

Administrative Costs at Minnesota Health Plans in 2014

MINNESOTA DEPARTMENT OF HEALTH

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Introduction

The Minnesota Department of Health (MDH) is required to collect and publish information annually on administrative spending of health plans (group purchasers) that are licensed to offer health insurance coverage in Minnesota.¹ This report presents data on 2014 administrative spending for all health plans that reported more than \$3 million in total health premiums collected from Minnesota residents.

The detailed tables on the following pages present information on administrative spending as reported by group purchasers for each of 14 categories of administrative spending in accordance with Minnesota Statutes, section 62J.38. Appendix A provides the definitions of the 14 administrative spending categories included in this report.

Total administrative spending as a percentage of total spending has remained steady over the past few years, but has declined relative to ten years ago when total administrative spending was 8.3 percent of total spending. Shown in Table 1 is administrative spending as a share of total health plan spending from 2005 to 2014.

Table 1. Administrative Spending as a Percent of Total Spending, 2005-2014

| Year | Administrative Spending as a Percent of Total Spending |
|-------------|---|
| 2005 | 8.3 |
| 2006 | 8.3 |
| 2007 | 8.4 |
| 2008 | 8.0 |
| 2009 | 7.9 |
| 2010 | 7.2 |
| 2011 | 7.3 |
| 2012 | 7.2 |
| 2013 | 7.2 |
| 2014 | 7.3 |

¹ Minnesota Statutes, section 62J.38, paragraph (b).

While administrative spending was 7.3 percent of total spending in 2014, there is great variation across Minnesota health plan companies, ranging from a low of less than two percent to approximately 36%. The administrative spending at Minnesota's nonprofit health plan companies and affiliated insurance carriers representing the majority of the Minnesota market narrow that range from 4.0% to 13.2% of total spending.

As shown in Chart 1, the majority of administrative expenses are for General Administration, Claims Processing, and Product Management and Marketing. The distribution of administrative spending by category for nonprofit health plan companies closely resembles the distribution for the overall market, which is not unexpected given the nonprofit health plan companies represent 89.3% of the Minnesota health insurance business as measured by the share of medical premium, as shown in Chart 2.

Indirect expenses included in this report may include certain expenditures for activities that did not strictly qualify as administrative spending, including reserves and third-party reinsurance recoveries.

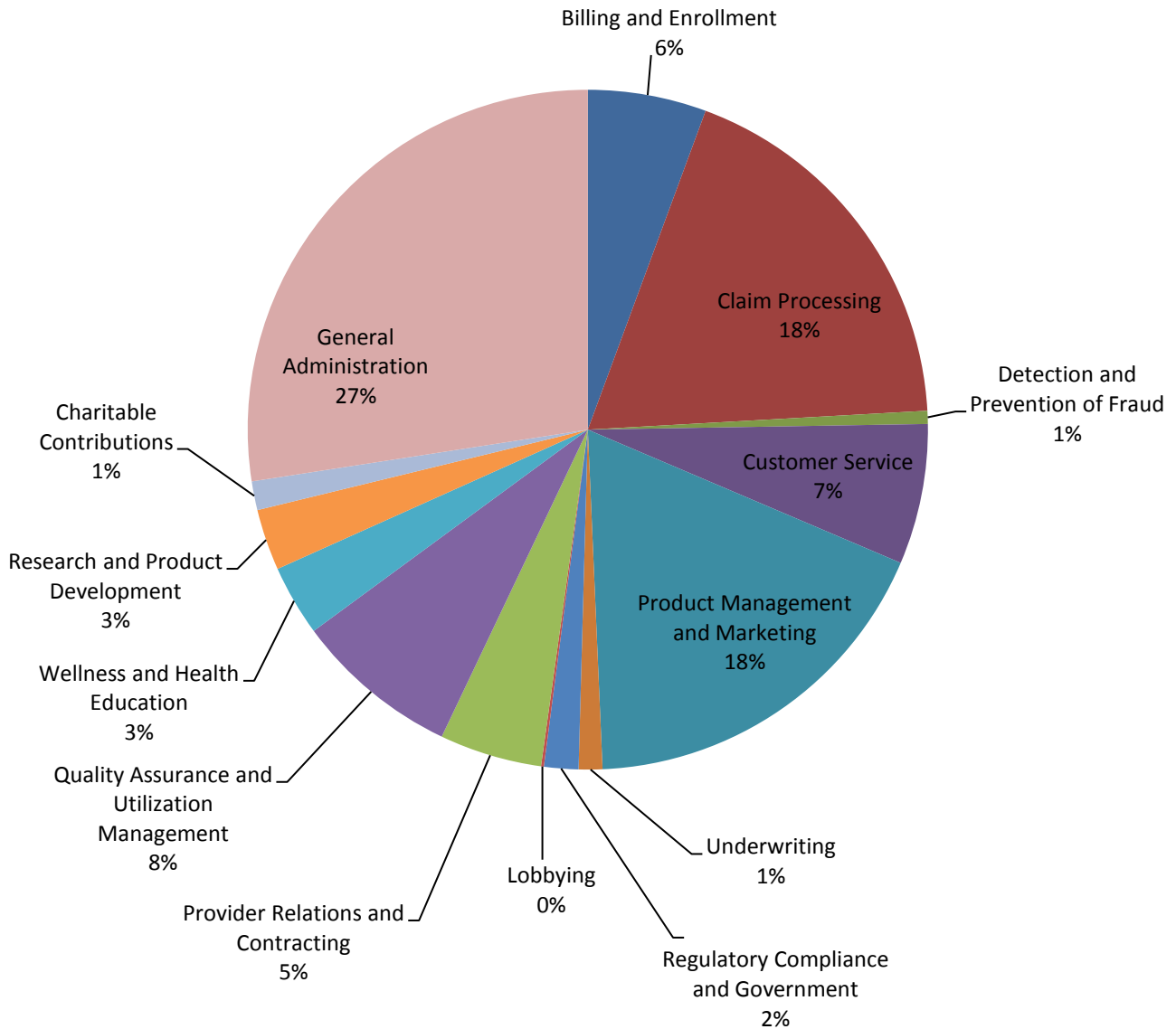
As required by Minnesota Statutes, section 62J.321, subdivision 5, health plans were provided an opportunity to review and comment on the data included in this report. MDH received no comments from health plans.

Comments or questions related to this report may be directed to health.hep@state.mn.us

| Table 2. Administrative Costs as Percent of Total Costs, 2014 | | | |
|--|--|----------------------------|---|
| 2014 Health Plan Companies | Total 2014 Administrative Costs | Total 2014 Spending | 2014 Administrative Costs (as a percent of total spending) |
| Aetna Life Insurance Company | 13,081,722 | 362,466,160 | 3.6% |
| American Family Mutual Insurance Company | 409,008 | 2,401,716 | 17.0% |
| American Heritage Life Insurance Company | 735,680 | 2,035,987 | 36.1% |
| Ameritas Life Insurance Corp | 296,841 | 2,247,620 | 13.2% |
| BCS Insurance Company | 131,246 | 1,669,336 | 7.9% |
| Bankers Life and Casualty Company | 543,702 | 4,409,390 | 12.3% |
| Blue Cross Blue Shield of Minnesota | 349,505,000 | 5,109,672,256 | 6.8% |
| Blue Plus | 62,439,000 | 740,101,000 | 8.4% |
| Cigna Health & Life Insurance Company | 7,860,078 | 431,904,111 | 1.8% |
| Companion Life Insurance Company ¹ | 492,759 | 6,279,366 | 7.9% |
| Continental Life Insurance Company of Brentwood TN | 592,307 | 6,719,915 | 8.8% |
| Delta Dental Plan of Minnesota | 56,864,018 | 574,784,335 | 9.9% |
| Envision Insurance Company | 111,937 | 5,827,801 | 1.9% |
| Federated Mutual Insurance Company | 6,772,834 | 44,138,539 | 15.3% |
| First Health Life & Health Insurance Company | 2,062,821 | 12,590,602 | 16.4% |
| Guardian Life Insurance Company of America | 1,720,438 | 10,479,957 | 16.4% |
| Gundersen Lutheran Health Plan Minnesota | 211,622 | 4,032,373 | 5.3% |
| HCC Life Insurance Company | 540,134 | 7,059,905 | 7.7% |
| Health Care Service Corporation | 3,888,130 | 55,075,182 | 7.1% |
| HealthPartners Insurance Company | 53,365,000 | 720,983,677 | 7.4% |
| HealthPartners, Inc. | 256,072,399 | 3,390,392,143 | 7.6% |
| Humana Insurance Company | 40,509,846 | 327,366,753 | 12.4% |
| HumanaDental Insurance Company | 668,454 | 5,184,814 | 12.9% |
| Itasca Medical Care | 5,878,381 | 56,662,644 | 10.4% |
| Lincoln National Life Insurance Company | 636,508 | 6,237,033 | 10.2% |
| Medica Health Plans | 54,476,129 | 1,372,274,730 | 4.0% |
| Medica Health Plans of Wisconsin | 1,693,519 | 12,794,707 | 13.2% |
| Medica Insurance Company | 163,272,934 | 1,515,999,042 | 10.8% |
| Medica Self Insured | 74,294,197 | 1,663,277,105 | 4.5% |
| Metropolitan HealthPlan (MHP) | 20,970,725 | 159,824,724 | 13.1% |
| Metropolitan Life Insurance Company | 6,186,591 | 63,877,903 | 9.7% |
| Mutual of Omaha Insurance Company | 244,807 | 2,791,100 | 8.8% |
| Pan-American Life | 197,816 | 4,017,648 | 4.9% |
| PreferredOne Community Health Plan | 5,441,468 | 57,636,690 | 9.4% |
| PreferredOne Insurance Company | 43,224,704 | 442,540,740 | 9.8% |
| PrimeWest Health | 20,760,924 | 237,029,113 | 8.8% |
| Principal Life Insurance Company | 5,608,338 | 15,313,182 | 36.6% |
| ReliaStar Life Insurance Company | 1,504,734 | 14,327,377 | 10.5% |
| Security Life Insurance Company of America | 1,365,083 | 4,976,841 | 27.4% |
| SilverScript Insurance Company | 2,874,752 | 35,468,494 | 8.1% |
| South Country Health Alliance | 20,889,738 | 211,804,383 | 9.9% |
| State Farm Mutual Automobile Insurance Company | 2,135,049 | 16,691,746 | 12.8% |
| Sun Life Assurance Company of Canada | 1,104,330 | 7,196,295 | 15.4% |
| Time Insurance Company | 5,177,858 | 35,585,339 | 14.6% |
| UCare Minnesota | 195,193,341 | 2,924,275,118 | 6.7% |
| Union Security Insurance Company | 2,279,813 | 14,619,200 | 15.6% |
| United World Life Insurance Company | 446,309 | 3,736,281 | 12.0% |
| UnitedHealthcare Insurance Company | 18,265,320 | 161,183,358 | 11.3% |
| Washington National Insurance Company | 910,071 | 3,409,745 | 26.7% |
| WellCare Health Insurance Company of Kentucky, Inc. | 1,111,847 | 9,865,325 | 11.3% |
| Totals | 1,515,020,262 | 20,881,238,801 | 7.3% |

