

Administrative Costs at Minnesota Health Plans in 2001

December, 2002



Introduction

This report contains information about administrative costs reported by group purchasers doing business in Minnesota during 2001. Under Minnesota Statute 62J, the Minnesota Department of Health is required to monitor health care expenditures in the state (MINN. STAT. § 62J.301, subdivision. 3; § 62J.38). All health plan companies doing business providing health coverage for Minnesota residents, including commercial insurers, HMOs, and other payers, are required to provide aggregate cost data each calendar year.

The 2001 Minnesota Legislature directed that certain information from these filings be released to the public, in accordance with existing law that provides for review and comment by group purchasers prior to release (MINN. STAT § 62J.321, subdivision 5). The Department of Health made this data available to all affected group purchasers for a 21-day comment period, during which each company had an opportunity to make revisions to their data and to comment on the data release.

Table 1 of this report shows, for each health plan, total reported administrative costs, total spending and the percentage of total spending represented by administrative costs. All data were derived from the calendar year 2001 Health Plan Financial and Statistical Report submitted by each group purchaser. The report also provides detailed administrative cost data for each plan, including a breakdown of overall administrative costs into 14 categories. Group purchasers are listed alphabetically.

Appendix A includes copies of all comments received by the Department of Health related to the release of this data. Appendix B provides definitions of the 14 administrative cost categories included in this report

Any comments or questions related to this report can be directed to the Minnesota Department of Health at (651) 282-6367 or via e-mail at hep@health.state.mn.us

Administrative Costs as percent of total costs, 2001

Group Purchaser	Total Spending	Total Administrative Costs	Administrative Costs (as percent of total costs)
AFLAC	\$2,698,249	\$528,875	19.6%
Aid Association for Lutherans	\$8,916,043	\$623,926	7.0%
Allianz Life Insurance Company of North America	\$9,229,395	\$1,785,231	19.3%
Altru Health Plan	\$4,710,904	\$548,381	11.6%
American Family Mutual Insurance Company	\$16,128,545	\$4,083,791	25.3%
Bankers Life and Casualty Company	\$12,468,801	\$1,031,438	8.3%
Blue Cross Blue Shield of Minnesota	\$2,658,010,329	\$227,431,625	8.6%
Central States Health & Life Co. of Omaha	\$3,841,562	\$657,912	17.1%
Connecticut General Life Insurance Company	\$251,753,068	\$14,892,778	5.9%
Continental Assurance Company	\$5,798,365	\$1,433,895	24.7%
Continental General Insurance Company	\$9,279,934	\$1,635,587	17.6%
Delta Dental Plan of Minnesota	\$527,000,000	\$33,172,092	6.3%
Federated Mutual Insurance Company	\$117,503,912	\$8,410,296	7.2%
First Plan of Minnesota	\$44,514,310	\$2,257,520	5.1%
Fortis Benefits Insurance Company	\$14,228,141	\$5,431,042	38.2%
Fortis Insurance Company	\$68,961,947	\$8,650,410	12.5%
Golden Rule Insurance Company	\$5,500,694	\$596,657	10.8%
Great-West Life & Annuity Insurance Co.	\$113,567,747	\$9,899,000	8.7%
Guarantee Trust Life Insurance Co	\$4,981,991	\$438,964	8.8%
HealthPartners	\$1,791,402,829	\$156,423,576	8.7%
HMO Minnesota dba Blue Plus	\$453,680,032	\$38,745,314	8.5%
Jefferson Pilot Financial Insurance Company	\$7,252,544	\$881,437	12.2%
John Alden Life Insurance Company	\$19,652,781	\$2,159,435	11.0%
Life Investors Insurance Company of America	\$5,498,564	\$684,697	12.5%
Lincoln National Health & Casualty Insurance Company	\$3,555,982	\$543,319	15.3%
Mayo Health Plan	\$14,650,990	\$2,070,000	14.1%
Medica Health Plans	\$1,211,980,381	\$144,786,014	11.9%
Medica Insurance Company	\$264,385,722	\$33,996,399	12.9%
Metropolitan Health Plan	\$75,509,976	\$9,547,282	12.6%
Metropolitan Life Insurance Company	\$28,739,455	\$7,966,681	27.7%
Monumental Life Insurance Company	\$2,325,799	\$177,662	7.6%
Mutual of Omaha Insurance Company	\$30,587,960	\$7,728,973	25.3%
Physicians Mutual Ins. Co.	\$13,782,220	\$2,538,379	18.4%
PreferredOne Community Health Plan	\$47,753,918	\$3,619,628	7.6%
Principal Life Insurance Company	\$142,776,136	\$13,271,461	9.3%
ReliaStar Life Insurance Company	\$6,762,332	\$880,712	13.0%
Sentry Select Insurance Company	\$2,428,228	\$382,000	15.7%
Sioux Valley Health Plan of Minnesota	\$4,968,393	\$515,915	10.4%
State Farm Mutual Automobile Insurance Company	\$39,893,883	\$5,733,050	14.4%
The Canada Life Assurance Company	\$3,614,883	\$843,262	23.3%
The Guardian Life Insurance Company of America	\$12,151,703	\$2,190,592	18.0%
The Prudential Ins Co of America	\$26,936,994	\$1,374,376	5.1%
Trustmark Insurance Company	\$9,265,598	\$1,538,980	16.6%
UCare Minnesota	\$395,000,000	\$31,896,204	8.1%
United American Insurance Company	\$2,902,303	\$449,011	15.5%
World Insurance Company	\$21,837,420	\$3,026,515	13.9%
TOTAL:	\$8,518,390,963	\$797,480,294	9.4%



