Trust received its portion of the net settlement proceeds totaling \$949.6 million on February 28, 2022, and the Program's portion was approximately \$67.9 million and reflected as a gain on legal settlement within the statement of changes in net assets available for retirement program benefits. The NEBC and Aon entered confidential mediation in 2022, and a final settlement agreement was signed on August 17, 2022. The Trust received its portion of the net settlement proceeds totaling \$60.6 million on September 1, 2022, and the Program's portion was approximately \$4.3 million and reflected as a gain on legal settlement within the statements of changes in net assets available for retirement program benefits.

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**Non-Contributory Retirement Program for Certain Employees of
BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)**

**Notes to Financial Statements
December 31, 2022 and 2021**

Securities Lending Transactions

The Trust enters into securities lending transactions in its fixed income and equity portfolios for which it receives compensation. The Trust participates in an investment pool managed by the Trustee, which consists of cash and cash equivalents, to collateralize the Trust's securities lending transactions. Loans of securities have an initial collateral level equal to 102% of the market value of the securities loaned, or not less than 105% of the market value of the securities loaned if the securities are denominated in a foreign currency. On a daily basis, the Trustee monitors the market value of the collateral as compared to the market value of the loans and requests additional collateral as needed in order to maintain the collateral margin, as outlined in the securities lending authorization agreement. The Trustee reinvests the cash collateral on behalf of the Trust in a collective collateral fund following money market guidelines.

While cash collateral is invested in cash and cash equivalents, such investments are subject to the risk of payment delays, default of the issuer or counterparty, or insufficient interest to support the costs associated with securities lending. The Trust may also experience delays in recovering its securities, or loss of income or value if the borrower fails to return the securities on loan. The Trust is indemnified from the risk of a borrower default and operational negligence of the Trustee as outlined in the securities lending authorization agreement.

As of December 31, 2022 and 2021, the Trust had securities on loan with a market value of \$133.3 million and \$147.1 million, respectively, and cash collateral held of \$136.4 million and \$149.8 million, respectively. Net income earned by the Trust from securities lending transactions totaled \$361.1 thousand and \$219.4 thousand for the years ended December 31, 2022 and 2021, respectively, and is reflected as part of interest and other income within the Trust's statements of changes in net assets available for retirement program benefits.

The following table sets forth the types of cash collateral loans for securities lending transactions:

Cash collateral received on securities loaned at December 31, 2022					
Loan type	Overnight and continuous	Up to 30 days	30-90 days	Greater than 90 days	Total
Common stock	\$ 83,402	\$ —	\$ —	\$ —	\$ 83,402
Corporate obligations	61,268,688	—	—	—	61,268,688
Government obligations	75,049,230	—	—	—	75,049,230
Total	<u>\$ 136,401,320</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 136,401,320</u>
Cash collateral received on securities loaned at December 31, 2021					
Loan type	Overnight and continuous	Up to 30 days	30-90 days	Greater than 90 days	Total
Common stock	\$ 36,108	\$ —	\$ —	\$ —	\$ 36,108
Corporate obligations	88,789,700	—	—	—	88,789,700
Government obligations	59,814,830	—	—	—	59,814,830
Global corporate obligations	367,170	—	—	—	367,170
Global government obligations	798,000	—	—	—	798,000
Total	<u>\$ 149,805,808</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 149,805,808</u>

(continued)

**Non-Contributory Retirement Program for Certain Employees of
BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)**

**Notes to Financial Statements
December 31, 2022 and 2021**

Trust Net Assets

The Trust's composition of net assets held at December 31, 2022 and 2021 is as follows:

	2022	2021
Investments, at fair value (see details below)	\$ 2,419,231,993	\$ 2,329,395,594
Investments, at fair value using NAV (see details below)	133,890,428	138,202,222
Interest and dividends receivable	11,709,758	9,005,227
Due from brokers	18,903,897	49,844,559
Due to brokers	(95,617,422)	(150,104,749)
Accrued investment management fees	(434,309)	(902,650)
Accrued professional and administrative fees	(974,464)	(1,091,395)
Collateral to be paid back on loaned securities	(136,401,320)	(149,805,808)
Total	<u>\$ 2,350,308,561</u>	<u>\$ 2,224,543,000</u>
Program's interest in the Trust	<u>\$ 65,881,891</u>	<u>\$ 191,656,743</u>

The Program held a 2.80% and 8.62% interest in the Trust as of December 31, 2022 and 2021, respectively.