¹ Prior years' data for this plan is inconsistent due to a change in reporting methodology.

Chart 1. Administrative Costs at Health Plan Companies in Minnesota, 2014

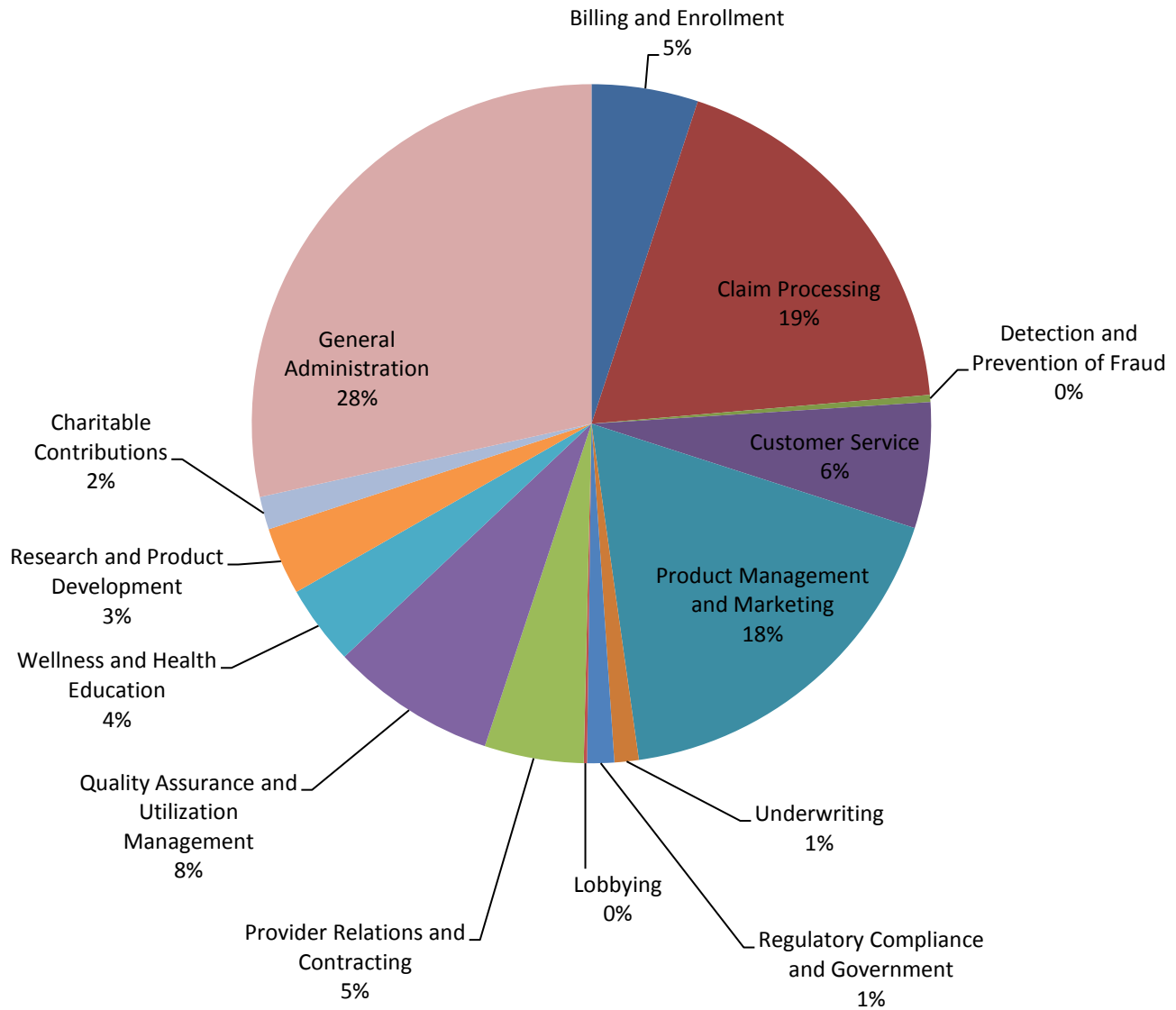


Note: Includes health plan companies, insurance carriers, and non-profit health service corporations licensed in Minnesota; includes administrative expenses across all product lines.

Source: MDH, Health Economics Program analysis of health plan annual reports.

Chart 2. Administrative Costs at Minnesota's Nonprofit Health Plan Companies and Affiliated Insurance Carriers, 2014

**Reflects 89.3 percent of Health Insurance Business
as Measured by Share of Medical Premium**



Note: Includes Blue Cross Blue Shield of Minnesota; includes administrative expenses across all product lines.

Source: MDH, Health Economics Program analysis of health plan annual reports.

2014 Administrative Spending: Aetna Life Insurance Company

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 3.6% |
| Commercial Administrative Spending as percent of Commercial Spending: | 5.5% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 18.1% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|------------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 391,608 | 385,255 | 776,863 |
| Claim Processing | 605,354 | 595,534 | 1,200,888 |
| Detection and Prevention of Fraud | 1,117,300 | 1,099,173 | 2,216,473 |
| Customer Service | 15,366 | 15,117 | 30,483 |
| Product Management and Marketing | 1,999,968 | 1,967,522 | 3,967,490 |
| Underwriting | 162,596 | 159,958 | 322,554 |
| Regulatory Compliance and Government | 148,426 | 146,018 | 294,444 |
| Lobbying | 0 | 0 | |
| Provider Relations and Contracting | 205,674 | 202,337 | 408,011 |
| Quality Assurance and Utilization Management | 106,877 | 105,143 | 212,020 |
| Wellness and Health Education | 223,899 | 220,267 | 444,166 |
| Research and Product Development | 55,589 | 54,687 | 110,276 |
| Charitable Contributions | 0 | 0 | |
| General Administration | 1,561,695 | 1,536,359 | 3,098,054 |
| Total Indirect Health Care Expenses | 6,594,352 | 6,487,370 | 13,081,722 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|-----------|--------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 1,287,940 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: American Family Mutual Insurance Company

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 17.0% |
| Commercial Administrative Spending as percent of Commercial Spending: | 11.8% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 38.2% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|----------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 50,406 | 41,120 | 91,526 |
| Claim Processing | 64,459 | 52,584 | 117,043 |
| Detection and Prevention of Fraud | | | |
| Customer Service | 16,996 | 3,215 | 20,211 |
| Product Management and Marketing | 19,548 | 1,905 | 21,453 |
| Underwriting | 10,451 | 22,568 | 33,019 |
| Regulatory Compliance and Government | 23,407 | 19,095 | 42,502 |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | 18 | 14 | 32 |
| General Administration | 39,968 | 43,254 | 83,222 |
| Total Indirect Health Care Expenses | 225,253 | 183,755 | 409,008 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|---------|--------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 115,528 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: American Heritage Life Insurance Company

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 36.1% |
| Commercial Administrative Spending as percent of Commercial Spending: | 36.1% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|----------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 26,548 | 10,964 | 37,512 |
| Claim Processing | 25,884 | 13,889 | 39,773 |
| Detection and Prevention of Fraud | 1,375 | 152 | 1,527 |
| Customer Service | 22,498 | 14,738 | 37,236 |
| Product Management and Marketing | 16,466 | 6,159 | 22,625 |
| Underwriting | 21,517 | 9,372 | 30,889 |
| Regulatory Compliance and Government | | | |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | 15,208 | 2,701 | 17,909 |
| Charitable Contributions | | | |
| General Administration | 268,745 | 279,464 | 548,209 |
| Total Indirect Health Care Expenses | 398,241 | 337,439 | 735,680 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|--|--------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Ameritas Life Insurance Corp

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 13.2% |
| Commercial Administrative Spending as percent of Commercial Spending: | 11.0% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|----------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | | | |
| Claim Processing | | | |
| Detection and Prevention of Fraud | | | |
| Customer Service | | | |
| Product Management and Marketing | | | |
| Underwriting | | | |
| Regulatory Compliance and Government | | | |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | 192,947 | 103,894 | 296,841 |
| Total Indirect Health Care Expenses | 192,947 | 103,894 | 296,841 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|--------|--------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 81,273 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: BCS Insurance Company