Percent indirect expenses 19.6%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$803	+	\$2,613	=	1	\$3,415
1. BILLING AND ENROLLMENT						
	\$55,370	+	\$94,406	=	2A	\$149,776
2A. CLAIM PROCESSING						
	\$0	+	\$0	=	2B	\$0
2B. DETECTION AND PREVENTION OF FRAUD						
	\$10,197	+	\$10,547	=	3	\$20,743
3. CUSTOMER SERVICE						
	\$1,904	+	\$304,824	=	4A	\$306,728
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$0	+	\$0	=	4B	\$0
4B. UNDERWRITING						
	\$4,321	+	\$2,426	=	5A	\$6,747
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$1,042	+	\$2,061	=	5B	\$3,103
5B. LOBBYING						
	\$0	+	\$0	=	6	\$0
6. PROVIDER RELATIONS AND CONTRACTING						
	\$0	+	\$0	=	7	\$0
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$0	+	\$0	=	8	\$0
8. WELLNESS AND HEALTH EDUCATION						
	\$0	+	\$0	=	9	\$0
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS						
	\$24,924	+	\$13,438	=	11	\$38,362
11. GENERAL ADMINISTRATION						
	\$98,561	+	\$430,313	=	12	\$528,875
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$0
14. OTHER TAXES AND ASSESSMENTS		14	\$106,612

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses		LINE #	2001 PAYMENTS
	2001 INCURRED		
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$0	15	\$0
16. CAPITAL ACQUISITIONS	\$0	16	\$0
17. OTHER CAPITAL COSTS	\$0	17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$0	18	\$0

Aid Association for Lutherans

Percent indirect expenses 7.0%
(out of total 2001 reported
spending):

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INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$3,727	+	\$3,252	=	1	\$6,979
1. BILLING AND ENROLLMENT						
	\$167,884	+	\$220,423	=	2A	\$388,307
2A. CLAIM PROCESSING						
	\$534	+	\$390	=	2B	\$924
2B. DETECTION AND PREVENTION OF FRAUD						
	\$41,343	+	\$13,652	=	3	\$54,995
3. CUSTOMER SERVICE						
	not applicable	+	not applicable	=	4A	not applicable
4A. PRODUCT MANAGEMENT AND MARKETING						
	not applicable	+	not applicable	=	4B	not applicable
4B. UNDERWRITING						
	not applicable	+	\$433	=	5A	\$433
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	not applicable	+	not applicable	=	5B	not applicable
5B. LOBBYING						
	not applicable	+	not applicable	=	6	not applicable
6. PROVIDER RELATIONS AND CONTRACTING						
	\$4,486	+	\$10,846	=	7	\$15,322
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	not applicable	+	not applicable	=	8	not applicable
8. WELLNESS AND HEALTH EDUCATION						
	\$4,032	+	\$792	=	9	\$4,824
9. RESEARCH AND PRODUCT DEVELOPMENT						
	not applicable	+	\$5,413	=	10	\$5,413
10. CHARITABLE CONTRIBUTIONS						
	\$109,339	+	\$37,380	=	11	\$146,719
11. GENERAL ADMINISTRATION						
	\$331,345	+	\$292,581	=	12	\$623,926
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not applicable
14. OTHER TAXES AND ASSESSMENTS		14	not applicable

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Allianz Life Insurance Company of North America

Percent indirect expenses 19.3%
(out of total 2001 reported
spending):

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MINNESOTA DEPARTMENT OF HEALTH

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INDIRECT EXPENSE CATEGORY		Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
		\$32,545	+	\$41,459	=	1	\$74,004
1. BILLING AND ENROLLMENT							
		\$101,544	+	\$128,355	=	2A	\$230,899
2A. CLAIM PROCESSING							
		\$17,199	+	\$21,910	=	2B	\$39,109
2B. DETECTION AND PREVENTION OF FRAUD							
	not applicable		+	not applicable	=	3	not applicable
3. CUSTOMER SERVICE							
		\$82,248	+	\$104,778	=	4A	\$187,026
4A. PRODUCT MANAGEMENT AND MARKETING							
		\$59,986	+	\$76,415	=	4B	\$130,401
4B. UNDERWRITING							
		\$20,218	+	\$38,449	=	5A	\$158,667
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS							
	not applicable		+	not applicable	=	5B	not applicable
5B. LOBBYING							
		\$30,435	+	\$38,771	=	6	\$68,206
6. PROVIDER RELATIONS AND CONTRACTING							
	not applicable		+	not applicable	=	7	not applicable
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT							
		\$34,571	+	\$44,039	=	8	\$78,610
8. WELLNESS AND HEALTH EDUCATION							
	not applicable		+	not applicable	=	9	not applicable
9. RESEARCH AND PRODUCT DEVELOPMENT							
	not applicable		+	not applicable	=	10	not applicable
10. CHARITABLE CONTRIBUTIONS							
		\$347,580	+	\$442,750	=	11	\$790,310
11. GENERAL ADMINISTRATION							
		\$778,307	+	\$843,924	=	12	\$1,785,231
12. TOTAL INDIRECT HEALTH CARE EXPENSES							

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not applicable
14. OTHER TAXES AND ASSESSMENTS		14	\$165,863

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Altru Health Plan

Percent indirect expenses 11.6%
(out of total 2001 reported
spending):

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INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
1. BILLING AND ENROLLMENT	\$30,000	+	\$5,000	=	1	\$35,000
2A. CLAIM PROCESSING	\$66,000	+	\$255,675	=	2A	\$321,675
2B. DETECTION AND PREVENTION OF FRAUD	\$2,000	+	\$500	=	2B	\$2,500
3. CUSTOMER SERVICE	\$44,000	+	\$2,000	=	3	\$46,000
4A. PRODUCT MANAGEMENT AND MARKETING	\$3,000	+	\$2,000	=	4A	\$5,000
4B. UNDERWRITING	not reported	+	not reported	=	4B	not reported
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	\$20,000	+	\$2,000	=	5A	\$22,000
5B. LOBBYING	not reported	+	not reported	=	5B	not reported
6. PROVIDER RELATIONS AND CONTRACTING	\$5,000	+	\$1,000	=	6	\$6,000
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	\$63,206	+	\$5,000	=	7	\$68,206
8. WELLNESS AND HEALTH EDUCATION	\$4,000	+	\$1,000	=	8	\$5,000
9. RESEARCH AND PRODUCT DEVELOPMENT	not reported	+	not reported	=	9	not reported
10. CHARITABLE CONTRIBUTIONS	not reported	+	not reported	=	10	not reported
11. GENERAL ADMINISTRATION	\$30,000	+	\$7,000	=	11	\$37,000
12. TOTAL INDIRECT HEALTH CARE EXPENSES	\$267,206	+	\$281,175	=	12	\$548,381