The Trust's activity for the years ended December 31, 2022 and 2021 is as follows:

	2022	2021
Balance, beginning of year	\$ 2,224,543,000	\$ 2,447,344,263
Deposits from Employers	71,394,271	237,400,000
Gain on legal settlement	1,010,204,977	—
Investment income	49,994,672	68,130,435
Net (depreciation) appreciation in fair value of investments	(589,176,547)	107,985,252
Distributions to retired and terminated employees on behalf of Employers	(334,631,443)	(284,892,429)
Transfers to other trustees	(66,148,227)	(330,925,611)
Pension Benefit Guaranty Corporation (PBGC) premiums	(5,396,158)	(6,391,170)
Professional, investment management, and administrative fees	(10,475,984)	(14,107,740)
Balance, end of year	<u>\$ 2,350,308,561</u>	<u>\$ 2,224,543,000</u>

Investment management fees for the Trust were approximately \$2.9 million and \$4.0 million for 2022 and 2021, respectively.

(continued)

**Non-Contributory Retirement Program for Certain Employees of
BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)**

**Notes to Financial Statements
December 31, 2022 and 2021**

The following tables show the Trust's investment assets and liabilities at fair value, by level within the fair value hierarchy, as of December 31, 2022 and 2021. As required by ASC 820, investments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Fair value measurement as of December 31, 2022			
	Level 1	Level 2	Level 3	Total
Assets				
Government obligations	\$ —	\$ 199,308,409	\$ —	\$ 199,308,409
Non-agency backed securities	—	5,593,890	—	5,593,890
Corporate obligations	—	677,124,444	—	677,124,444
Registered investment companies	120,069,224	144,541,104	—	264,610,328
Common/collective trust funds	—	1,134,848,165	—	1,134,848,165
Common stocks	312,425	19	403,005	715,449
Preferred stocks	158,934	—	—	158,934
Derivatives and forward foreign currency contracts	—	1,607,451	1,586	1,609,037
Interest-bearing cash	3,441,876	—	—	3,441,876
Collateral held on loaned securities	—	136,401,320	—	136,401,320
Total investment assets at fair value	\$ 123,982,459	\$ 2,299,424,802	\$ 404,591	2,423,811,852
Total investments at NAV				133,890,428
Total investment assets				2,557,702,280
Liabilities				
Government obligations	\$ —	\$ (288,535)	\$ —	\$ (288,535)
Derivatives and forward foreign currency contracts	—	(4,291,324)	—	(4,291,324)
Total investment liabilities at fair value	\$ —	\$ (4,579,859)	\$ —	(4,579,859)
Total investments				<u>\$2,553,122,421</u>

(continued)

**Non-Contributory Retirement Program for Certain Employees of
BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)**

**Notes to Financial Statements
December 31, 2022 and 2021**

	Fair value measurement as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Assets				
Government obligations	\$ —	\$ 349,124,946	\$ —	\$ 349,124,946
Non-agency backed securities	—	7,701,719	—	7,701,719
Corporate obligations	—	769,051,463	668	769,052,131
Registered investment companies	126,287,325	137,499,083	—	263,786,408
Common/collective trust funds	—	783,719,677	—	783,719,677
Common stocks	582,575	16,414	303,374	902,363
Preferred stocks	450,878	—	—	450,878
Derivatives and forward foreign currency contracts	—	10,078,030	—	10,078,030
Interest-bearing cash	12,878,992	—	—	12,878,992
Collateral held on loaned securities	—	149,805,808	—	149,805,808
Total investment assets at fair value	\$ 140,199,770	\$ 2,206,997,140	\$ 304,042	2,347,500,952
Total investments at NAV				138,202,222
Total investment assets				2,485,703,174
Liabilities				
Government obligations	\$ —	\$ (12,300,425)	\$ —	\$ (12,300,425)
Derivatives and forward foreign currency contracts	—	(5,804,934)	—	(5,804,934)
Total investment liabilities at fair value	\$ —	\$ (18,105,359)	\$ —	(18,105,359)
Total investments				<u>\$2,467,597,815</u>