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 7.9% |
| Commercial Administrative Spending as percent of Commercial Spending: | 8.4% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | | | |
| Claim Processing | | | |
| Detection and Prevention of Fraud | | | |
| Customer Service | | | |
| Product Management and Marketing | | | |
| Underwriting | | | |
| Regulatory Compliance and Government | | | |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | | 131,246 | 131,246 |
| Total Indirect Health Care Expenses | | 131,246 | 131,246 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|---------|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 293,789 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Bankers Life and Casualty Company

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 12.3% |
| Commercial Administrative Spending as percent of Commercial Spending: | 1.9% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 14.4% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 1,249 | 2,141 | 3,390 |
| Claim Processing | 26,741 | 45,834 | 72,575 |
| Detection and Prevention of Fraud | 5,594 | 9,589 | 15,183 |
| Customer Service | 14,639 | 25,091 | 39,730 |
| Product Management and Marketing | 96,240 | 164,955 | 261,195 |
| Underwriting | 18,648 | 31,962 | 50,610 |
| Regulatory Compliance and Government | 2,033 | 3,484 | 5,517 |
| Lobbying | 559 | 959 | 1,518 |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | 149 | 256 | 405 |
| Research and Product Development | 4,121 | 7,064 | 11,185 |
| Charitable Contributions | | | |
| General Administration | 30,359 | 52,035 | 82,394 |
| Total Indirect Health Care Expenses | 200,332 | 343,370 | 543,702 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|--|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Blue Cross Blue Shield of Minnesota

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 6.8% |
| Commercial Administrative Spending as percent of Commercial Spending: | 9.5% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 14.9% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|--------------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 10,220,000 | 2,459,000 | 12,679,000 |
| Claim Processing | 37,324,000 | 66,986,000 | 104,310,000 |
| Detection and Prevention of Fraud | 361,000 | 287,000 | 648,000 |
| Customer Service | 11,209,000 | 5,495,000 | 16,704,000 |
| Product Management and Marketing | 11,673,000 | 58,505,000 | 70,178,000 |
| Underwriting | 2,124,000 | 816,000 | 2,940,000 |
| Regulatory Compliance and Government | 550,000 | 262,000 | 812,000 |
| Lobbying | 107,000 | 380,000 | 487,000 |
| Provider Relations and Contracting | 8,660,000 | 5,960,000 | 14,620,000 |
| Quality Assurance and Utilization Management | 6,874,000 | 4,317,000 | 11,191,000 |
| Wellness and Health Education | 4,649,000 | 8,393,000 | 13,042,000 |
| Research and Product Development | 9,749,000 | 14,212,000 | 23,961,000 |
| Charitable Contributions | 0 | 3,487,000 | 3,487,000 |
| General Administration | 31,610,000 | 42,836,000 | 74,446,000 |
| Total Indirect Health Care Expenses | 135,110,000 | 214,395,000 | 349,505,000 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|------------|--------------------|
| MinnesotaCare Tax | 83,677,000 | |
| Other Taxes and Assessments | 94,015,000 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------|----------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | 545,320 | 545,320 | |
| Other Capital Costs | | | |
| Total Capital Expenditures | 545,320 | 545,320 | |

2014 Administrative Spending: Blue Plus

| | |
|---|--------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 8.4% |
| Commercial Administrative Spending as percent of Commercial Spending: | 12.0% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | 7.6% |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 16.4% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 1,095,000 | 466,000 | 1,561,000 |
| Claim Processing | 5,466,000 | 9,996,000 | 15,462,000 |
| Detection and Prevention of Fraud | 43,000 | 34,000 | 77,000 |
| Customer Service | 1,053,000 | 536,000 | 1,589,000 |
| Product Management and Marketing | 293,000 | 1,925,000 | 2,218,000 |
| Underwriting | 24,000 | 6,000 | 30,000 |
| Regulatory Compliance and Government | 102,000 | 147,000 | 249,000 |
| Lobbying | 23,000 | 71,000 | 94,000 |
| Provider Relations and Contracting | 1,363,000 | 876,000 | 2,239,000 |
| Quality Assurance and Utilization Management | 3,964,000 | 1,475,000 | 5,439,000 |
| Wellness and Health Education | 2,897,000 | 1,273,000 | 4,170,000 |
| Research and Product Development | 1,446,000 | 2,108,000 | 3,554,000 |
| Charitable Contributions | 0 | 371,000 | 371,000 |
| General Administration | 8,015,000 | 17,371,000 | 25,386,000 |
| Total Indirect Health Care Expenses | 25,784,000 | 36,655,000 | 62,439,000 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|------------|---------------------------|
| MinnesotaCare Tax | 13,368,000 | |
| Other Taxes and Assessments | 11,146,000 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | 545,320 | 545,320 | |
| Other Capital Costs | | | |
| Total Capital Expenditures | 545,320 | 545,320 | |

2014 Administrative Spending: Cigna Health & Life Insurance Company

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 1.8% |
| Commercial Administrative Spending as percent of Commercial Spending: | 9.9% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 33.8% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|------------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 626,943 | 1,031,636 | 1,658,579 |
| Claim Processing | 1,085,827 | 1,786,730 | 2,872,557 |
| Detection and Prevention of Fraud | | | |
| Customer Service | 235,029 | 386,742 | 621,771 |
| Product Management and Marketing | 350,909 | 577,422 | 928,331 |
| Underwriting | | | |
| Regulatory Compliance and Government | 2,971 | 4,889 | 7,860 |
| Lobbying | | | |
| Provider Relations and Contracting | 115,880 | 190,680 | 306,560 |
| Quality Assurance and Utilization Management | 5,942 | 9,778 | 15,720 |
| Wellness and Health Education | | | |
| Research and Product Development | 14,856 | 24,445 | 39,301 |
| Charitable Contributions | | | |
| General Administration | 532,753 | 876,646 | 1,409,399 |
| Total Indirect Health Care Expenses | 2,971,110 | 4,888,968 | 7,860,078 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|---------|--------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 771,775 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Companion Life Insurance Company

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 7.9% |
| Commercial Administrative Spending as percent of Commercial Spending: | 24.6% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|----------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 5,166 | 2,471 | 7,637 |
| Claim Processing | 1,014 | 202 | 1,216 |
| Detection and Prevention of Fraud | 0 | 0 | |
| Customer Service | 5,166 | 2,471 | 7,637 |
| Product Management and Marketing | 249,184 | 203,434 | 452,618 |
| Underwriting | 8,314 | 1,853 | 10,167 |
| Regulatory Compliance and Government | 8,838 | 3,438 | 12,276 |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | 451 | 757 | 1,208 |
| Total Indirect Health Care Expenses | 278,133 | 214,626 | 492,759 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|---------|--------------------|
| MinnesotaCare Tax | 0 | |
| Other Taxes and Assessments | 189,516 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | 0 | 0 | |
| Capital Acquisitions | 0 | 0 | |
| Other Capital Costs | 0 | 0 | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Continental Life Insurance Company of Brentwood TN

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 8.8% |
| Commercial Administrative Spending as percent of Commercial Spending: | 26.0% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 8.7% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|----------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 37,104 | 49,858 | 86,962 |
| Claim Processing | 23,054 | 95,100 | 118,154 |
| Detection and Prevention of Fraud | 0 | 0 | |
| Customer Service | 16,601 | 13,517 | 30,118 |
| Product Management and Marketing | 4,058 | 23,694 | 27,752 |
| Underwriting | 37,104 | 49,858 | 86,962 |
| Regulatory Compliance and Government | 13 | 1,600 | 1,613 |
| Lobbying | 0 | 0 | |
| Provider Relations and Contracting | 4,068 | 16,782 | 20,850 |
| Quality Assurance and Utilization Management | 0 | 0 | |
| Wellness and Health Education | 0 | 0 | |
| Research and Product Development | 1,015 | 5,924 | 6,939 |
| Charitable Contributions | 0 | 0 | |
| General Administration | 94,844 | 118,113 | 212,957 |
| Total Indirect Health Care Expenses | 217,861 | 374,446 | 592,307 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|--|--------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Delta Dental Plan of Minnesota

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 9.9% |
| Commercial Administrative Spending as percent of Commercial Spending: | 25.3% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | 4.1% |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|-------------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | | 5,458,117 | 5,458,117 |
| Claim Processing | | 9,361,266 | 9,361,266 |
| Detection and Prevention of Fraud | | 1,455,498 | 1,455,498 |
| Customer Service | | 12,735,607 | 12,735,607 |
| Product Management and Marketing | 1,939,930 | 8,457,019 | 10,396,949 |
| Underwriting | 208,476 | 73,363 | 281,839 |
| Regulatory Compliance and Government | 328,419 | 322,751 | 651,170 |
| Lobbying | | 13,938 | 13,938 |
| Provider Relations and Contracting | 351,985 | 2,518,539 | 2,870,524 |
| Quality Assurance and Utilization Management | | 2,034,512 | 2,034,512 |
| Wellness and Health Education | | 224,422 | 224,422 |
| Research and Product Development | | 7,771 | 7,771 |
| Charitable Contributions | 182,125 | 516,202 | 698,327 |
| General Administration | 3,779,346 | 6,894,732 | 10,674,078 |
| Total Indirect Health Care Expenses | 6,790,281 | 50,073,737 | 56,864,018 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|-----------|--------------------|
| MinnesotaCare Tax | 9,486,395 | |
| Other Taxes and Assessments | 2,313,408 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | 0 | 0 | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Envision Insurance Company