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not reported
14. OTHER TAXES AND ASSESSMENTS		14	\$44,351

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

American Family Mutual Insurance Company

Percent indirect expenses 25.3%
(out of total 2001 reported
spending):

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INDIRECT EXPENSE CATEGORY		Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
		\$186,412	+	\$341,305	=	1	\$527,717
1. BILLING AND ENROLLMENT							
		\$11,027	+	\$364,782	=	2A	\$375,809
2A. CLAIM PROCESSING							
		\$0	+	\$0	=	2B	\$0
2B. DETECTION AND PREVENTION OF FRAUD							
		\$8,539	+	\$3,024	=	3	\$11,563
3. CUSTOMER SERVICE							
		\$128,069	+	\$1,208,530	=	4A	\$1,336,599
4A. PRODUCT MANAGEMENT AND MARKETING							
		\$0	+	\$0	=	4B	\$0
4B. UNDERWRITING							
		\$16,709	+	\$174,729	=	5A	\$191,438
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS							
		\$2,500	+	\$500	=	5B	\$3,000
5B. LOBBYING							
		\$5,059	+	\$2,030	=	6	\$7,089
6. PROVIDER RELATIONS AND CONTRACTING							
		\$64,364	+	\$25,832	=	7	\$90,196
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT							
		\$12,855	+	\$2,688	=	8	\$15,543
8. WELLNESS AND HEALTH EDUCATION							
		\$3,623	+	\$1,454	=	9	\$5,077
9. RESEARCH AND PRODUCT DEVELOPMENT							
		\$17,122	+	\$4,053	=	10	\$21,175
10. CHARITABLE CONTRIBUTIONS							
		\$954,321	+	\$544,262	=	11	\$1,498,583
11. GENERAL ADMINISTRATION							
		\$1,410,602	+	\$2,673,189	=	12	\$4,083,791
12. TOTAL INDIRECT HEALTH CARE EXPENSES							

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not reported
14. OTHER TAXES AND ASSESSMENTS		14	\$595,591

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Bankers Life and Casualty Company

Percent indirect expenses 8.3%
(out of total 2001 reported
spending):

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INDIRECT EXPENSE CATEGORY		Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
		\$2,702	+	\$3,723	=	1	\$6,425
1. BILLING AND ENROLLMENT							
		\$69,891	+	\$96,315	=	2A	\$166,206
2A. CLAIM PROCESSING							
	not reported		+	not reported	=	2B	not reported
2B. DETECTION AND PREVENTION OF FRAUD							
		\$31,648	+	\$43,614	=	3	\$75,262
3. CUSTOMER SERVICE							
		\$291,311	+	\$300,956	=	4A	\$592,267
4A. PRODUCT MANAGEMENT AND MARKETING							
	not reported		+	not reported	=	4B	not reported
4B. UNDERWRITING							
		\$4,400	+	\$6,064	=	5A	\$10,464
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS							
	not reported		+	not reported	=	5B	not reported
5B. LOBBYING							
		\$0	+	\$0	=	6	\$0
6. PROVIDER RELATIONS AND CONTRACTING							
		\$0	+	\$0	=	7	\$0
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT							
		\$303	+	\$417	=	8	\$720
8. WELLNESS AND HEALTH EDUCATION							
		\$8,893	+	\$12,256	=	9	\$21,149
9. RESEARCH AND PRODUCT DEVELOPMENT							
		\$0	+	\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS							
		\$66,837	+	\$92,108	=	11	\$158,945
11. GENERAL ADMINISTRATION							
		\$475,985	+	\$555,453	=	12	\$1,031,438
12. TOTAL INDIRECT HEALTH CARE EXPENSES							

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$0
14. OTHER TAXES AND ASSESSMENTS		14	\$869,358

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Blue Cross Blue Shield of Minnesota

Percent indirect expenses 8.6%
(out of total 2001 reported
spending):

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INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$10,721,829	+	\$4,412,508	=	1	\$15,134,337
1. BILLING AND ENROLLMENT		+		=		
	\$24,995,384	+	\$33,846,267	=	2A	\$58,841,651
2A. CLAIM PROCESSING		+		=		
	\$143,144	+	\$41,167	=	2B	\$184,311
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$16,537,096	+	\$5,723,421	=	3	\$22,260,517
3. CUSTOMER SERVICE		+		=		
	\$15,020,807	+	\$40,445,019	=	4A	\$55,465,826
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$4,929,996	+	\$1,746,518	=	4B	\$6,676,514
4B. UNDERWRITING		+		=		
	\$570,675	+	\$402,152	=	5A	\$972,827
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$76,265	+	\$77,212	=	5B	\$153,477
5B. LOBBYING		+		=		
	\$7,248,052	+	\$3,734,858	=	6	\$10,982,910
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$6,227,596	+	\$4,075,500	=	7	\$10,303,096
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$0	+	\$0	=	8	\$0
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$2,530,858	+	\$5,596,711	=	9	\$8,127,569
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$0	+	\$2,478,640	=	10	\$2,478,640
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$4,372,726	+	\$31,477,224	=	11	\$35,849,950
11. GENERAL ADMINISTRATION		+		=		
	\$93,374,428	+	\$134,057,197	=	12	\$227,431,625
12. TOTAL INDIRECT HEALTH CARE EXPENSES		+		=		

