

**UCare Minnesota**  
**Minnesota Supplement Report #1A**  
**REALLOCATION OF EXPENSES AND INVESTMENT INCOME**  
**For the Year Ending December 31, 2022**  
**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	15	16	17
		Total	Non MN products	Total MN products	Commercial	Medicare Advantage	Medicare Cost	Medicare Supplement	Medicare Part D	MSHO	SNBC MA only	SNBC Integrated	PMAP	MSC+	MNCare	Dental	Other	Admin Services
1	Employee benefit expenses	1,813,993		1,813,993	459,529	560,964				411,149	88,021	177,365	-	-	-		116,965	
2	Sales expenses	23,144,506		23,144,506	4,186,930	17,628,298				459,482	25,228	324,410	422,833	-	6,235		91,090	
3	General business/office expense	9,326,551		9,326,551	2,786,025	2,439,744		1,279		945,033	152,415	1,080,825	1,635,886	84,531	185,042		15,770	
4	State premium taxes and assessments	76,350,105		76,350,105	13,327,369	-		461		5,871,090	9,410,726	847,808	38,807,616	3,978,974	4,106,061		-	
5	Consulting and professional fees	16,042,582		16,042,582	1,309,859	10,190,420				1,922,946	-	591,505	128,555	98,555	98,555		1,702,188	
6	Outsourced services	9,051,929		9,051,929	1,290,388	4,547,077				889,558	148,002	369,650	1,640,959	32,472	133,824		-	
7	Other expenses	32,999,750		32,999,750	16,875	2,624,110				3,054,513	1,405,709	788,994	21,288,870	1,720,913	2,099,766		-	
8	<b>Total Direct Expenses</b>	<b>168,729,415</b>	<b>-</b>	<b>168,729,415</b>	<b>23,376,976</b>	<b>37,990,612</b>	<b>-</b>	<b>1,740</b>	<b>-</b>	<b>13,553,772</b>	<b>11,230,100</b>	<b>4,180,557</b>	<b>63,924,718</b>	<b>5,915,445</b>	<b>6,629,483</b>	<b>-</b>	<b>1,926,012</b>	<b>-</b>

