

**Medica Health Plans**  
**Minnesota Supplement Report #1A**  
**REALLOCATION OF EXPENSES AND INVESTMENT INCOME**  
**For the Year Ending December 31, 2018**  
**Public Information, Minnesota Statutes § 62D.08**

Line	Direct Non-Claim Expenses	1 Total	2 Non MN products	3 Total MN products	4 Commercial	5 Medicare Advantage	6 Medicare Cost	7 MSHO	8 SNBC MA only	9 SNBC Integrated	10 MSC+	11 PMAP	12 MNCare	13 Dental	14 Other	15 Admin Services
1	Employee benefit expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Sales expenses	154,454	-	154,454	154,454	-	-	-	-	-	-	-	-	-	-	-
3	General business/office expense	(499,600)	-	(499,600)	(54,214)	(72,020)	-	(165,097)	(162,212)	-	(46,374)	317	-	-	-	-
4	State premium taxes and assessments	15,845,775	7,985	15,837,790	89,878	93,511	-	3,929,856	8,442,288	-	3,320,719	(34,071)	(4,421)	-	31	-
5	Consulting and professional fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Outsourced services	5,356,483	-	5,356,483	17,844	588,599	-	3,081,938	1,328,847	-	346,560	(5,815)	(1,489)	-	-	-
7	Other expenses	7,810,805	-	7,810,805	3,277,121	733,106	-	1,680,565	1,651,189	-	472,049	(3,224)	-	-	-	-
8	<b>Total Direct Expenses</b>	<b>28,667,918</b>	<b>7,985</b>	<b>28,659,932</b>	<b>3,485,082</b>	<b>1,343,196</b>	<b>-</b>	<b>8,527,261</b>	<b>11,260,112</b>	<b>-</b>	<b>4,092,954</b>	<b>(42,794)</b>	<b>(5,910)</b>	<b>-</b>	<b>31</b>	<b>-</b>

Line	Reallocated Indirect Non-Claim Expenses	1 Total	2 Non MN products	3 Total MN products	4 Commercial	5 Medicare Advantage	6 Medicare Cost	7 MSHO	8 SNBC MA only	9 SNBC Integrated	10 MSC+	11 PMAP	12 MNCare	13 Dental	14 Other	15 Admin Services
9	Employee benefit expenses	6,886,554	(3,031,541)	9,918,096	(364)	(23,125)	-	5,838,921	2,937,511	-	1,159,509	(11,346)	(1,430)	206	18,213	-
10	Sales expenses	1,026,425	(482,604)	1,509,029	(55)	(3,518)	-	888,387	446,940	-	176,418	(1,726)	(218)	31	2,771	-
11	General business/office expense	2,708,359	(1,384,181)	4,092,540	(150)	(9,542)	-	2,409,336	1,212,116	-	478,453	(4,682)	(590)	85	7,515	-
12	State premium taxes and assessments	203,128	-	203,128	(7)	(474)	-	119,585	60,162	-	23,747	(232)	(29)	4	373	-
13	Consulting and professional fees	297,865	(141,744)	439,610	(16)	(1,025)	-	258,804	130,202	-	51,394	(503)	(63)	9	807	-
14	Outsourced services	1,858,848	(932,232)	2,791,080	(102)	(6,508)	-	1,643,148	826,654	-	326,301	(3,193)	(403)	58	5,125	-
15	Other expenses	61,135	(31,147)	92,281	(3)	(215)	-	54,327	27,332	-	10,788	(106)	(13)	2	169	-
16	<b>Total Indirect Expenses</b>	<b>13,042,315</b>	<b>(6,003,450)</b>	<b>19,045,766</b>	<b>(699)</b>	<b>(44,407)</b>	<b>-</b>	<b>11,212,508</b>	<b>5,640,916</b>	<b>-</b>	<b>2,226,611</b>	<b>(21,788)</b>	<b>(2,747)</b>	<b>396</b>	<b>34,975</b>	<b>-</b>