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)						
13. MINNESOTACARE TAX					13	\$42,517,321
14. OTHER TAXES AND ASSESSMENTS					14	\$17,848,493

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments				
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED		LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$0		15	\$0
16. CAPITAL ACQUISITIONS	\$15,321,260		16	\$15,321,260
17. OTHER CAPITAL COSTS	\$0		17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$15,321,260		18	\$15,321,260

Central States Health & Life Co. of Omaha

Percent indirect expenses 17.1%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$8,382	+	\$5,959	=	1	\$14,340
1. BILLING AND ENROLLMENT						
	\$80,626	+	\$109,211	=	2A	\$189,838
2A. CLAIM PROCESSING						
	\$4,325	+	\$2,283	=	2B	\$6,608
2B. DETECTION AND PREVENTION OF FRAUD						
	\$30,703	+	\$23,389	=	3	\$54,092
3. CUSTOMER SERVICE						
	\$43,731	+	\$34,777	=	4A	\$78,508
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$4,330	+	\$4,195	=	4B	\$8,526
4B. UNDERWRITING						
	\$4,980	+	\$3,179	=	5A	\$8,159
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$0	=	5B	\$0
5B. LOBBYING						
	\$0	+	\$0	=	6	\$0
6. PROVIDER RELATIONS AND CONTRACTING						
	\$0	+	\$0	=	7	\$0
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$0	+	\$0	=	8	\$0
8. WELLNESS AND HEALTH EDUCATION						
	\$9,034	+	\$4,445	=	9	\$13,479
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS						
	\$43,457	+	\$240,904	=	11	\$284,361
11. GENERAL ADMINISTRATION						
	\$229,568	+	\$428,343	=	12	\$657,912
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$0
14. OTHER TAXES AND ASSESSMENTS		14	\$118,913

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Connecticut General Life Insurance Company

Percent indirect expenses 5.9%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$1,067,857	+	\$2,001,535	=	1	\$3,069,392
1. BILLING AND ENROLLMENT		+		=		
	\$1,847,240	+	\$3,462,372	=	2A	\$5,309,612
2A. CLAIM PROCESSING		+		=		
	reported elsewhere	+	reported elsewhere	=	2B	reported elsewhere
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$399,814	+	\$749,390	=	3	\$1,149,204
3. CUSTOMER SERVICE		+		=		
	\$597,190	+	\$1,119,342	=	4A	\$1,716,532
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	reported elsewhere	+	reported elsewhere	=	4B	reported elsewhere
4B. UNDERWRITING		+		=		
	\$5,061	+	\$9,486	=	5A	\$14,547
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	reported elsewhere	+	reported elsewhere	=	5B	reported elsewhere
5B. LOBBYING		+		=		
	\$134,618	+	\$252,321	=	6	\$386,939
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$198,280	+	\$371,645	=	7	\$569,925
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	not reported	+	not reported	=	8	not reported
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$25,305	+	\$47,430	=	9	\$72,735
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	not reported	+	not reported	=	10	not reported
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$905,907	+	\$1,697,985	=	11	\$2,603,892
11. GENERAL ADMINISTRATION		+		=		
	\$5,181,272	+	\$9,711,506	=	12	\$14,892,778
12. TOTAL INDIRECT HEALTH CARE EXPENSES		+		=		

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$432,143
14. OTHER TAXES AND ASSESSMENTS		14	not reported

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not reported	15	not reported
16. CAPITAL ACQUISITIONS	not reported	16	not reported
17. OTHER CAPITAL COSTS	\$2,177,877	17	\$2,177,877
18. TOTAL CAPITAL EXPENDITURES	\$2,177,877	18	\$2,177,877

Continental Assurance Company

Percent indirect expenses 24.7%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY		Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
1. BILLING AND ENROLLMENT		not reported	+	not reported	=	1	\$104,283
2A. CLAIM PROCESSING		not reported	+	not reported	=	2A	\$538,102
2B. DETECTION AND PREVENTION OF FRAUD		not reported	+	not reported	=	2B	\$0
3. CUSTOMER SERVICE		not reported	+	not reported	=	3	not reported
4A. PRODUCT MANAGEMENT AND MARKETING		not reported	+	not reported	=	4A	\$396,276
4B. UNDERWRITING		not reported	+	not reported	=	4B	not reported
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		not reported	+	not reported	=	5A	\$184,060
5B. LOBBYING		not reported	+	not reported	=	5B	\$0
6. PROVIDER RELATIONS AND CONTRACTING		not reported	+	not reported	=	6	reported elsewhere
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		not reported	+	not reported	=	7	reported elsewhere
8. WELLNESS AND HEALTH EDUCATION		not reported	+	not reported	=	8	\$0
9. RESEARCH AND PRODUCT DEVELOPMENT		not reported	+	not reported	=	9	\$211,174
10. CHARITABLE CONTRIBUTIONS		not reported	+	not reported	=	10	\$0
11. GENERAL ADMINISTRATION		not reported	+	not reported	=	11	not applicable
12. TOTAL INDIRECT HEALTH CARE EXPENSES		not reported	+	not reported	=	12	\$1,433,895

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not reported
14. OTHER TAXES AND ASSESSMENTS		14	not reported

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Continental General Insurance Company