Level 3 Disclosure Table

As of December 31, 2022, the following table sets forth the cost of purchases and transfers for assets classified as Level 3 in the fair value hierarchy:

	Purchases and other acquisitions	Transfers	Total
Common stock	\$ 256,280	\$ —	\$ 256,280
Derivatives	1,585	—	1,585
Total	<u>\$ 257,865</u>	<u>\$ —</u>	<u>\$ 257,865</u>

As of December 31, 2021, the following table sets forth the cost of purchases and transfers for assets classified as Level 3 in the fair value hierarchy:

	Purchases and other acquisitions	Transfers	Total
Common stock	\$ 40,532	\$ 198,128	\$ 238,660
Corporate obligations	—	668	668
Total	<u>\$ 40,532</u>	<u>\$ 198,796</u>	<u>\$ 239,328</u>

(continued)

**Non-Contributory Retirement Program for Certain Employees of
BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)**

**Notes to Financial Statements
December 31, 2022 and 2021**

Fair Value Estimated using NAV per Share

As of December 31, 2022, the Trust's investments with fair value based on reported NAV with unfunded commitments and/or restrictions in place with respect to redemption are as follows:

	Fair value	Unfunded commitments	Redemption frequency	Redemption notice period
Real estate investment funds ⁽¹⁾	\$ 120,358,787	\$ —	Quarterly	Quarterly
Private equity funds ⁽²⁾	13,531,641	1,322,685	Not permitted	Not permitted
Total	<u>\$ 133,890,428</u>	<u>\$ 1,322,685</u>		

(1) This category includes three equity real estate investment funds. Quarterly redemption requests are eligible with three months notification prior to the last day of the preceding quarter or the valuation date. Redemptions are subject to available cash. If there is insufficient available cash to pay all eligible requests in full on a given valuation date, available cash will be pro-rated among those investors who are eligible for payment. Unsatisfied withdrawal requests are automatically rolled to the next quarter.

(2) This category includes five private equity funds, of which one is a limited liability company and four are limited partnerships. Redemptions are not permitted, though an investor may sell its position in a secondary market. The timing of liquidation for the Trust's investments in private equity funds is at the discretion of the underlying fund managers and cannot be reasonably estimated at this time.

As of December 31, 2021, the Trust's investments with fair value based on reported NAV with unfunded commitments and/or restrictions in place with respect to redemption are as follows:

	Fair value	Unfunded commitments	Redemption frequency	Redemption notice period
Real estate investment funds ⁽³⁾	\$ 120,954,899	\$ —	Quarterly	Quarterly
Private equity funds ⁽⁴⁾	17,247,323	1,672,700	Not permitted	Not permitted
Total	<u>\$ 138,202,222</u>	<u>\$ 1,672,700</u>		

(3) This category includes three equity real estate investment funds. Quarterly redemption requests are eligible with three months notification prior to the last day of the preceding quarter or the valuation date. Redemptions are subject to available cash. If there is insufficient available cash to pay all eligible requests in full on a given valuation date, available cash will be pro-rated among those investors who are eligible for payment. Unsatisfied withdrawal requests are automatically rolled to the next quarter.

(4) This category includes five private equity funds, of which one is a limited liability company and four are limited partnerships. Redemptions are not permitted, though an investor may sell its position in a secondary market. The timing of liquidation for the Trust's investments in private equity funds is at the discretion of the underlying fund managers and cannot be reasonably estimated at this time.

Risks and Uncertainties

The Trust's investment portfolio includes various investment securities that are exposed to various risks such as interest rate, credit, and overall market volatility risk. Generally, due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the value of investment securities will occur in the near term and such changes could materially impact the amounts reported in the statements of net assets available for retirement program benefits and may impact the funded position of the Plan. As a result, the Plan may require additional funding in subsequent years.

4. Tax Status

The Program has been designed to meet the requirements of Section 401(a) of the Internal Revenue Code (the Code) and therefore the Trust is exempt from federal income taxes under Section 501(a) of the Code. The Program received a favorable determination letter from the IRS dated March 29, 2022, indicating that the Program is in compliance with the requirements of the Code.

