

**UCare Minnesota**  
**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	2,411,312		2,411,312	364,864	1,328,722		585,966	126,604	-	5,156	-	-		-	
2	Sales expenses	13,444,961		13,444,961	1,825,831	10,857,370		317,922	41,511	300,134	330	89,643	10,651		1,569	
3	General business/office expense	4,884,394		4,884,394	1,064,096	2,201,276		340,283	146,936	128,187	19,043	861,362	110,938		12,273	
4	State premium taxes and assessments	42,552,162		42,552,162	8,079,433	5,507		4,102,952	7,013,547	248,187	1,852,446	19,062,870	2,185,762		1,458	
5	Consulting and professional fees	6,513,226		6,513,226	643,267	5,046,185		706,401	1,386	109,362	-	567	6,058		-	
6	Outsourced services	6,520,441		6,520,441	412,293	3,020,838		640,019	487,218	119,197	66,195	1,642,924	122,849		8,908	
7	Other expenses	4,652,940		4,652,940	2,663,186	500		261,088	220,208	139,055	-	1,368,903	-		-	
8	<b>Total Direct Expenses</b>	<b>80,979,436</b>	<b>-</b>	<b>80,979,436</b>	<b>15,052,970</b>	<b>22,460,398</b>	<b>-</b>	<b>6,954,631</b>	<b>8,037,410</b>	<b>1,044,122</b>	<b>1,943,170</b>	<b>23,026,269</b>	<b>2,436,258</b>	<b>-</b>	<b>24,208</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	71,734,067		71,734,067	3,513,296	18,209,877	-	9,812,927	9,161,132	928,119	2,422,356	24,825,917	2,858,507		1,936	
10	Sales expenses	8,051,391		8,051,391	394,405	2,044,257	-	1,101,607	1,028,436	103,356	271,936	2,786,917	320,260		217	
11	General business/office expense	25,642,038		25,642,038	1,256,101	6,510,539	-	3,508,395	3,275,360	329,167	866,060	8,875,761	1,019,963		692	
12	State premium taxes and assessments	-		-	-	-	-	-	-	-	-	-	-		-	
13	Consulting and professional fees	2,004,859		2,004,859	98,210	509,036	-	274,309	256,089	25,736	67,714	693,964	79,747		54	
14	Outsourced services	3,449,545		3,449,545	168,979	875,843	-	471,974	440,624	44,282	116,508	1,194,029	137,213		93	
15	Other expenses	139,319		139,319	6,825	35,373	-	19,062	17,796	1,788	4,705	48,224	5,542		4	
16	<b>Total Indirect Expenses</b>	<b>111,021,219</b>	<b>-</b>	<b>111,021,219</b>	<b>5,437,816</b>	<b>28,184,925</b>	<b>-</b>	<b>15,188,274</b>	<b>14,179,437</b>	<b>1,432,448</b>	<b>3,749,279</b>	<b>38,424,812</b>	<b>4,421,232</b>	<b>-</b>	<b>2,996</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	74,145,379	-	74,145,379	3,878,160	19,538,599	-	10,398,893	9,287,736	928,119	2,427,512	24,825,917	2,858,507	-	1,936	-
18	Sales expenses	21,496,352	-	21,496,352	2,220,236	12,901,627	-	1,419,529	1,069,947	403,490	272,266	2,876,560	330,911	-	1,786	-
19	General business/office expense	30,526,432	-	30,526,432	2,320,197	8,711,815	-	3,848,678	3,422,296	457,354	885,103	9,737,123	1,130,901	-	12,965	-
20	State premium taxes and assessments	42,552,162	-	42,552,162	8,079,433	5,507	-	4,102,952	7,013,547	248,187	1,852,446	19,062,870	2,185,762	-	1,458	-
21	Consulting and professional fees	8,518,085	-	8,518,085	741,477	5,555,221	-	980,710	257,475	135,098	67,714	694,531	85,805	-	54	-
22	Outsourced services	9,969,986	-	9,969,986	581,272	3,896,681	-	1,111,993	927,842	163,479	182,703	2,836,953	260,062	-	9,001	-
23	Other expenses	4,792,259	-	4,792,259	2,670,011	35,873	-	280,150	238,004	140,843	4,705	1,417,127	5,542	-	4	-
24	<b>Total Non-Claim Expenses = Sum of Lines 17 to 23</b>	<b>192,000,655</b>	<b>-</b>	<b>192,000,655</b>	<b>20,490,786</b>	<b>50,645,323</b>	<b>-</b>	<b>22,142,905</b>	<b>22,216,847</b>	<b>2,476,570</b>	<b>5,692,449</b>	<b>61,451,081</b>	<b>6,857,490</b>	<b>-</b>	<b>27,204</b>	<b>-</b>
25	<b>Claims Adjustment Expenses</b>	<b>78,095,016</b>		<b>78,095,016</b>	<b>3,120,068</b>	<b>23,357,471</b>	<b>-</b>	<b>10,713,369</b>	<b>9,722,421</b>	<b>954,630</b>	<b>2,921,958</b>	<b>24,395,680</b>	<b>2,911,849</b>		<b>1,232</b>	<b>(3,662)</b>
26	<b>Revenues (Supp Report #1, Line 8)</b>	<b>3,419,129,336</b>		<b>3,419,129,336</b>	<b>161,373,162</b>	<b>869,754,968</b>		<b>468,692,500</b>	<b>437,560,704</b>	<b>43,973,653</b>	<b>115,698,201</b>	<b>1,185,726,709</b>	<b>136,258,376</b>		<b>91,063</b>	
27	<b>Incurred Claims (Supp Report #1, Line 18 + Line 22)</b>	<b>3,135,633,146</b>		<b>3,135,633,146</b>	<b>97,000,225</b>	<b>823,290,973</b>		<b>432,193,161</b>	<b>402,563,800</b>	<b>38,462,840</b>	<b>117,827,439</b>	<b>1,085,566,752</b>	<b>138,656,896</b>		<b>71,060</b>	
28	<b>Net Investment Gain/(Loss) (Allocated)</b>	<b>27,375,824</b>		<b>27,375,824</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>2,727,107</b>	<b>-</b>	<b>-</b>	<b>19,938,692</b>	<b>4,710,025</b>		<b>-</b>	
29	<b>Aggregate Write Ins for Other Income or (Expenses)</b>	<b>(953,132)</b>		<b>(953,132)</b>	<b>(724,850)</b>	<b>(194,107)</b>		<b>(15,595)</b>	<b>(787)</b>	<b>(15,385)</b>	<b>(268)</b>	<b>(1,940)</b>	<b>(200)</b>		<b>-</b>	
30	<b>Federal and Foreign Income Taxes Incurred</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	
31	<b>Net Income = Lines 26+28+29-24-25-27-30</b>	<b>39,823,211</b>	<b>-</b>	<b>39,823,211</b>	<b>40,037,233</b>	<b>(27,732,906)</b>	<b>-</b>	<b>3,627,470</b>	<b>5,783,956</b>	<b>2,064,228</b>	<b>(10,743,913)</b>	<b>34,249,948</b>	<b>(7,458,034)</b>	<b>-</b>	<b>(8,433)</b>	<b>3,662</b>