Percent indirect expenses 17.6%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY		Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
		\$0	+	\$21,379	=	1	\$21,379
1. BILLING AND ENROLLMENT		\$0	+	\$306,100	=	2A	\$306,100
2A. CLAIM PROCESSING		\$0	+	\$0	=	2B	\$0
2B. DETECTION AND PREVENTION OF FRAUD		\$0	+	\$258,042	=	3	\$258,042
3. CUSTOMER SERVICE		\$0	+	\$30,172	=	4A	\$30,172
4A. PRODUCT MANAGEMENT AND MARKETING		\$0	+	\$0	=	4B	\$0
4B. UNDERWRITING		\$0	+	\$7,676	=	5A	\$7,676
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		\$0	+	\$0	=	5B	\$0
5B. LOBBYING		\$0	+	\$0	=	6	\$0
6. PROVIDER RELATIONS AND CONTRACTING		\$0	+	\$0	=	7	\$0
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		\$0	+	\$0	=	8	\$0
8. WELLNESS AND HEALTH EDUCATION		\$0	+	\$0	=	9	\$0
9. RESEARCH AND PRODUCT DEVELOPMENT		\$0	+	\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS		\$789,530	+	\$222,688	=	11	\$1,012,218
11. GENERAL ADMINISTRATION		\$789,530	+	\$846,057	=	12	\$1,635,587
12. TOTAL INDIRECT HEALTH CARE EXPENSES			+		=		

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$126,687
14. OTHER TAXES AND ASSESSMENTS		14	\$206,701

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Delta Dental Plan of Minnesota

Percent indirect expenses 6.3%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$1,757,520	+	\$1,001,586	=	1	\$2,759,106
1. BILLING AND ENROLLMENT		+		=		
	\$2,953,740	+	\$4,031,240	=	2A	\$6,984,980
2A. CLAIM PROCESSING		+		=		
	\$115,460	+	\$137	=	2B	\$115,597
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$4,296,304	+	\$726,357	=	3	\$5,022,660
3. CUSTOMER SERVICE		+		=		
	\$1,855,082	+	\$4,410,881	=	4A	\$6,265,963
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$357,333	+	\$2,136	=	4B	\$359,469
4B. UNDERWRITING		+		=		
	\$725,953	+	\$251,430	=	5A	\$977,382
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$0	+	\$45,864	=	5B	\$45,864
5B. LOBBYING		+		=		
	\$1,256,118	+	\$561,274	=	6	\$1,817,392
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$644,272	+	\$381,535	=	7	\$1,025,807
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$146,942	+	\$70,211	=	8	\$217,153
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$306,622	+	\$634,669	=	9	\$941,291
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$0	+	\$41,354	=	10	\$41,354
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$2,993,053	+	\$3,605,020	=	11	\$6,598,073
11. GENERAL ADMINISTRATION		+		=		
	\$17,408,399	+	\$15,763,693	=	12	\$33,172,092
12. TOTAL INDIRECT HEALTH CARE EXPENSES		+		=		

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)						
13. MINNESOTACARE TAX					13	\$9,991,257
14. OTHER TAXES AND ASSESSMENTS					14	not reported1006

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments				
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED		LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$0		15	\$0
16. CAPITAL ACQUISITIONS	\$4,301,903		16	\$4,301,903
17. OTHER CAPITAL COSTS	\$0		17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$4,301,903		18	\$4,301,903

Federated Mutual Insurance Company

Percent indirect expenses 7.2%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$62,461	+	\$29,337	=	1	\$91,798
1. BILLING AND ENROLLMENT		+				
	\$1,581,212	+	\$1,689,685	=	2A	\$3,270,897
2A. CLAIM PROCESSING		+				
	\$12,391	+	\$3,849	=	2B	\$16,240
2B. DETECTION AND PREVENTION OF FRAUD		+				
	\$39,492	+	\$12,093	=	3	\$51,585
3. CUSTOMER SERVICE		+				
	\$2,459,447	+	\$835,397	=	4A	\$3,294,844
4A. PRODUCT MANAGEMENT AND MARKETING		+				
	\$296,632	+	\$162,043	=	4B	\$458,675
4B. UNDERWRITING		+				
	\$19,373	+	\$5,453	=	5A	\$24,826
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+				
	\$0	+	\$0	=	5B	\$0
5B. LOBBYING		+				
	\$39,857	+	\$9,261	=	6	\$49,117
6. PROVIDER RELATIONS AND CONTRACTING		+				
	\$39,492	+	\$12,093	=	7	\$51,585
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+				
	\$7,695	+	\$2,156	=	8	\$9,851
8. WELLNESS AND HEALTH EDUCATION		+				
	\$65,374	+	\$25,984	=	9	\$91,358
9. RESEARCH AND PRODUCT DEVELOPMENT		+				
	\$0	+	\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS		+				
	\$753,142	+	\$246,378	=	11	\$999,520
11. GENERAL ADMINISTRATION		+				
	\$5,376,567	+	\$3,033,729	=	12	\$8,410,296
12. TOTAL INDIRECT HEALTH CARE EXPENSES		+				

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$3,922
14. OTHER TAXES AND ASSESSMENTS		14	\$1,342,116

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$0	15	\$0
16. CAPITAL ACQUISITIONS	\$0	16	\$0
17. OTHER CAPITAL COSTS	\$0	17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$0	18	\$0

First Plan of Minnesota

Percent indirect expenses 5.1%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$63,196	+	\$98,844	=	1	\$162,040
1. BILLING AND ENROLLMENT						
	\$207,579	+	\$191,611	=	2A	\$399,190
2A. CLAIM PROCESSING						
	\$0	+	\$42,323	=	2B	\$42,323
2B. DETECTION AND PREVENTION OF FRAUD						
	\$134,007	+	\$105,291	=	3	\$239,298
3. CUSTOMER SERVICE						
	\$20,893	+	\$106,897	=	4A	\$127,790
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$119,258	+	\$93,727	=	4B	\$212,985
4B. UNDERWRITING						
	\$66,035	+	\$63,458	=	5A	\$129,493
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$0	=	5B	\$0
5B. LOBBYING						
	\$177,422	+	\$65,622	=	6	\$243,044
6. PROVIDER RELATIONS AND CONTRACTING						
	\$139,376	+	\$101,711	=	7	\$241,087
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$52,828	+	\$69,805	=	8	\$122,633
8. WELLNESS AND HEALTH EDUCATION						
	\$87,554	+	\$48,197	=	9	\$135,751
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$12,148	=	10	\$12,148
10. CHARITABLE CONTRIBUTIONS						
	\$95,450	+	\$94,288	=	11	\$189,738
11. GENERAL ADMINISTRATION						
	\$1,163,598	+	\$1,093,922	=	12	\$2,257,520
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)						
13. MINNESOTACARE TAX					13	\$251,649
14. OTHER TAXES AND ASSESSMENTS					14	\$359,062