Line	Direct plus Indirect Non-Claim Expenses	1 NAIC Total	2 Non MN products	3 Total MN products	4 Commercial	5 Medicare Advantage	6 Medicare Cost	7 MSHO	8 SNBC MA only	9 SNBC Integrated	10 MSC+	11 PMAP	12 MNCare	13 Dental	14 Other	15 Admin Services
17	Employee benefit expenses	6,886,554	(3,031,541)	9,918,096	(364)	(23,125)	-	5,838,921	2,937,511	-	1,159,509	(11,346)	(1,430)	206	18,213	-
18	Sales expenses	1,180,879	(482,604)	1,663,483	154,398	(3,518)	-	888,387	446,940	-	176,418	(1,726)	(218)	31	2,771	-
19	General business/office expense	2,208,759	(1,384,181)	3,592,941	(54,364)	(81,562)	-	2,244,238	1,049,904	-	432,079	(4,365)	(590)	85	7,515	-
20	State premium taxes and assessments	16,048,904	7,985	16,040,919	89,870	93,037	-	4,049,440	8,502,450	-	3,344,466	(34,303)	(4,450)	4	404	-
21	Consulting and professional fees	297,865	(141,744)	439,610	(16)	(1,025)	-	258,804	130,202	-	51,394	(503)	(63)	9	807	-
22	Outsourced services	7,215,332	(932,232)	8,147,564	17,741	582,091	-	4,725,086	2,155,501	-	672,861	(9,008)	(1,891)	58	5,125	-
23	Other expenses	7,871,940	(31,147)	7,903,086	3,277,117	732,891	-	1,734,892	1,678,520	-	482,837	(3,330)	(13)	2	169	-
24	<b>Total Non-Claim Expenses = Sum of Lines 17 to 23</b>	<b>41,710,233</b>	<b>(5,995,465)</b>	<b>47,705,698</b>	<b>3,484,384</b>	<b>1,298,789</b>	<b>-</b>	<b>19,739,769</b>	<b>16,901,028</b>	<b>-</b>	<b>6,319,565</b>	<b>(64,582)</b>	<b>(8,657)</b>	<b>396</b>	<b>35,006</b>	<b>-</b>
25	Claims Adjustment Expenses	2,894,269	12,057	2,882,212	(72)	110,934	-	1,257,388	1,120,285	-	342,528	(559)	-	-	51,708	-
26	Revenues (Supp Report #1, Line 8)	732,642,536	4,503,321	728,139,215	(26,709)	(1,697,725)	-	428,665,724	215,658,024	-	85,125,620	(832,972)	(105,016)	15,133	1,337,136	-
27	Incurred Claims (Supp Report #1, Line 18 + Line 22)	661,288,190	3,794,494	657,493,696	(401,193)	2,373,061	-	390,012,918	191,124,958	-	73,976,605	(1,781,863)	371,227	505,050	1,312,933	-
28	Net Investment Gain/(Loss) (Allocated)	12,865,518	(14,826,843)	27,692,360	19,904,715	5,630,720	-	28,885,083	(3,698,970)	-	(909,766)	(18,962,858)	(4,223,333)	512,909	553,861	-
29	Aggregate Write Ins for Other Income or (Expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Federal and Foreign Income Taxes Incurred	9,610	9,667	(57)	(57)	-	-	-	-	-	-	-	-	-	-	-
31	<b>Net Income = Lines 26+28+29-24-25-27-30</b>	<b>39,605,752</b>	<b>(8,144,274)</b>	<b>47,750,026</b>	<b>16,794,944</b>	<b>150,211</b>	<b>-</b>	<b>46,540,732</b>	<b>2,812,783</b>	<b>-</b>	<b>3,577,157</b>	<b>(17,948,827)</b>	<b>(4,690,920)</b>	<b>22,596</b>	<b>491,350</b>	<b>-</b>