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 1.9% |
| Commercial Administrative Spending as percent of Commercial Spending: | Not Applicable |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 1.9% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|---------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | | | |
| Claim Processing | | | |
| Detection and Prevention of Fraud | | | |
| Customer Service | | | |
| Product Management and Marketing | | | |
| Underwriting | | | |
| Regulatory Compliance and Government | | | |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | 25,853 | 86,084 | 111,937 |
| Total Indirect Health Care Expenses | 25,853 | 86,084 | 111,937 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|-----|--------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 400 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Federated Mutual Insurance Company

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 15.3% |
| Commercial Administrative Spending as percent of Commercial Spending: | 15.3% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|------------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 92,902 | 78,621 | 171,523 |
| Claim Processing | 872,962 | 1,404,274 | 2,277,236 |
| Detection and Prevention of Fraud | | | |
| Customer Service | 42,175 | 12,304 | 54,479 |
| Product Management and Marketing | 728,433 | 649,698 | 1,378,131 |
| Underwriting | 293,268 | 107,957 | 401,225 |
| Regulatory Compliance and Government | 93,364 | 34,878 | 128,242 |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | 34,507 | 11,483 | 45,990 |
| Wellness and Health Education | | | |
| Research and Product Development | 42,224 | 10,161 | 52,385 |
| Charitable Contributions | | | |
| General Administration | 1,337,916 | 925,707 | 2,263,623 |
| Total Indirect Health Care Expenses | 3,537,751 | 3,235,083 | 6,772,834 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|-----------|--------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 1,373,423 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: First Health Life & Health Insurance Company

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 16.4% |
| Commercial Administrative Spending as percent of Commercial Spending: | 8.8% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 16.4% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | | | |
| Claim Processing | | | |
| Detection and Prevention of Fraud | | | |
| Customer Service | | | |
| Product Management and Marketing | | | |
| Underwriting | | | |
| Regulatory Compliance and Government | | | |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | 885,490 | 1,177,331 | 2,062,821 |
| Total Indirect Health Care Expenses | 885,490 | 1,177,331 | 2,062,821 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|-------|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 2,344 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Guardian Life Insurance Company of America

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 16.4% |
| Commercial Administrative Spending as percent of Commercial Spending: | 20.0% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 62,040 | 72,828 | 134,868 |
| Claim Processing | 25,821 | 103,284 | 129,105 |
| Detection and Prevention of Fraud | 1,635 | 545 | 2,180 |
| Customer Service | 29,523 | 27,251 | 56,774 |
| Product Management and Marketing | 192,689 | 1,011,617 | 1,204,306 |
| Underwriting | | | |
| Regulatory Compliance and Government | 6,441 | 5,946 | 12,387 |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | 8,602 | 8,602 |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | 92,828 | 79,388 | 172,216 |
| Total Indirect Health Care Expenses | 410,977 | 1,309,461 | 1,720,438 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|---------|---------------------------|
| MinnesotaCare Tax | 0 | |
| Other Taxes and Assessments | 636,660 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Gundersen Lutheran Health Plan Minnesota

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 5.3% |
| Commercial Administrative Spending as percent of Commercial Spending: | 12.3% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 4.2% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | | 21,140 | 21,140 |
| Claim Processing | | 36 | 36 |
| Detection and Prevention of Fraud | | | |
| Customer Service | | | |
| Product Management and Marketing | | 37,245 | 37,245 |
| Underwriting | | | |
| Regulatory Compliance and Government | | 54,942 | 54,942 |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | 5,167 | 5,167 |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | 38,941 | 54,151 | 93,092 |
| Total Indirect Health Care Expenses | 38,941 | 172,681 | 211,622 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|--------|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 34,960 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: HCC Life Insurance Company

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 7.7% |
| Commercial Administrative Spending as percent of Commercial Spending: | Not Applicable |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|----------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 95,309 | 24,434 | 119,743 |
| Claim Processing | 17,614 | 4,516 | 22,130 |
| Detection and Prevention of Fraud | | | |
| Customer Service | | | |
| Product Management and Marketing | 23,479 | 6,019 | 29,498 |
| Underwriting | 75,013 | 19,231 | 94,244 |
| Regulatory Compliance and Government | | | |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | 218,503 | 56,016 | 274,519 |
| Total Indirect Health Care Expenses | 429,918 | 110,216 | 540,134 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|---------|--------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 322,913 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Health Care Service Corporation

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 7.1% |
| Commercial Administrative Spending as percent of Commercial Spending: | 5.9% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 13.0% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|---------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | | | |
| Claim Processing | | | |
| Detection and Prevention of Fraud | | | |
| Customer Service | | | |
| Product Management and Marketing | | | |
| Underwriting | | | |
| Regulatory Compliance and Government | | | |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | 3,888,130 | | 3,888,130 |
| Total Indirect Health Care Expenses | 3,888,130 | | 3,888,130 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|--|--------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: HealthPartners Insurance Company

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 7.4% |
| Commercial Administrative Spending as percent of Commercial Spending: | 7.4% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 1,660,773 | 508,818 | 2,169,591 |
| Claim Processing | 3,930,080 | 2,171,186 | 6,101,266 |
| Detection and Prevention of Fraud | 110,821 | 35,312 | 146,133 |
| Customer Service | 2,622,654 | 139,556 | 2,762,210 |
| Product Management and Marketing | 4,018,870 | 2,122,033 | 6,140,903 |
| Underwriting | 919,362 | 51,834 | 971,196 |
| Regulatory Compliance and Government | 261,022 | 332,570 | 593,592 |
| Lobbying | 97,165 | 0 | 97,165 |
| Provider Relations and Contracting | 1,257,310 | 55,119 | 1,312,429 |
| Quality Assurance and Utilization Management | 5,244,837 | 799,909 | 6,044,746 |
| Wellness and Health Education | 1,431,831 | 2,347,680 | 3,779,511 |
| Research and Product Development | 316,090 | 73,306 | 389,396 |
| Charitable Contributions | 0 | 140,784 | 140,784 |
| General Administration | 12,943,941 | 9,772,137 | 22,716,078 |
| Total Indirect Health Care Expenses | 34,814,756 | 18,550,244 | 53,365,000 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|------------|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 59,565,000 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: HealthPartners, Inc.

| | |
|--|------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 7.6% |
| Commercial Administrative Spending as percent of Commercial Spending: | 9.6% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | 6.2% |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 7.4% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|-------------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 7,969,231 | 2,441,566 | 10,410,797 |
| Claim Processing | 18,858,523 | 10,418,454 | 29,276,977 |
| Detection and Prevention of Fraud | 531,775 | 169,445 | 701,220 |
| Customer Service | 12,584,826 | 669,661 | 13,254,487 |
| Product Management and Marketing | 19,284,582 | 10,182,594 | 29,467,176 |
| Underwriting | 4,411,568 | 248,727 | 4,660,295 |
| Regulatory Compliance and Government | 1,252,517 | 1,595,841 | 2,848,358 |
| Lobbying | 466,245 | 0 | 466,245 |
| Provider Relations and Contracting | 6,033,210 | 264,487 | 6,297,697 |
| Quality Assurance and Utilization Management | 25,167,394 | 3,838,371 | 29,005,765 |
| Wellness and Health Education | 6,870,652 | 11,265,362 | 18,136,014 |
| Research and Product Development | 1,516,763 | 351,761 | 1,868,524 |
| Charitable Contributions | 0 | 675,555 | 675,555 |
| General Administration | 62,111,608 | 46,891,681 | 109,003,289 |
| Total Indirect Health Care Expenses | 167,058,894 | 89,013,505 | 256,072,399 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|------------|--------------------|
| MinnesotaCare Tax | 22,440,215 | |
| Other Taxes and Assessments | 65,663,000 | |

| Capital Costs | | | Calendar Year 2014 |
|---|-------------------|-------------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | 22,085,651 | 22,238,492 | |
| Capital Acquisitions | 15,229,076 | 15,440,403 | |
| Other Capital Costs | 0 | 0 | |
| Total Capital Expenditures | 37,314,727 | 37,678,895 | |

2014 Administrative Spending: Humana Insurance Company

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 12.4% |
| Commercial Administrative Spending as percent of Commercial Spending: | 8.9% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 12.4% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 561,856 | 6,781,621 | 7,343,477 |
| Claim Processing | 76,000 | 917,326 | 993,326 |
| Detection and Prevention of Fraud | | | |
| Customer Service | 320,244 | 3,865,357 | 4,185,601 |
| Product Management and Marketing | 1,090,740 | 13,165,265 | 14,256,005 |
| Underwriting | | | |
| Regulatory Compliance and Government | 254,671 | 3,073,884 | 3,328,555 |
| Lobbying | | | |
| Provider Relations and Contracting | 340,289 | 4,107,298 | 4,447,587 |
| Quality Assurance and Utilization Management | 264,354 | 3,190,756 | 3,455,110 |
| Wellness and Health Education | | | |
| Research and Product Development | 176,213 | 2,126,896 | 2,303,109 |
| Charitable Contributions | | | |
| General Administration | 15,078 | 181,998 | 197,076 |
| Total Indirect Health Care Expenses | 3,099,445 | 37,410,401 | 40,509,846 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|--|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: HumanaDental Insurance Company

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 12.9% |
| Commercial Administrative Spending as percent of Commercial Spending: | 12.9% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 10,296 | 121,075 | 131,371 |
| Claim Processing | 1,393 | 16,377 | 17,770 |
| Detection and Prevention of Fraud | | | |
| Customer Service | 5,868 | 69,010 | 74,878 |
| Product Management and Marketing | 19,987 | 235,047 | 255,034 |
| Underwriting | | | |
| Regulatory Compliance and Government | 4,667 | 54,879 | 59,546 |
| Lobbying | | | |
| Provider Relations and Contracting | 6,236 | 73,330 | 79,566 |
| Quality Assurance and Utilization Management | 436 | 5,127 | 5,563 |
| Wellness and Health Education | | | |
| Research and Product Development | 3,229 | 37,972 | 41,201 |
| Charitable Contributions | | | |
| General Administration | 276 | 3,249 | 3,525 |
| Total Indirect Health Care Expenses | 52,388 | 616,066 | 668,454 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|--|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Itasca Medical Care