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments				
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED		LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$3,240,602		15	\$348,156
16. CAPITAL ACQUISITIONS	\$0		16	\$0
17. OTHER CAPITAL COSTS	\$0		17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$3,240,602		18	\$348,156

Fortis Benefits Insurance Company

Percent indirect expenses 38.2%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$57,400	+	\$9,454	=	1	\$66,855
1. BILLING AND ENROLLMENT						
	\$369,692	+	\$388,188	=	2A	\$757,880
2A. CLAIM PROCESSING						
	\$75,543	+	\$81,625	=	2B	\$157,168
2B. DETECTION AND PREVENTION OF FRAUD						
	\$199,025	+	\$140,320	=	3	\$339,345
3. CUSTOMER SERVICE						
	\$590,690	+	\$463,406	=	4A	\$1,054,096
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$85,519	+	\$78,025	=	4B	\$163,544
4B. UNDERWRITING						
	\$19,433	+	\$9,538	=	5A	\$28,971
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$0	=	5B	\$0
5B. LOBBYING						
	\$53,439	+	\$203,633	=	6	\$257,073
6. PROVIDER RELATIONS AND CONTRACTING						
	\$64,990	+	\$52,702	=	7	\$117,693
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$1,458	+	(\$110)	=	8	\$1,347
8. WELLNESS AND HEALTH EDUCATION						
	\$25,569	+	\$4,913	=	9	\$30,482
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$8,940	=	10	\$8,940
10. CHARITABLE CONTRIBUTIONS						
	\$703,796	+	\$1,743,845	=	11	\$2,447,641
11. GENERAL ADMINISTRATION						
	\$2,246,558	+	\$3,184,484	=	12	\$5,431,042
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$74
14. OTHER TAXES AND ASSESSMENTS		14	\$345,952

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Fortis Insurance Company

Percent indirect expenses 12.5%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$177,398	+	\$109,891	=	1	\$287,289
1. BILLING AND ENROLLMENT						
	\$377,470	+	\$526,272	=	2A	\$903,743
2A. CLAIM PROCESSING						
	\$173,543	+	\$173,281	=	2B	\$346,824
2B. DETECTION AND PREVENTION OF FRAUD						
	\$466,309	+	\$384,730	=	3	\$851,039
3. CUSTOMER SERVICE						
	\$916,678	+	\$801,417	=	4A	\$1,718,096
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$556,159	+	\$428,828	=	4B	\$984,987
4B. UNDERWRITING						
	\$75,642	+	(\$2,674)	=	5A	\$72,967
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$0	=	5B	\$0
5B. LOBBYING						
	\$107,018	+	\$619,816	=	6	\$726,835
6. PROVIDER RELATIONS AND CONTRACTING						
	\$150,249	+	\$307	=	7	\$150,556
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$4,848	+	(\$369)	=	8	\$4,479
8. WELLNESS AND HEALTH EDUCATION						
	\$93,441	+	\$120,360	=	9	\$213,802
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$15,492	=	10	\$15,492
10. CHARITABLE CONTRIBUTIONS						
	\$1,431,666	+	\$942,627	=	11	\$2,374,294
11. GENERAL ADMINISTRATION						
	\$4,530,427	+	\$4,119,983	=	12	\$8,650,410
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$3,150
14. OTHER TAXES AND ASSESSMENTS		14	\$1,000,191

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Golden Rule Insurance Company

Percent indirect expenses 10.8%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$7,405	+	\$4,125	=	1	\$11,530
1. BILLING AND ENROLLMENT						
	\$69,906	+	\$38,942	=	2A	\$108,848
2A. CLAIM PROCESSING						
	\$2,293	+	\$1,277	=	2B	\$3,571
2B. DETECTION AND PREVENTION OF FRAUD						
	\$8,032	+	\$4,474	=	3	\$12,507
3. CUSTOMER SERVICE						
	\$0	+	\$233,537	=	4A	\$233,537
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$0	+	\$0	=	4B	\$0
4B. UNDERWRITING						
	\$55,534	+	\$30,936	=	5A	\$86,470
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$0	=	5B	\$0
5B. LOBBYING						
	\$1,504	+	\$838	=	6	\$2,343
6. PROVIDER RELATIONS AND CONTRACTING						
	\$1,354	+	\$754	=	7	\$2,108
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$150	+	\$84	=	8	\$234
8. WELLNESS AND HEALTH EDUCATION						
	\$0	+	\$0	=	9	\$0
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS						
	\$87,029	+	\$48,481	=	11	\$135,510
11. GENERAL ADMINISTRATION						
	\$233,209	+	\$363,448	=	12	\$596,657
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$469
14. OTHER TAXES AND ASSESSMENTS		14	\$91,307

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Great-West Life & Annuity Insurance Co.

