

**HMO Minnesota d/b/a Blue Plus  
Minnesota Supplement Report #1A**

**REALLOCATION OF EXPENSES AND INVESTMENT INCOME  
For the Year Ending December 31, 2012  
Public Information, Minnesota Statutes § 62D.08**

Line	Direct Non-Claim Expenses	1	2	3	4	5	6	7	8	9	10	11	12	13	14
		Total	Non MN	Total MN	Commercial	M+C	Medicare	MSHO	SNBC MA	SNBC	PMAP	MNCare	Dental	Other	Admin
1	Employee benefit expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Sales expenses	570,522	-	570,522	569,247	-	-	-	-	-	-	-	-	1,275	-
3	General business/office expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	State premium taxes and assessments	13,225,335	-	13,225,335	1,649,081	-	-	1,915,437	-	-	6,251,055	3,371,958	-	37,804	-
5	Consulting and professional fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Outsourced services	3,560,590	-	3,560,590	-	-	-	3,560,590	-	-	-	-	-	-	-
7	Other expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	<b>Total Direct Expenses</b>	<b>17,356,447</b>	<b>-</b>	<b>17,356,447</b>	<b>2,218,328</b>	<b>-</b>	<b>-</b>	<b>5,476,027</b>	<b>-</b>	<b>-</b>	<b>6,251,055</b>	<b>3,371,958</b>	<b>-</b>	<b>39,079</b>	<b>-</b>

Line	Reallocated Indirect Non-Claim Expenses	1	2	3	4	5	6	7	8	9	10	11	12	13	14
		Total	Non MN	Total MN	Commercial	M+C	Medicare	MSHO	SNBC MA	SNBC	PMAP	MNCare	Dental	Other	Admin
9	Employee benefit expenses	9,022,489	-	9,022,489	354,742	-	-	3,057,055	-	-	3,855,990	1,746,811	-	7,891	-
10	Sales expenses	1,318,956	-	1,318,956	51,858	-	-	446,897	-	-	563,689	255,358	-	1,154	-
11	General business/office expense	4,674,968	-	4,674,968	183,809	-	-	1,584,001	-	-	1,997,966	905,103	-	4,089	-
12	State premium taxes and assessments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Consulting and professional fees	1,779,288	-	1,779,288	69,957	-	-	602,869	-	-	760,424	344,481	-	1,556	-
14	Outsourced services	1,402,077	-	1,402,077	55,126	-	-	475,060	-	-	599,213	271,451	-	1,226	-
15	Other expenses	186,673	-	186,673	7,340	-	-	63,250	-	-	79,779	36,141	-	163	-
16	<b>Total Indirect Expenses</b>	<b>18,384,450</b>	<b>-</b>	<b>18,384,450</b>	<b>722,832</b>	<b>-</b>	<b>-</b>	<b>6,229,132</b>	<b>-</b>	<b>-</b>	<b>7,857,061</b>	<b>3,559,345</b>	<b>-</b>	<b>16,080</b>	<b>-</b>

Line	Direct plus Indirect Non-Claim Expenses	1	2	3	4	5	6	7	8	9	10	11	12	13	14
		NAIC Total	Non MN	Total MN	Commercial	M+C	Medicare	MSHO	SNBC MA	SNBC	PMAP	MNCare	Dental	Other	Admin
17	Employee benefit expenses	9,022,489	-	9,022,489	354,742	-	-	3,057,055	-	-	3,855,990	1,746,811	-	7,891	-
18	Sales expenses	1,889,478	-	1,889,478	621,105	-	-	446,897	-	-	563,689	255,358	-	2,429	-
19	General business/office expense	4,674,968	-	4,674,968	183,809	-	-	1,584,001	-	-	1,997,966	905,103	-	4,089	-
20	State premium taxes and assessments	13,225,335	-	13,225,335	1,649,081	-	-	1,915,437	-	-	6,251,055	3,371,958	-	37,804	-
21	Consulting and professional fees	1,779,288	-	1,779,288	69,957	-	-	602,869	-	-	760,424	344,481	-	1,556	-
22	Outsourced services	4,962,667	-	4,962,667	55,126	-	-	4,035,650	-	-	599,213	271,451	-	1,226	-
23	Other expenses	186,673	-	186,673	7,340	-	-	63,250	-	-	79,779	36,141	-	163	-
24	<b>Total Non-Claim Expenses = Sum of Lines 17 to 23</b>	<b>35,740,897</b>	<b>-</b>	<b>35,740,897</b>	<b>2,941,159</b>	<b>-</b>	<b>-</b>	<b>11,705,159</b>	<b>-</b>	<b>-</b>	<b>14,108,116</b>	<b>6,931,303</b>	<b>-</b>	<b>55,159</b>	<b>-</b>
25	<b>Claims Adjustment Expenses</b>	<b>41,662,738</b>	<b>-</b>	<b>41,662,738</b>	<b>1,490,058</b>	<b>897,793</b>	<b>-</b>	<b>8,738,332</b>	<b>-</b>	<b>-</b>	<b>19,585,370</b>	<b>9,445,913</b>	<b>-</b>	<b>1,505,272</b>	<b>-</b>
26	<b>Revenues (Supp Report #1, Line 8)</b>	956,926,474	-	956,926,474	37,566,773	-	-	323,737,887	-	-	408,343,988	184,984,851	-	2,292,975	-
27	<b>Incurred Claims (Supp Report #1, Line 18 + Line 22)</b>	924,580,637	-	924,580,637	29,807,481	-	-	297,372,052	-	-	423,751,933	173,164,666	-	484,505	-
28	<b>Net Investment Gain/(Loss) (Allocated)</b>	40,670,177	-	40,670,177	2,916,659	639,642	-	26,456,910	-	337,528	16,456,366	(3,967,032)	84	(2,169,979)	-
29	<b>Aggregate Write Ins for Other Income or (Expenses)</b>	306	-	306	306	-	-	-	-	-	-	-	-	-	-
30	<b>Federal and Foreign Income Taxes Incurred</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	<b>Net Income = Lines 26+28+29-24-25-27-30</b>	<b>(4,387,315)</b>	<b>-</b>	<b>(4,387,315)</b>	<b>6,245,039</b>	<b>(258,151)</b>	<b>-</b>	<b>32,379,254</b>	<b>-</b>	<b>337,528</b>	<b>(32,645,066)</b>	<b>(8,524,063)</b>	<b>84</b>	<b>(1,921,940)</b>	<b>-</b>