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 10.4% |
| Commercial Administrative Spending as percent of Commercial Spending: | Not Applicable |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | 10.4% |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 88,479 | 181,725 | 270,204 |
| Claim Processing | 287,596 | 1,575,442 | 1,863,038 |
| Detection and Prevention of Fraud | 57,189 | 0 | 57,189 |
| Customer Service | 107,226 | 64,825 | 172,051 |
| Product Management and Marketing | 0 | 0 | |
| Underwriting | 0 | 0 | |
| Regulatory Compliance and Government | 133,500 | 733,436 | 866,936 |
| Lobbying | 0 | 0 | |
| Provider Relations and Contracting | 30,639 | 211,843 | 242,482 |
| Quality Assurance and Utilization Management | 764,417 | 842,628 | 1,607,045 |
| Wellness and Health Education | 77,948 | 6,427 | 84,375 |
| Research and Product Development | 0 | 0 | |
| Charitable Contributions | 0 | 9,860 | 9,860 |
| General Administration | 301,354 | 403,847 | 705,201 |
| Total Indirect Health Care Expenses | 1,848,348 | 4,030,033 | 5,878,381 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|---------|---------------------------|
| MinnesotaCare Tax | 178,797 | |
| Other Taxes and Assessments | 11,436 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Lincoln National Life Insurance Company

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 10.2% |
| Commercial Administrative Spending as percent of Commercial Spending: | 10.2% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | | | |
| Claim Processing | | | |
| Detection and Prevention of Fraud | | | |
| Customer Service | | | |
| Product Management and Marketing | | | |
| Underwriting | | | |
| Regulatory Compliance and Government | | | |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | 455,368 | 181,140 | 636,508 |
| Total Indirect Health Care Expenses | 455,368 | 181,140 | 636,508 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|--|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Medica Health Plans

| | |
|---|--------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 4.0% |
| Commercial Administrative Spending as percent of Commercial Spending: | 1.0% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | 3.9% |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 19.0% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 322,810 | 4,644,757 | 4,967,567 |
| Claim Processing | 939,306 | 8,048,738 | 8,988,044 |
| Detection and Prevention of Fraud | 606,605 | 5,414 | 612,019 |
| Customer Service | 4,593,421 | 1,153,109 | 5,746,530 |
| Product Management and Marketing | 1,212,471 | 1,355,481 | 2,567,952 |
| Underwriting | 3,923 | 351 | 4,274 |
| Regulatory Compliance and Government | 595,153 | 450,889 | 1,046,042 |
| Lobbying | 21,540 | 40,782 | 62,322 |
| Provider Relations and Contracting | 1,817,919 | 669,894 | 2,487,813 |
| Quality Assurance and Utilization Management | 182,506 | 1,673,160 | 1,855,666 |
| Wellness and Health Education | 9,031 | 2,309 | 11,340 |
| Research and Product Development | 278,742 | 887,760 | 1,166,502 |
| Charitable Contributions | 0 | 0 | |
| General Administration | 8,131,277 | 16,828,781 | 24,960,058 |
| Total Indirect Health Care Expenses | 18,714,704 | 35,761,425 | 54,476,129 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|------------|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 18,614,470 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Medica Health Plans of Wisconsin

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 13.2% |
| Commercial Administrative Spending as percent of Commercial Spending: | 13.2% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 63,032 | 21,600 | 84,632 |
| Claim Processing | 34,958 | 7,540 | 42,498 |
| Detection and Prevention of Fraud | 0 | 0 | |
| Customer Service | 78,118 | 12,106 | 90,224 |
| Product Management and Marketing | 82,897 | 201,101 | 283,998 |
| Underwriting | 91,966 | 17,931 | 109,897 |
| Regulatory Compliance and Government | 2,699 | 2,251 | 4,950 |
| Lobbying | 854 | 1,004 | 1,858 |
| Provider Relations and Contracting | 39,585 | 4,356 | 43,941 |
| Quality Assurance and Utilization Management | 2,269 | 343 | 2,612 |
| Wellness and Health Education | 149 | 39 | 188 |
| Research and Product Development | 45,371 | 5,094 | 50,465 |
| Charitable Contributions | 0 | 0 | |
| General Administration | 391,427 | 586,829 | 978,256 |
| Total Indirect Health Care Expenses | 833,325 | 860,194 | 1,693,519 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|---------|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 316,008 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Medica Insurance Company

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 10.8% |
| Commercial Administrative Spending as percent of Commercial Spending: | 8.0% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 14.8% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 1,330,313 | 10,672,593 | 12,002,906 |
| Claim Processing | 1,361,155 | 17,532,327 | 18,893,482 |
| Detection and Prevention of Fraud | 182,864 | 1,619 | 184,483 |
| Customer Service | 9,584,612 | 1,687,276 | 11,271,888 |
| Product Management and Marketing | 5,549,642 | 57,807,353 | 63,356,995 |
| Underwriting | 1,652,517 | 189,011 | 1,841,528 |
| Regulatory Compliance and Government | 818,147 | 885,155 | 1,703,302 |
| Lobbying | 42,060 | 302,544 | 344,604 |
| Provider Relations and Contracting | 2,779,896 | 1,088,583 | 3,868,479 |
| Quality Assurance and Utilization Management | 106,547 | 544,063 | 650,610 |
| Wellness and Health Education | 78,117 | 20,745 | 98,862 |
| Research and Product Development | 1,913,620 | 2,138,837 | 4,052,457 |
| Charitable Contributions | 0 | 0 | |
| General Administration | 19,301,253 | 25,702,085 | 45,003,338 |
| Total Indirect Health Care Expenses | 44,700,743 | 118,572,191 | 163,272,934 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|------------|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 53,943,707 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Medica Self Insured

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 4.5% |
| Commercial Administrative Spending as percent of Commercial Spending: | Not Applicable |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 200,751 | 7,817,177 | 8,017,928 |
| Claim Processing | 1,852,329 | 14,078,594 | 15,930,923 |
| Detection and Prevention of Fraud | 65,795 | 589 | 66,384 |
| Customer Service | 5,316,698 | 967,532 | 6,284,230 |
| Product Management and Marketing | 4,914,736 | 5,236,704 | 10,151,440 |
| Underwriting | 884,226 | 56,451 | 940,677 |
| Regulatory Compliance and Government | 295,762 | 564,981 | 860,743 |
| Lobbying | 36,503 | 42,663 | 79,166 |
| Provider Relations and Contracting | 2,487,613 | 876,545 | 3,364,158 |
| Quality Assurance and Utilization Management | 104,461 | 454,141 | 558,602 |
| Wellness and Health Education | 71,109 | 20,757 | 91,866 |
| Research and Product Development | 586,746 | 1,562,486 | 2,149,232 |
| Charitable Contributions | 0 | 0 | |
| General Administration | 12,168,916 | 13,629,932 | 25,798,848 |
| Total Indirect Health Care Expenses | 28,985,645 | 45,308,552 | 74,294,197 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|----------|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | -771,561 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Metropolitan HealthPlan (MHP)

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 13.1% |
| Commercial Administrative Spending as percent of Commercial Spending: | Not Applicable |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | 13.1% |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 229,636 | 649,319 | 878,955 |
| Claim Processing | 730,083 | 1,063,908 | 1,793,991 |
| Detection and Prevention of Fraud | 87,456 | 17,490 | 104,946 |
| Customer Service | 689,031 | 700,702 | 1,389,733 |
| Product Management and Marketing | 203,426 | 447,434 | 650,860 |
| Underwriting | | | |
| Regulatory Compliance and Government | 942,055 | 1,191,757 | 2,133,812 |
| Lobbying | | 30,000 | 30,000 |
| Provider Relations and Contracting | 455,672 | 467,943 | 923,615 |
| Quality Assurance and Utilization Management | 973,985 | 1,904,862 | 2,878,847 |
| Wellness and Health Education | 74,062 | 17,490 | 91,552 |
| Research and Product Development | 123,642 | 889,892 | 1,013,534 |
| Charitable Contributions | 0 | 46,617 | 46,617 |
| General Administration | 914,849 | 8,119,414 | 9,034,263 |
| Total Indirect Health Care Expenses | 5,423,897 | 15,546,828 | 20,970,725 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|-----------|---------------------------|
| MinnesotaCare Tax | 1,345,464 | |
| Other Taxes and Assessments | 2,260,366 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Metropolitan Life Insurance Company

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 9.7% |
| Commercial Administrative Spending as percent of Commercial Spending: | 11.4% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 78,842 | 83,193 | 162,035 |
| Claim Processing | 107,423 | 605,350 | 712,773 |
| Detection and Prevention of Fraud | 3,163 | 0 | 3,163 |
| Customer Service | 132,796 | 217,668 | 350,464 |
| Product Management and Marketing | 1,168,112 | 2,136,797 | 3,304,909 |
| Underwriting | 106,903 | 11,971 | 118,874 |
| Regulatory Compliance and Government | 2,769 | 19,987 | 22,756 |
| Lobbying | 0 | 0 | |
| Provider Relations and Contracting | 27,893 | 49,651 | 77,544 |
| Quality Assurance and Utilization Management | 13,436 | 9,764 | 23,200 |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | 23,231 | 1,387,642 | 1,410,873 |
| Total Indirect Health Care Expenses | 1,664,568 | 4,522,023 | 6,186,591 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|-----------|---------------------------|
| MinnesotaCare Tax | 0 | |
| Other Taxes and Assessments | 1,096,901 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | 0 | 0 | |
| Capital Acquisitions | 0 | 0 | |
| Other Capital Costs | 0 | 0 | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Mutual of Omaha Insurance Company