Percent indirect expenses 8.72%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$790,000	+	\$50,000	=	1	\$840,000
1. BILLING AND ENROLLMENT						
	\$3,223,000	+	\$0	=	2A	\$3,223,000
2A. CLAIM PROCESSING						
	not reported	+	not reported	=	2B	not reported
2B. DETECTION AND PREVENTION OF FRAUD						
	\$1,382,000	+	\$110,000	=	3	\$1,492,000
3. CUSTOMER SERVICE						
	\$1,768,000	+	\$28,000	=	4A	\$1,796,000
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$390,000	+	\$0	=	4B	\$390,000
4B. UNDERWRITING						
	\$484,000	+	\$46,000	=	5A	\$530,000
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	not reported	+	not reported	=	5B	not reported
5B. LOBBYING						
	\$120,000	+	\$7,000	=	6	\$127,000
6. PROVIDER RELATIONS AND CONTRACTING						
	\$833,000	+	\$51,000	=	7	\$884,000
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$60,000	+	\$3,000	=	8	\$63,000
8. WELLNESS AND HEALTH EDUCATION						
	not reported	+	\$99,000	=	9	\$99,000
9. RESEARCH AND PRODUCT DEVELOPMENT						
	not reported	+	not reported	=	10	not reported
10. CHARITABLE CONTRIBUTIONS						
	\$389,000	+	\$66,000	=	11	\$455,000
11. GENERAL ADMINISTRATION						
	\$9,439,000	+	\$460,000	=	12	\$9,899,000
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not reported
14. OTHER TAXES AND ASSESSMENTS		14	\$780,699

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Guarantee Trust Life Insurance Co

Percent indirect expenses 8.8%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$2,324	+	\$3,502	=	1	\$5,826
1. BILLING AND ENROLLMENT						
	\$45,136	+	\$35,646	=	2A	\$80,782
2A. CLAIM PROCESSING						
	\$0	+	\$0	=	2B	\$0
2B. DETECTION AND PREVENTION OF FRAUD						
	\$58,590	+	\$163,328	=	3	\$221,918
3. CUSTOMER SERVICE						
	\$10,388	+	\$17,676	=	4A	\$28,064
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$7,886	+	\$2,251	=	4B	\$10,137
4B. UNDERWRITING						
	\$7,847	+	\$4,927	=	5A	\$12,774
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$1,041	=	5B	\$1,041
5B. LOBBYING						
	\$0	+	\$0	=	6	\$0
6. PROVIDER RELATIONS AND CONTRACTING						
	\$0	+	\$0	=	7	\$0
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$0	+	\$0	=	8	\$0
8. WELLNESS AND HEALTH EDUCATION						
	\$0	+	\$0	=	9	\$0
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$424	=	10	\$424
10. CHARITABLE CONTRIBUTIONS						
	\$48,605	+	\$29,394	=	11	\$77,999
11. GENERAL ADMINISTRATION						
	\$180,777	+	\$258,187	=	12	\$438,964
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not reported
14. OTHER TAXES AND ASSESSMENTS		14	\$119,613

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

HealthPartners

Percent indirect expenses 8.7%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$4,666,556	+	\$1,000,265	=	1	\$5,666,822
1. BILLING AND ENROLLMENT		+				
	\$14,992,652	+	\$2,503,689	=	2A	\$17,496,341
2A. CLAIM PROCESSING		+				
	\$57,914	+	\$286,308	=	2B	\$344,223
2B. DETECTION AND PREVENTION OF FRAUD		+				
	\$6,296,947	+	\$172,357	=	3	\$6,469,304
3. CUSTOMER SERVICE		+				
	\$9,130,403	+	\$6,444,815	=	4A	\$15,575,218
4A. PRODUCT MANAGEMENT AND MARKETING		+				
	\$2,342,361	+	\$191,609	=	4B	\$2,533,970
4B. UNDERWRITING		+				
	\$1,154,505	+	\$256,279	=	5A	\$1,410,785
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+				
	\$153,000	+	\$55,000	=	5B	\$208,000
5B. LOBBYING		+				
	\$3,293,976	+	\$142,788	=	6	\$3,436,764
6. PROVIDER RELATIONS AND CONTRACTING		+				
	\$17,146,499	+	\$6,239,654	=	7	\$23,386,153
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+				
	\$3,993,921	+	\$736,452	=	8	\$4,730,373
8. WELLNESS AND HEALTH EDUCATION		+				
	\$700,072	+	\$15,680	=	9	\$715,752
9. RESEARCH AND PRODUCT DEVELOPMENT		+				
	\$0	+	\$287,276	=	10	\$287,276
10. CHARITABLE CONTRIBUTIONS		+				
	\$28,018,377	+	\$46,144,219	=	11	\$74,162,596
11. GENERAL ADMINISTRATION		+				
	\$91,947,184	+	\$64,476,392	=	12	\$156,423,576
12. TOTAL INDIRECT HEALTH CARE EXPENSES		+				

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$10,441,000
14. OTHER TAXES AND ASSESSMENTS		14	\$15,952,000

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$3,693,265	15	\$3,711,496
16. CAPITAL ACQUISITIONS	\$16,474,151	16	\$16,482,398
17. OTHER CAPITAL COSTS	\$0	17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$20,167,416	18	\$20,193,894

HMO Minnesota dba Blue Plus

Percent indirect expenses 8.5%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$1,233,003	+	\$647,533	=	1	\$1,880,536
1. BILLING AND ENROLLMENT		+				
	\$3,930,486	+	\$5,952,869	=	2A	\$9,883,355
2A. CLAIM PROCESSING		+				
	\$24,720	+	\$6,985	=	2B	\$31,705
2B. DETECTION AND PREVENTION OF FRAUD		+				
	\$2,079,526	+	\$1,103,800	=	3	\$3,183,326
3. CUSTOMER SERVICE		+				
	\$1,672,603	+	\$5,528,541	=	4A	\$7,201,144
4A. PRODUCT MANAGEMENT AND MARKETING		+				
	\$774,757	+	\$312,680	=	4B	\$1,087,437
4B. UNDERWRITING		+				
	\$116,258	+	\$232,963	=	5A	\$349,221
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+				
	\$11,051	+	\$11,563	=	5B	\$22,614
5B. LOBBYING		+				
	\$1,420,308	+	\$780,293	=	6	\$2,200,601
6. PROVIDER RELATIONS AND CONTRACTING		+				
	\$1,558,875	+	\$1,877,322	=	7	\$3,436,197
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+				
	\$0	+	\$0	=	8	\$0
8. WELLNESS AND HEALTH EDUCATION		+				
	\$361,574	+	\$797,552	=	9	\$1,159,126
9. RESEARCH AND PRODUCT DEVELOPMENT		+				
	\$0	+	\$74,874	=	10	\$74,874
10. CHARITABLE CONTRIBUTIONS		+				
	\$4,586,389	+	\$3,648,789	=	11	\$8,235,178
11. GENERAL ADMINISTRATION		+				
	\$17,769,550	+	\$20,975,764	=	12	\$38,745,314
12. TOTAL INDIRECT HEALTH CARE EXPENSES		+				