Line	Reallocated Indirect Non-Claim Expenses	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
		Total	Non MN products	Total MN products	Commercial	Medicare Advantage	Medicare Cost	Medicare Supplement	Medicare Part D	MSHO	SNBC MA only	SNBC Integrated	PMAP	MSC+	MNCare	Dental	Other	Admin Services
9	Employee benefit expenses	\$ 142,347,942		\$ 142,347,942	\$ 5,759,974	\$ 33,762,409		\$ 711		\$ 16,786,970	\$ 13,731,041	\$ 4,048,095	\$ 56,457,514	\$ 5,811,931	\$ 5,989,297	\$ -	\$ -	\$ -
10	Sales expenses	\$ 10,093,265		\$ 10,093,265	\$ 408,413	\$ 2,393,936		\$ 50		\$ 1,190,286	\$ 973,605	\$ 287,032	\$ 4,003,173	\$ 412,097	\$ 424,673	\$ -	\$ -	\$ -
11	General business/office expense	\$ 55,772,372		\$ 55,772,372	\$ 2,256,769	\$ 13,228,176		\$ 279		\$ 6,577,167	\$ 5,379,848	\$ 1,586,051	\$ 22,120,338	\$ 2,277,126	\$ 2,346,618	\$ -	\$ -	\$ -
12	State premium taxes and assessments	\$ (106,314)		\$ (106,314)	\$ (4,302)	\$ (25,216)		\$ -		\$ (12,538)	\$ (10,255)	\$ (3,023)	\$ (42,166)	\$ (4,341)	\$ (4,473)	\$ -	\$ -	\$ -
13	Consulting and professional fees	\$ 4,629,627		\$ 4,629,627	\$ 187,333	\$ 1,098,062		\$ 24		\$ 545,966	\$ 446,577	\$ 131,657	\$ 1,836,194	\$ 189,023	\$ 194,791	\$ -	\$ -	\$ -
14	Outsourced services	\$ 12,770,801		\$ 12,770,801	\$ 516,757	\$ 3,028,998		\$ 64		\$ 1,506,045	\$ 1,231,882	\$ 363,175	\$ 5,065,132	\$ 521,418	\$ 537,330	\$ -	\$ -	\$ -
15	Other expenses	\$ 996,797		\$ 996,797	\$ 40,334	\$ 236,422		\$ 5		\$ 117,551	\$ 96,152	\$ 28,347	\$ 395,348	\$ 40,698	\$ 41,940	\$ -	\$ -	\$ -
16	<b>Total Indirect Expenses</b>	<b>\$ 226,504,490</b>	<b>\$ -</b>	<b>\$ 226,504,490</b>	<b>\$ 9,165,278</b>	<b>\$ 53,722,787</b>	<b>\$ -</b>	<b>\$ 1,133</b>	<b>\$ -</b>	<b>\$ 26,711,447</b>	<b>\$ 21,848,850</b>	<b>\$ 6,441,334</b>	<b>\$ 89,835,533</b>	<b>\$ 9,247,952</b>	<b>\$ 9,530,176</b>	<b>\$ -</b>	<b>\$ -</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 Medicare Supplement	8 Medicare Part D	9 MSHO	10 SNBC MA only	11 SNBC Integrated	12 PMAP	13 MSC+	14 MNCare	15 Dental	16 Other	17 Admin Services
17	Employee benefit expenses	144,161,935	-	144,161,935	6,219,503	34,323,373	-	711	-	17,198,119	13,819,062	4,225,460	56,457,514	5,811,931	5,989,297	-	116,965	-
18	Sales expenses	33,237,771	-	33,237,771	4,595,343	20,022,234	-	50	-	1,649,768	998,833	611,442	4,426,006	412,097	430,908	-	91,090	-
19	General business/office expense	65,098,923	-	65,098,923	5,042,794	15,667,920	-	1,558	-	7,522,200	5,532,263	2,666,876	23,756,224	2,361,657	2,531,660	-	15,770	-
20	State premium taxes and assessments	76,243,791	-	76,243,791	13,323,067	(25,216)	-	461	-	5,858,552	9,400,471	844,785	38,765,450	3,974,633	4,101,588	-	-	-
21	Consulting and professional fees	20,672,209	-	20,672,209	1,497,192	11,288,482	-	24	-	2,468,912	446,577	723,162	1,964,749	287,578	293,346	-	1,702,188	-
22	Outsourced services	21,822,730	-	21,822,730	1,807,145	7,576,075	-	64	-	2,395,603	1,379,884	732,825	6,706,091	553,890	671,154	-	-	-
23	Other expenses	33,996,547	-	33,996,547	57,209	2,860,532	-	5	-	3,172,064	1,501,861	817,341	21,684,218	1,761,611	2,141,706	-	-	-
24	<b>Total Non-Claim Expenses = Sum of Lines 17 to 23</b>	<b>395,233,905</b>	<b>-</b>	<b>395,233,905</b>	<b>32,542,254</b>	<b>91,713,399</b>	<b>-</b>	<b>2,873</b>	<b>-</b>	<b>40,265,219</b>	<b>33,078,950</b>	<b>10,621,891</b>	<b>153,760,251</b>	<b>15,163,397</b>	<b>16,159,659</b>	<b>-</b>	<b>1,926,012</b>	<b>-</b>
25	Claims Adjustment Expenses	156,483,713	-	156,483,713	5,832,596	41,778,083	-	50,495	-	19,275,567	14,125,517	4,597,920	57,917,949	6,648,663	6,256,923	-	-	-
26	Revenues (Supp Report #1, Line 8)	6,075,488,520	-	6,075,488,520	233,036,090	1,444,158,667	-	28,875	-	718,049,271	587,333,357	173,152,324	2,414,943,878	248,599,992	256,186,066	-	-	-
27	<b>Incurred Claims (Supp Report #1, Line 18 + Line 22)</b>	<b>5,215,710,139</b>	<b>-</b>	<b>5,215,710,139</b>	<b>198,359,715</b>	<b>1,273,298,285</b>	<b>-</b>	<b>66,083</b>	<b>-</b>	<b>631,018,972</b>	<b>527,965,278</b>	<b>150,768,566</b>	<b>2,008,504,283</b>	<b>210,957,596</b>	<b>214,771,361</b>	<b>-</b>	<b>-</b>	<b>-</b>
28	Net Investment Gain/(Loss) (Allocated)	18,602,642	-	18,602,642	3,826,411	-	-	-	-	5,106,587	3,626,117	47,437	5,085,451	-	910,639	-	-	-
29	Aggregate Write Ins for Other Income or (Expenses)	(933,287)	-	(933,287)	(715,780)	(188,399)	-	-	-	(10,053)	(2,385)	(387)	(14,795)	(473)	(1,015)	-	-	-
30	Federal and Foreign Income Taxes Incurred	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	<b>Net Income = Lines 26+28+29-24-25-27-30</b>	<b>325,730,118</b>	<b>-</b>	<b>325,730,118</b>	<b>(587,844)</b>	<b>37,180,501</b>	<b>-</b>	<b>(90,576)</b>	<b>-</b>	<b>32,586,047</b>	<b>15,787,344</b>	<b>7,210,997</b>	<b>199,832,051</b>	<b>15,829,863</b>	<b>19,907,747</b>	<b>-</b>	<b>(1,926,012)</b>	<b>-</b>

Please use the space below to explain any discrepancies between what is reported in Supplement Report #1 and Su

Supplement Report #1a

**DRAFT**

These categorized administrative expenses should roll up into the general administrative expenses reported on line 21 on Minnesota Supplement Report #1, as well as the underwriting and investment exhibit part 3 – analysis of expenses, of the NAIC health blank. The categories are broken down as follows:

Employee benefit expenses: salaries, wages and benefits

Sales expenses: commissions, marketing and advertising; cost of sales-related materials, postage, telephone and printing materials

General business and office type expenses: rent; non-sales related postage, express and telephone; non-sales related printing and office supplies; taxes (excluding state premium taxes and assessments), licenses and fees; traveling expenses; insurance, except on real estate; collection and bank service charges; group service and administration fees; real estate expenses; real estate taxes; equipment; occupancy, depreciation and amortization; cost of depreciation of ECP equipment and software

State premium taxes and assessments

Consulting and professional fees: legal fees and expenses; certifications and accreditation fees; auditing, actuarial and other consulting fees; board, bureaus and association fees

Outsourced services: ECP; claims and other services

Other expenses: investment expenses not included elsewhere; aggregate write-ins for expenses; reimbursements by uninsured plans; reimbursements from fiscal intermediaries.

Indirect expenses must be allocated by dollars of premium income, or premium-equivalent for ASO business.

Investment gain must be allocated by the prior five years of net income.