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 8.8% |
| Commercial Administrative Spending as percent of Commercial Spending: | 49.5% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 7.1% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|----------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 947 | 1,485 | 2,432 |
| Claim Processing | 15,017 | 36,819 | 51,836 |
| Detection and Prevention of Fraud | 1,373 | 1,047 | 2,420 |
| Customer Service | 16,341 | 4,090 | 20,431 |
| Product Management and Marketing | 6,778 | 92,419 | 99,197 |
| Underwriting | 520 | 292 | 812 |
| Regulatory Compliance and Government | 2 | 3,528 | 3,530 |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | 329 | 113 | 442 |
| Charitable Contributions | | | |
| General Administration | 38,942 | 24,765 | 63,707 |
| Total Indirect Health Care Expenses | 80,249 | 164,558 | 244,807 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|---------|--------------------|
| MinnesotaCare Tax | 53,210 | |
| Other Taxes and Assessments | 100,950 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Pan-American Life

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 4.9% |
| Commercial Administrative Spending as percent of Commercial Spending: | 4.1% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 59,762 | 58,928 | 118,690 |
| Claim Processing | 39,841 | 39,285 | 79,126 |
| Detection and Prevention of Fraud | | | |
| Customer Service | | | |
| Product Management and Marketing | | | |
| Underwriting | | | |
| Regulatory Compliance and Government | | | |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | | | |
| Total Indirect Health Care Expenses | 99,603 | 98,213 | 197,816 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|---------|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 152,659 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: PreferredOne Community Health Plan

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 9.4% |
| Commercial Administrative Spending as percent of Commercial Spending: | 9.4% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|------------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 119,574 | 81,391 | 200,965 |
| Claim Processing | 193,644 | 131,808 | 325,452 |
| Detection and Prevention of Fraud | 28,001 | 19,060 | 47,061 |
| Customer Service | 176,494 | 120,135 | 296,629 |
| Product Management and Marketing | 410,967 | 2,230,898 | 2,641,865 |
| Underwriting | 149,851 | 102,000 | 251,851 |
| Regulatory Compliance and Government | 95,472 | 64,985 | 160,457 |
| Lobbying | 3,158 | 2,150 | 5,308 |
| Provider Relations and Contracting | 137,359 | 93,497 | 230,856 |
| Quality Assurance and Utilization Management | 108,758 | 74,029 | 182,787 |
| Wellness and Health Education | 34,671 | 375,485 | 410,156 |
| Research and Product Development | 67,030 | 45,625 | 112,655 |
| Charitable Contributions | 0 | 0 | |
| General Administration | 239,430 | 335,996 | 575,426 |
| Total Indirect Health Care Expenses | 1,764,409 | 3,677,059 | 5,441,468 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|-----------|--------------------|
| MinnesotaCare Tax | 1,063,623 | |
| Other Taxes and Assessments | 2,935,274 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: PreferredOne Insurance Company

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 9.8% |
| Commercial Administrative Spending as percent of Commercial Spending: | 9.5% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|-------------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 1,080,081 | 735,181 | 1,815,262 |
| Claim Processing | 1,749,135 | 1,190,588 | 2,939,723 |
| Detection and Prevention of Fraud | 252,927 | 172,161 | 425,088 |
| Customer Service | 1,594,223 | 1,085,143 | 2,679,366 |
| Product Management and Marketing | 3,712,151 | 14,701,662 | 18,413,813 |
| Underwriting | 1,353,568 | 921,336 | 2,274,904 |
| Regulatory Compliance and Government | 862,375 | 586,995 | 1,449,370 |
| Lobbying | 28,528 | 19,418 | 47,946 |
| Provider Relations and Contracting | 1,240,731 | 844,531 | 2,085,262 |
| Quality Assurance and Utilization Management | 982,384 | 668,682 | 1,651,066 |
| Wellness and Health Education | 313,171 | 1,661,232 | 1,974,403 |
| Research and Product Development | 605,464 | 412,122 | 1,017,586 |
| Charitable Contributions | 0 | 0 | |
| General Administration | 2,162,712 | 4,288,203 | 6,450,915 |
| Total Indirect Health Care Expenses | 15,937,450 | 27,287,254 | 43,224,704 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|------------|--------------------|
| MinnesotaCare Tax | 7,722,122 | |
| Other Taxes and Assessments | 20,201,426 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: PrimeWest Health

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 8.8% |
| Commercial Administrative Spending as percent of Commercial Spending: | Not Applicable |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | 8.8% |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|-------------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 278,838 | 171,883 | 450,721 |
| Claim Processing | 2,294,527 | 3,386,633 | 5,681,160 |
| Detection and Prevention of Fraud | 197,262 | 439,533 | 636,795 |
| Customer Service | 352,707 | 762,451 | 1,115,158 |
| Product Management and Marketing | 195,999 | 30,071 | 226,070 |
| Underwriting | 0 | 0 | |
| Regulatory Compliance and Government | 374,891 | 632,525 | 1,007,416 |
| Lobbying | 0 | 30,000 | 30,000 |
| Provider Relations and Contracting | 762,364 | 323,560 | 1,085,924 |
| Quality Assurance and Utilization Management | 2,147,470 | 2,242,395 | 4,389,865 |
| Wellness and Health Education | 65,021 | 33,546 | 98,567 |
| Research and Product Development | 0 | 874 | 874 |
| Charitable Contributions | 0 | 0 | |
| General Administration | 2,221,194 | 3,817,180 | 6,038,374 |
| Total Indirect Health Care Expenses | 8,890,273 | 11,870,651 | 20,760,924 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|-----------|--------------------|
| MinnesotaCare Tax | 1,649,384 | |
| Other Taxes and Assessments | | |

| Capital Costs | | | Calendar Year 2014 |
|---|------------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | 4,915,740 | | |
| Other Capital Costs | 225,641 | | |
| Total Capital Expenditures | 5,141,381 | | |

2014 Administrative Spending: Principal Life Insurance Company

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 36.6% |
| Commercial Administrative Spending as percent of Commercial Spending: | 38.7% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 0.0% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 206,139 | 276,350 | 482,489 |
| Claim Processing | 1,162,526 | 1,558,487 | 2,721,013 |
| Detection and Prevention of Fraud | 0 | 0 | |
| Customer Service | 26,367 | 35,347 | 61,714 |
| Product Management and Marketing | 203,742 | 273,136 | 476,878 |
| Underwriting | 0 | 0 | |
| Regulatory Compliance and Government | 23,969 | 32,134 | 56,103 |
| Lobbying | 0 | 0 | |
| Provider Relations and Contracting | 76,703 | 102,829 | 179,532 |
| Quality Assurance and Utilization Management | 86,688 | 118,895 | 205,583 |
| Wellness and Health Education | 0 | 0 | |
| Research and Product Development | 31,161 | 41,774 | 72,935 |
| Charitable Contributions | 0 | 0 | |
| General Administration | 577,668 | 774,423 | 1,352,091 |
| Total Indirect Health Care Expenses | 2,394,963 | 3,213,375 | 5,608,338 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|---------|---------------------------|
| MinnesotaCare Tax | -20,776 | |
| Other Taxes and Assessments | 218,526 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: ReliaStar Life Insurance Company

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 10.5% |
| Commercial Administrative Spending as percent of Commercial Spending: | 33.4% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|----------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 39,731 | 19,266 | 58,997 |
| Claim Processing | 53,357 | 7,902 | 61,259 |
| Detection and Prevention of Fraud | 0 | 0 | |
| Customer Service | 2,706 | 1,458 | 4,164 |
| Product Management and Marketing | 208,232 | 64,865 | 273,097 |
| Underwriting | 97,872 | 11,520 | 109,392 |
| Regulatory Compliance and Government | 9,595 | 956 | 10,551 |
| Lobbying | 0 | 0 | |
| Provider Relations and Contracting | 0 | 0 | |
| Quality Assurance and Utilization Management | 42,564 | 23,755 | 66,319 |
| Wellness and Health Education | 0 | 0 | |
| Research and Product Development | 23,667 | 2,463 | 26,130 |
| Charitable Contributions | 0 | 4,136 | 4,136 |
| General Administration | 326,640 | 564,049 | 890,689 |
| Total Indirect Health Care Expenses | 804,364 | 700,370 | 1,504,734 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|---------|--------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 448,820 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Security Life Insurance Company of America

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 27.4% |
| Commercial Administrative Spending as percent of Commercial Spending: | 27.4% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 37,245 | 98,982 | 136,227 |
| Claim Processing | 27,186 | 161,678 | 188,864 |
| Detection and Prevention of Fraud | | | |
| Customer Service | 39,449 | 57,931 | 97,380 |
| Product Management and Marketing | 31,888 | 17,025 | 48,913 |
| Underwriting | 60,431 | -1,173 | 59,258 |
| Regulatory Compliance and Government | 36,883 | 16,408 | 53,291 |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | 3,644 | 1,914 | 5,558 |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | 10,420 | 1,186 | 11,606 |
| General Administration | 402,728 | 361,258 | 763,986 |
| Total Indirect Health Care Expenses | 649,874 | 715,209 | 1,365,083 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|---------|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 158,766 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: SilverScript Insurance Company