(continued)

**Non-Contributory Retirement Program for Certain Employees of
BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)**

**Notes to Financial Statements
December 31, 2022 and 2021**

U.S. GAAP requires the recognition of a tax liability or asset if the Program has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Program administrator has analyzed the tax positions taken by the Program and has concluded that as of December 31, 2022 and 2021 there are no uncertain positions taken or expected to be taken that would require recognition of a tax liability or asset or financial statement disclosure. The Program is subject to routine audits by taxing jurisdictions, and there are currently no audits in progress for any tax periods.

5. Related Party and Party-in-Interest Transactions

As of December 31, 2022 and 2021, certain Program investments include units or shares of common/collective trusts managed by the Trustee. As described in Note 2, the Program paid certain expenses related to the Program's operations and investment activity to various service providers for administration cost, including the Program administrator.

6. Subsequent Events

The Program evaluated subsequent events through September 29, 2023, the date the accompanying financial statements were available to be issued. No material subsequent events occurred, other than discussed below, that require recognition or disclosure within the financial statements.

In July 2023, surplus assets of \$72.2 million were transferred to the BlueCross BlueShield of Tennessee Employee Retirement Savings Program, a qualified replacement plan as defined under Section 4980(d) of the Code, which is administered by the NEBC. See Note 1 for additional information on the transfer.

Supplemental Schedules

**Non-Contributory Retirement Program for Certain Employees of
BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)**

Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)

December 31, 2022

(a)	(b) Identity of issue, borrower, lessor, or similar party/ (c) description of investment	(d) Cost	(e) Current value
*	Program interest in the Blue Cross and Blue Shield National Retirement Trust, a 103-12 investment entity	\$64,972,047	\$65,881,891

* Denotes party-in-interest

Non-Contributory Retirement Program for Certain Employees of BlueCross BlueShield of Tennessee, Inc. (Plan No. 390)

Schedule H, Line 4(j) – Schedule of Reportable Transactions

Year ended December 31, 2022

(a) Identity of party involved/ (b) description of asset	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain (loss)
Transfer from Blue Cross and Blue Shield National Retirement Trust	\$ —	\$109,116,432	\$ —	\$ —	\$109,116,432	\$109,116,432	\$ —

Attachment to Schedule H (Form 5500)
Financial Statements

Sponsor: BlueCross BlueShield of Tennessee, Inc.
EIN/PN: 62-0427913/001
Program: Non-Contributory Retirement Program for Certain Employees of BlueCross
BlueShield of Tennessee, Inc.

The Financial Statements (pursuant to Schedule H) are attached to the Accountant's Opinion.

Attachment to Schedule H (Form 5500)
Line 4(i) – Schedule of Assets Held at End of Year

Sponsor: BlueCross BlueShield of Tennessee, Inc.
EIN/PN: 62-0427913/001
Program: Non-Contributory Retirement Program for Certain Employees of BlueCross
BlueShield of Tennessee, Inc.

The Schedule of Assets Held at End of Year (pursuant to Schedule H, line 4(i)) is attached to the Accountant's Opinion and audited financial statements.

Attachment to Schedule H (Form 5500)
Line 4(j) – Schedule of Reportable Transactions

Sponsor: BlueCross BlueShield of Tennessee, Inc.
EIN/PN: 62-0427913/001
Program: Non-Contributory Retirement Program for Certain Employees of BlueCross
BlueShield of Tennessee, Inc.

The Schedule of Reportable Transactions (pursuant to Schedule H, line 4(j)) is attached to the Accountant's Opinion and audited financial statements.

Attachment to Schedule H (Form 5500)

Sponsor: BlueCross BlueShield of Tennessee, Inc.
EIN/PN: 62-0427913 / 001
Program: Non-Contributory Retirement Program for Certain Employees of BlueCross BlueShield of Tennessee, Inc.

Schedule H, Line 4(l) – Has the plan failed to provide any benefit when due under the plan?

No. For administrative purposes, we do not consider delays in payment of a participant's benefit (including administrative mistakes and delayed payments, which happen infrequently) as a failure to pay a benefit when due. Further, in reliance on an IRS clarification of the intent of this question, we do not consider benefits payable to missing participants to be a failure to pay a benefit when due because of the diligence of our efforts to locate missing participants.