

SOUTH COUNTRY HEALTH ALLIANCE

Minnesota Supplement Report #1A

REALLOCATION OF EXPENSES AND INVESTMENT INCOME

For the Year Ending December 31, 2016

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	0		0												
2	Sales expenses	358,284		358,284				19,926	11,595	8,837	4,363	279,801	33,762			
3	General business/office expense	77,908		77,908				9,721	7,844	4,022	2,821	44,555	8,945			
4	State premium taxes and assessments	0		0												
5	Consulting and professional fees	635,044		635,044				262,852	37,327	190,890		114,647	29,328			
6	Outsourced services	1,488,635		1,488,635				174,101	78,496	60,728	31,767	1,027,314	116,229			
7	Other expenses	0		0												
8	Total Direct Expenses	2,559,871	0	2,559,871	0	0	0	466,600	135,262	264,477	38,951	1,466,317	188,264	0	0	0

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	6,748,720		6,748,720				1,486,611	713,558	283,794	317,373	3,530,069	417,315			
10	Sales expenses	136,588		136,588				30,088	14,442	5,744	6,423	71,445	8,446			
11	General business/office expense	2,669,771		2,669,771				588,098	282,281	112,268	125,552	1,396,484	165,088			
12	State premium taxes and assessments	0		0												
13	Consulting and professional fees	1,753,102		1,753,102				386,174	185,360	73,719	82,443	917,000	108,406			
14	Outsourced services	0		0												
15	Other expenses	0		0												
16	Total Indirect Expenses	11,308,181	0	11,308,181	0	0	0	2,490,971	1,195,641	475,525	531,791	5,914,998	699,255	0	0	0

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	6,748,720	0	6,748,720	0	0	0	1,486,611	713,558	283,794	317,373	3,530,069	417,315	0	0	0
18	Sales expenses	494,872	0	494,872	0	0	0	50,014	26,037	14,581	10,786	351,246	42,208	0	0	0
19	General business/office expense	2,747,679	0	2,747,679	0	0	0	597,819	290,125	116,290	128,373	1,441,039	174,033	0	0	0
20	State premium taxes and assessments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Consulting and professional fees	2,388,146	0	2,388,146	0	0	0	649,026	222,687	264,609	82,443	1,031,647	137,734	0	0	0
22	Outsourced services	1,488,635	0	1,488,635	0	0	0	174,101	78,496	60,728	31,767	1,027,314	116,229	0	0	0
23	Other expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Total Non-Claim Expenses = Sum of Lines 17 to 23	13,868,052	0	13,868,052	0	0	0	2,957,571	1,330,903	740,002	570,742	7,381,315	887,519	0	0	0
25	Claims Adjustment Expenses	9,819,306		9,819,306				1,143,226	625,609	318,766	287,069	6,684,680	759,956			
26	Revenues (Supp Report #1, Line 8)	242,209,600		242,209,600				53,354,041	25,609,387	10,185,272	11,390,414	126,693,171	14,977,315			
27	Incurred Claims (Supp Report #1, Line 18 + Line 22)	229,023,947		229,023,947				47,556,623	21,042,166	10,608,757	8,562,552	124,911,623	16,342,226			
28	Net Investment Gain/(Loss) (Allocated)	278,566		278,566					208,570		69,996					
29	Aggregate Write Ins for Other Income or (Expenses)	0		0												
30	Federal and Foreign Income Taxes Incurred	0		0												
31	Net Income = Lines 26+28+29-24-25-27-30	-10,223,139	0	-10,223,139	0	0	0	1,696,621	2,819,279	-1,482,253	2,040,047	-12,284,447	-3,012,386	0	0	0