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 8.1% |
| Commercial Administrative Spending as percent of Commercial Spending: | Not Applicable |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 8.1% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | | | |
| Claim Processing | | | |
| Detection and Prevention of Fraud | | | |
| Customer Service | | | |
| Product Management and Marketing | | | |
| Underwriting | | | |
| Regulatory Compliance and Government | | | |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | 32,231 | 2,842,521 | 2,874,752 |
| Total Indirect Health Care Expenses | 32,231 | 2,842,521 | 2,874,752 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|---------|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 895,448 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: South Country Health Alliance

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 9.9% |
| Commercial Administrative Spending as percent of Commercial Spending: | Not Applicable |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | 9.9% |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 119,211 | 428,465 | 547,676 |
| Claim Processing | | 8,090,900 | 8,090,900 |
| Detection and Prevention of Fraud | 281,962 | 152,049 | 434,011 |
| Customer Service | 352,046 | 396,227 | 748,273 |
| Product Management and Marketing | 599,557 | 80,585 | 680,142 |
| Underwriting | | | |
| Regulatory Compliance and Government | 465,704 | 853,104 | 1,318,808 |
| Lobbying | | | |
| Provider Relations and Contracting | 380,834 | 506,990 | 887,824 |
| Quality Assurance and Utilization Management | 1,681,623 | 157,935 | 1,839,558 |
| Wellness and Health Education | 80,138 | 1,589,915 | 1,670,053 |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | 1,928,419 | 2,744,074 | 4,672,493 |
| Total Indirect Health Care Expenses | 5,889,494 | 15,000,244 | 20,889,738 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|--------|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 21,500 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | 437,219 | 437,219 | |
| Other Capital Costs | | | |
| Total Capital Expenditures | 437,219 | 437,219 | |

2014 Administrative Spending: State Farm Mutual Automobile Insurance Company

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 12.8% |
| Commercial Administrative Spending as percent of Commercial Spending: | 9.4% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 18.8% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 62,549 | 6,383 | 68,932 |
| Claim Processing | 274,135 | 487,350 | 761,485 |
| Detection and Prevention of Fraud | 14,428 | 25,650 | 40,078 |
| Customer Service | 18,244 | 5 | 18,249 |
| Product Management and Marketing | 32,838 | 937,859 | 970,697 |
| Underwriting | 3,648 | 1,720 | 5,368 |
| Regulatory Compliance and Government | 36,487 | 12,346 | 48,833 |
| Lobbying | 0 | 0 | |
| Provider Relations and Contracting | 7,818 | 2 | 7,820 |
| Quality Assurance and Utilization Management | 18,244 | 5,452 | 23,696 |
| Wellness and Health Education | 2,607 | 1 | 2,608 |
| Research and Product Development | 26,062 | 5,454 | 31,516 |
| Charitable Contributions | 0 | 12 | 12 |
| General Administration | 52,124 | 103,631 | 155,755 |
| Total Indirect Health Care Expenses | 549,184 | 1,585,865 | 2,135,049 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|---------|---------------------------|
| MinnesotaCare Tax | 0 | |
| Other Taxes and Assessments | 519,603 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | 0 | 0 | |
| Capital Acquisitions | 0 | 0 | |
| Other Capital Costs | 0 | 0 | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Sun Life Assurance Company of Canada

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 15.4% |
| Commercial Administrative Spending as percent of Commercial Spending: | 17.1% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|----------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 44,343 | 2,334 | 46,677 |
| Claim Processing | 71,720 | 9,979 | 81,699 |
| Detection and Prevention of Fraud | 0 | 0 | |
| Customer Service | 72,134 | 3,796 | 75,930 |
| Product Management and Marketing | 47,886 | 17,427 | 65,313 |
| Underwriting | 81,019 | 5,342 | 86,361 |
| Regulatory Compliance and Government | 12,800 | 673 | 13,473 |
| Lobbying | 0 | 0 | |
| Provider Relations and Contracting | 0 | 0 | |
| Quality Assurance and Utilization Management | 0 | 0 | |
| Wellness and Health Education | 0 | 0 | |
| Research and Product Development | 12,355 | 650 | 13,005 |
| Charitable Contributions | 0 | 0 | |
| General Administration | 651,639 | 70,233 | 721,872 |
| Total Indirect Health Care Expenses | 993,896 | 110,434 | 1,104,330 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|--------|--------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 43,347 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Time Insurance Company

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 14.6% |
| Commercial Administrative Spending as percent of Commercial Spending: | 14.6% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 22,681 | 64,655 | 87,336 |
| Claim Processing | 81,333 | 191,441 | 272,774 |
| Detection and Prevention of Fraud | 0 | 0 | |
| Customer Service | 314,047 | 114,778 | 428,825 |
| Product Management and Marketing | 711,034 | 614,222 | 1,325,256 |
| Underwriting | 157,464 | 75,135 | 232,599 |
| Regulatory Compliance and Government | 120,727 | 48,905 | 169,632 |
| Lobbying | 0 | 0 | |
| Provider Relations and Contracting | 0 | 210 | 210 |
| Quality Assurance and Utilization Management | 226,948 | 174,272 | 401,220 |
| Wellness and Health Education | 0 | 0 | |
| Research and Product Development | 0 | 11 | 11 |
| Charitable Contributions | 0 | 83 | 83 |
| General Administration | 469,600 | 1,790,312 | 2,259,912 |
| Total Indirect Health Care Expenses | 2,103,834 | 3,074,024 | 5,177,858 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|-----------|---------------------------|
| MinnesotaCare Tax | 16,953 | |
| Other Taxes and Assessments | 1,291,831 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: UCare Minnesota

| | |
|--|-------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 6.7% |
| Commercial Administrative Spending as percent of Commercial Spending: | 54.8% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | 6.5% |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 6.7% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|--------------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 2,893,218 | 7,211,366 | 10,104,584 |
| Claim Processing | 13,204,165 | 20,445,934 | 33,650,099 |
| Detection and Prevention of Fraud | 886,405 | 449,065 | 1,335,470 |
| Customer Service | 9,153,218 | 5,445,730 | 14,598,948 |
| Product Management and Marketing | 6,085,677 | 15,662,674 | 21,748,351 |
| Underwriting | 414,930 | 340,115 | 755,045 |
| Regulatory Compliance and Government | 3,232,994 | 1,360,073 | 4,593,067 |
| Lobbying | 56,969 | 207,325 | 264,294 |
| Provider Relations and Contracting | 6,676,709 | 16,258,330 | 22,935,039 |
| Quality Assurance and Utilization Management | 20,162,884 | 21,205,147 | 41,368,031 |
| Wellness and Health Education | 2,239,967 | 4,443,232 | 6,683,199 |
| Research and Product Development | 342,206 | 1,515,116 | 1,857,322 |
| Charitable Contributions | | 15,303,266 | 15,303,266 |
| General Administration | 8,909,171 | 11,087,455 | 19,996,626 |
| Total Indirect Health Care Expenses | 74,258,513 | 120,934,828 | 195,193,341 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|------------|--------------------|
| MinnesotaCare Tax | 20,317,078 | |
| Other Taxes and Assessments | 13,413,241 | |

| Capital Costs | | | Calendar Year 2014 |
|---|-------------------|-------------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | 31,891,314 | 31,891,314 | |
| Other Capital Costs | | | |
| Total Capital Expenditures | 31,891,314 | 31,891,314 | |

2014 Administrative Spending: Union Security Insurance Company

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 15.6% |
| Commercial Administrative Spending as percent of Commercial Spending: | 15.6% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | Not Applicable |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 8 | 17 | 25 |
| Claim Processing | 131,778 | 119,844 | 251,622 |
| Detection and Prevention of Fraud | 0 | 2,021 | 2,021 |
| Customer Service | 129,245 | 20,367 | 149,612 |
| Product Management and Marketing | 1,077,303 | 72,137 | 1,149,440 |
| Underwriting | 36,391 | 5,072 | 41,463 |
| Regulatory Compliance and Government | 11,733 | 1,037 | 12,770 |
| Lobbying | 0 | 0 | |
| Provider Relations and Contracting | 32,488 | 8,272 | 40,760 |
| Quality Assurance and Utilization Management | 0 | 151 | 151 |
| Wellness and Health Education | 0 | 0 | |
| Research and Product Development | 18,224 | 11,551 | 29,775 |
| Charitable Contributions | 0 | 0 | |
| General Administration | 167,421 | 434,753 | 602,174 |
| Total Indirect Health Care Expenses | 1,604,591 | 675,222 | 2,279,813 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|---------|---------------------------|
| MinnesotaCare Tax | 0 | |
| Other Taxes and Assessments | 242,016 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: United World Life Insurance Company

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 12.0% |
| Commercial Administrative Spending as percent of Commercial Spending: | Not Applicable |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 12.0% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|----------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 499 | 749 | 1,248 |
| Claim Processing | 15,542 | 45,703 | 61,245 |
| Detection and Prevention of Fraud | 1,451 | 678 | 2,129 |
| Customer Service | 9,319 | 2,946 | 12,265 |
| Product Management and Marketing | 7,383 | 312,828 | 320,211 |
| Underwriting | 313 | 284 | 597 |
| Regulatory Compliance and Government | 99 | 1,917 | 2,016 |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | 2,284 | 468 | 2,752 |
| Charitable Contributions | | | |
| General Administration | 20,656 | 23,190 | 43,846 |
| Total Indirect Health Care Expenses | 57,546 | 388,763 | 446,309 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|---------|--------------------|
| MinnesotaCare Tax | 75,634 | |
| Other Taxes and Assessments | 100,383 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: UnitedHealthcare Insurance Company

