



FINANCIAL
SUMMARY
2015

CONSOLIDATED BALANCE SHEETS

	December 31	
	2015	2014
	(In Thousands)	
Assets		
Cash and cash equivalents	\$ 494,147	\$ 475,343
Available-for-sale investments:		
Fixed maturity securities, at fair value (amortized cost: \$1,549,854 ; \$1,516,814)	1,558,328	1,543,974
Equity securities, at fair value (cost: \$249,686 ; \$218,841)	265,707	232,638
Mutual funds, at fair value (cost: \$59,925 ; \$43,720)	58,750	42,449
Commingled investments, at fair value (cost: \$70,292 ; \$70,639)	116,855	120,748
Short-term investments, at fair value (cost: \$2,982 ; \$21,436)	2,979	21,432
	2,002,619	1,961,241
Trading securities	18,851	19,792
Fair value option investments	69,633	72,074
Investments held by charitable trusts	214,479	205,504
Equity method and other investments	28,669	72,408
Receivables (net of allowance: \$23,080 ; \$37,259)		
Premiums and administrative fees	183,698	166,700
Benefit-related and other	414,796	320,013
Provider	6,416	5,043
Investment-related	14,540	45,770
Tax refund receivable, net	40,509	64,618
	659,959	602,144
Property, software and equipment, net of accumulated depreciation	366,286	371,781
Deferred taxes, net	37,151	52,562
Other assets	64,200	65,000
Total assets	\$ 3,955,994	\$ 3,897,849
Liabilities and surplus		
Liabilities:		
Liability for unpaid claims	\$ 575,665	\$ 500,709
Liability for future policy benefits	–	62,319
Claims payment and other advances	231,930	202,674
Unearned revenue	1,617	3,911
Accounts payable and other liabilities	373,648	343,131
Liability for postretirement and postemployment benefits	83,324	98,304
Long-term debt	200,000	200,000
Liability for interest rate swap	55,204	52,027
Total liabilities	1,521,388	1,463,075
Surplus:		
Legally required and operating surplus	2,479,601	2,473,576
Noncontrolling interest	131	128
Accumulated other comprehensive loss	(45,126)	(38,930)
Total surplus	2,434,606	2,434,774
Total liabilities and surplus	\$ 3,955,994	\$ 3,897,849

CONSOLIDATED STATEMENTS OF INCOME

	Year Ended December 31	
	2015	2014
	(In Thousands)	
Premiums	\$ 6,789,458	\$ 6,076,618
Administrative fees and other revenue	443,657	435,997
Net investment income	33,953	74,215
Net realized investment gains	6,029	134,091
Total revenue	7,273,097	6,720,921
Benefits expense	5,726,323	5,018,110
Administrative expenses and broker commissions	1,131,161	1,075,833
State premium tax and franchise and excise taxes	352,961	297,014
Total operating expenses	1,484,122	1,372,847
Income before federal income taxes	62,652	329,964
Federal income tax expense	56,624	130,243
Net income	6,028	199,721
Net gain (loss) attributable to noncontrolling interest	3	(5)
Net income attributable to BCBST	\$ 6,025	\$ 199,726

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year Ended December 31	
	2015	2014
	(In Thousands)	
Net income	\$ 6,028	\$ 199,721
Other comprehensive loss, net of tax:		
Net unrealized holding (losses) gains arising during the period	(12,628)	6,635
Change in interest rate swap	(2,065)	(13,571)
Change in unrecognized pension and postretirement benefits	8,497	(16,338)
Total other comprehensive loss, net of tax:	(6,196)	(23,274)
Comprehensive (loss) income	(168)	176,447
Comprehensive gain (loss) attributable to noncontrolling interest	3	(5)
Comprehensive (loss) income attributable to BCBST	\$ (171)	\$ 176,452

BlueCross BlueShield of Tennessee

1 Cameron Hill Circle
Chattanooga, TN 37402
bcbst.com

BlueCross BlueShield of Tennessee, Inc., an Independent
Licensee of the BlueCross BlueShield Association
COMM-297-15 (3/16)
2015 Financial Summary