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 11.3% |
| Commercial Administrative Spending as percent of Commercial Spending: | 11.0% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 11.6% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|------------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 784,010 | 844,615 | 1,628,625 |
| Claim Processing | 2,004,682 | 2,159,646 | 4,164,328 |
| Detection and Prevention of Fraud | 69,469 | 74,839 | 144,308 |
| Customer Service | 1,617,639 | 1,742,685 | 3,360,324 |
| Product Management and Marketing | 516,057 | 555,948 | 1,072,005 |
| Underwriting | 109,166 | 117,604 | 226,770 |
| Regulatory Compliance and Government | 39,697 | 42,765 | 82,462 |
| Lobbying | 0 | 0 | |
| Provider Relations and Contracting | 1,290,142 | 1,389,871 | 2,680,013 |
| Quality Assurance and Utilization Management | 1,786,350 | 1,924,438 | 3,710,788 |
| Wellness and Health Education | 9,924 | 10,691 | 20,615 |
| Research and Product Development | 89,317 | 96,222 | 185,539 |
| Charitable Contributions | 0 | 0 | |
| General Administration | 476,360 | 513,183 | 989,543 |
| Total Indirect Health Care Expenses | 8,792,813 | 9,472,507 | 18,265,320 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|-----------|--------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 1,419,396 | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

2014 Administrative Spending: Washington National Insurance Company

| | |
|---|-----------------------|
| Total Administrative Spending as percent of Total Carrier Spending¹: | 26.7% |
| Commercial Administrative Spending as percent of Commercial Spending: | 26.4% |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 34.3% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|---|------------------------------|----------------------|---|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | 271,982 | 41,314 | 313,296 |
| Claim Processing | 14,029 | 2,131 | 16,160 |
| Detection and Prevention of Fraud | 39,309 | 5,971 | 45,280 |
| Customer Service | | | |
| Product Management and Marketing | 72,002 | 10,937 | 82,939 |
| Underwriting | 55,932 | 8,496 | 64,428 |
| Regulatory Compliance and Government | | | |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | | 387,968 | 387,968 |
| Total Indirect Health Care Expenses | 453,254 | 456,817 | 910,071 |

| Taxes and Assessments | | Calendar Year 2014 |
|------------------------------|---------|---------------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | 127,094 | |

| Capital Costs | | | Calendar Year 2014 |
|---|----------------------|----------------------|---------------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | 227,019 | 227,019 | |
| Other Capital Costs | | | |
| Total Capital Expenditures | 227,019 | 227,019 | |

2014 Administrative Spending: WellCare Health Insurance Company of Kentucky, Inc.

| | |
|--|----------------|
| Total Administrative Spending as percent of Total Carrier Spending ¹ : | 11.3% |
| Commercial Administrative Spending as percent of Commercial Spending: | Not Applicable |
| MN Public Programs Administrative Spending as percent of MN Public Programs Spending: | Not Applicable |
| Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement): | 11.3% |

¹Self-insured expenses are not required to be reported, but are encouraged. When reported, these amounts are included in Total Administrative and Total Carrier Spending; thus, the Total Administrative percentage may not fall within the range reported for the Commercial, MN Public Program, and Medicare categories.

| Indirect Health Care Expenses (Medical and Dental) | | | Calendar Year 2014 |
|--|-----------------------|------------------|--|
| Indirect Expense Category | Salaries and Benefits | Other Expense | Total Indirect Health Care Expense (by category) |
| Billing and Enrollment | | | |
| Claim Processing | | | |
| Detection and Prevention of Fraud | | | |
| Customer Service | | | |
| Product Management and Marketing | | | |
| Underwriting | | | |
| Regulatory Compliance and Government | | | |
| Lobbying | | | |
| Provider Relations and Contracting | | | |
| Quality Assurance and Utilization Management | | | |
| Wellness and Health Education | | | |
| Research and Product Development | | | |
| Charitable Contributions | | | |
| General Administration | | 1,111,847 | 1,111,847 |
| Total Indirect Health Care Expenses | | 1,111,847 | 1,111,847 |

| Taxes and Assessments | | Calendar Year 2014 |
|-----------------------------|--|--------------------|
| MinnesotaCare Tax | | |
| Other Taxes and Assessments | | |

| Capital Costs | | | Calendar Year 2014 |
|---|---------------|---------------|--------------------|
| | 2014 Incurred | 2014 Payments | |
| Capital Costs on Behalf of a Hospital or Clinic | | | |
| Capital Acquisitions | | | |
| Other Capital Costs | | | |
| Total Capital Expenditures | | | |

Appendix A: Definitions



Definitions for the 2014 MDH Health Plan Financial & Statistical Report (HPFSR)

| | |
|--|--|
| Billing and Enrollment Expenses | Spending associated with group and individual billing, member enrollment and premium collection and reconciliation functions. This may include spending for the collection and reconciliation of cash, group and membership set-up and maintenance, contract, identification card, and directory preparation and issuance, electronic data interchange expenses pertaining to billing and enrollment, and enrollment materials. Traditional expense categories that your company might allocate <i>in whole or in part</i> to billing and enrollment expenses include finance and information systems. |
| Claim Processing Expenses | Spending associated with the adjudication and adjustment of claims, coordination of benefits processing, maintenance of the claim system, printing of claim forms, claim audit function, electronic data interchange expenses pertaining to claim processing, and fraud investigation. Traditional expense categories that your company might allocate <i>in whole or in part</i> to claims processing expenses include information systems and legal. |
| Customer Service Expenses | Spending associated with individual, group, or provider support relating to membership, open enrollment, grievance resolution, claim problems, and specialized phone services and equipment. Traditional expense categories which your company might allocate <i>in whole or in part</i> to customer service expenses include information systems, finance, legal, and sales and marketing. |

| | |
|--|---|
| Detection and Prevention Of Fraud | Carrier spending relating to detection and prevention of fraud. |
| Product Management and Marketing Expenses | Spending associated with the management and marketing of current products. This may include spending relating to product promotion and advertising, sales, pricing, broker fees and commissions, internal commissions and commissions processing, marketing materials, account reporting, changes or additions to current products, and enrollee education regarding coverage. Traditional expense categories that your company might allocate <i>in whole or in part</i> to product management and marketing expenses include information systems, underwriting, legal, finance, actuarial, public relations, and network management. |
| Underwriting | Carrier spending relating to underwriting. |
| Regulatory Compliance and Government Relations Expenses | Spending associated with federal and state reporting, rate filing, state and federal audits, tax accounting, lobbying, licensing and filing fees, and spending associated with the preparation and filing of all financial, utilization, statistical, and quality reports, and administration of government programs. Traditional expense categories that your company might allocate <i>in whole or in part</i> to regulatory compliance and government relations expenses include information systems, finance, actuarial, sales and marketing, underwriting, contract, legal, utilization management, quality assurance, and compliance. |
| Lobbying | Carrier spending relating to lobbying. |
| Provider Relations and Contracting Expenses | Spending associated with contract negotiation and preparation, monitoring of provider compliance, field training with providers, provider communication materials and bulletins, and administration of provider capitations and settlements. Traditional expense categories that your company might allocate <i>in whole or in part</i> to provider relations and contracting expenses include finance, legal, accounting, actuarial, and information systems. |

| | |
|--|---|
| Quality Assurance and Utilization Management Expenses | <p>Spending associated with quality assurance, practice protocol development, utilization review, peer review, credentialing, outcomes analysis related to existing products, nurse triage and other medical care evaluation activities. Traditional expense categories that your company might allocate <i>in whole or in part</i> to quality assurance and utilization management expenses include information systems and legal.</p> |
| Wellness and Health Education Expenses | <p>Spending associated with wellness and health promotion, disease prevention, member education and materials, provider education, and outreach services. Traditional expense categories that your company might allocate <i>in whole or in part</i> to wellness and health education expenses include marketing, medical services, and printing.</p> |
| Research and Product Development Expenses | <p>Spending associated with outcomes research, medical research programs, product design and development for products and programs not currently offered, major systems development, and integrated service network development. Traditional expense categories that your company might allocate <i>in whole or in part</i> to research and product development expenses include actuarial, information systems, marketing, finance, underwriting, and wellness programs.</p> |
| Charitable Contributions Expenses | <p>Spending related to contributions made for charitable purposes.</p> |
| General Administration Expenses | <p>Spending not outlined or allocated to the other categories. Traditional expense categories that your company might allocate <i>in whole or in part</i> to general administration expenses include human resources, facility maintenance, payroll, general accounting, finance, executive, internal audit, treasury, actuarial, finance, information systems, office management and occupancy spending, general office supplies and equipment, legal, board, outside consulting services, membership fees in trade organizations, public relations, and mail room. Taxes and assessments are not included in this spending.</p> |

| | |
|---|---|
| Total Indirect Health Care Expenses | The sum of all indirect health care expenses for all product categories. |
| Minnesotacare Tax Expenses | Payments paid to providers under Minnesota Statutes, section 295.582 and payments made as a provider under Minnesota Statutes, section 295.52, for the MinnesotaCare tax. |
| Other Taxes and Assessments Expenses | Payments or amounts payable to government agencies except for the MinnesotaCare tax under Minnesota Statutes, section 295.52 and Minnesota Statutes, section 295.582. This category does not include fees or fines paid to government agencies. |
| Capital Spending on Behalf of a Hospital or Clinic | Expenditures for capital that are incurred and/or paid on behalf of a hospital or clinic (or part of a partnership, joint venture, integration, or affiliation agreement). Report payments made during the calendar year (including lease payments) along with any spending incurred during the year. |
| Capital Acquisitions | Expenditures for the acquisition of capital assets. Report payments made during the calendar year (including lease payments) along with any spending incurred during the year. |
| Other Capital Spending | Expenditures for other spending, such as legal or administrative Spending, that are directly associated with the incurring of capital spending. Report payments made during the calendar year (including lease payments) along with any spending incurred during the year. |
| Total Capital Expenditures | The sum of all incurred capital expenditures. |