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)						
13. MINNESOTACARE TAX					13	\$1,972,743
14. OTHER TAXES AND ASSESSMENTS					14	\$4,810,356

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments				
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED		LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable		15	not applicable
16. CAPITAL ACQUISITIONS	not applicable		16	not applicable
17. OTHER CAPITAL COSTS	not applicable		17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable		18	not applicable

Jefferson Pilot Financial Insurance Company

Percent indirect expenses 12.2%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
1. BILLING AND ENROLLMENT	not reported	+	not reported	=	1	not reported
2A. CLAIM PROCESSING	not reported	+	not reported	=	2A	not reported
2B. DETECTION AND PREVENTION OF FRAUD	not reported	+	not reported	=	2B	not reported
3. CUSTOMER SERVICE	not reported	+	not reported	=	3	not reported
4A. PRODUCT MANAGEMENT AND MARKETING	not reported	+	not reported	=	4A	not reported
4B. UNDERWRITING	not reported	+	not reported	=	4B	not reported
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	not reported	+	not reported	=	5A	not reported
5B. LOBBYING	not reported	+	not reported	=	5B	not reported
6. PROVIDER RELATIONS AND CONTRACTING	not reported	+	not reported	=	6	not reported
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	not reported	+	not reported	=	7	not reported
8. WELLNESS AND HEALTH EDUCATION	not reported	+	not reported	=	8	not reported
9. RESEARCH AND PRODUCT DEVELOPMENT	not reported	+	not reported	=	9	not reported
10. CHARITABLE CONTRIBUTIONS	not reported	+	not reported	=	10	not reported
11. GENERAL ADMINISTRATION	not reported	+	not reported	=	11	\$881,437
12. TOTAL INDIRECT HEALTH CARE EXPENSES	not reported	+	not reported	=	12	\$881,437

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not applicable
14. OTHER TAXES AND ASSESSMENTS		14	not applicable

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

John Alden Life Insurance Company

Percent indirect expenses 11.0%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$24,579	+	\$14,050	=	1	\$38,629
1. BILLING AND ENROLLMENT						
	\$115,814	+	\$136,705	=	2A	\$252,519
2A. CLAIM PROCESSING						
	\$1,508	+	\$25,678	=	2B	\$27,187
2B. DETECTION AND PREVENTION OF FRAUD						
	\$91,316	+	\$70,905	=	3	\$162,222
3. CUSTOMER SERVICE						
	\$304,095	+	\$240,208	=	4A	\$544,303
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$58,027	+	\$46,103	=	4B	\$104,130
4B. UNDERWRITING						
	\$9,723	+	\$1,427	=	5A	\$11,151
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	not reported	+	not reported	=	5B	not reported
5B. LOBBYING						
	\$60,332	+	\$134,034	=	6	\$194,367
6. PROVIDER RELATIONS AND CONTRACTING						
	\$41,148	+	(\$8,675)	=	7	\$32,472
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$1,106	+	(\$83)	=	8	\$1,022
8. WELLNESS AND HEALTH EDUCATION						
	\$12,849	+	\$16,048	=	9	\$28,898
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$3,484	=	10	\$3,484
10. CHARITABLE CONTRIBUTIONS						
	\$238,673	+	\$520,372	=	11	\$759,045
11. GENERAL ADMINISTRATION						
	\$959,174	+	\$1,200,261	=	12	\$2,159,435
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not reported
14. OTHER TAXES AND ASSESSMENTS		14	\$250,008

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Life Investors Insurance Company of America

Percent indirect expenses 12.5%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$12,855	+	\$3,270	=	1	\$16,125
1. BILLING AND ENROLLMENT						
	\$71,613	+	\$17,533	=	2A	\$89,146
2A. CLAIM PROCESSING						
	\$0	+	\$0	=	2B	\$0
2B. DETECTION AND PREVENTION OF FRAUD						
	\$12,855	+	\$3,270	=	3	\$16,125
3. CUSTOMER SERVICE						
	\$0	+	\$399,009	=	4A	\$399,009
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$22,747	+	\$9,197	=	4B	\$31,944
4B. UNDERWRITING						
	\$7,527	+	\$2,514	=	5A	\$10,041
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$0	=	5B	\$0
5B. LOBBYING						
	\$0	+	\$0	=	6	\$0
6. PROVIDER RELATIONS AND CONTRACTING						
	\$0	+	\$17,835	=	7	\$17,835
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$0	+	\$0	=	8	\$0
8. WELLNESS AND HEALTH EDUCATION						
	\$1,148	+	\$939	=	9	\$2,087
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS						
	\$31,234	+	\$71,151	=	11	\$102,385
11. GENERAL ADMINISTRATION						
	\$159,979	+	\$524,718	=	12	\$684,697
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$0
14. OTHER TAXES AND ASSESSMENTS		14	\$70,141

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Lincoln National Health & Casualty Insurance Company

Percent indirect expenses 15.3%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY		Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
1. BILLING AND ENROLLMENT		not reported	+	not reported	=	1	not reported
2A. CLAIM PROCESSING		not reported	+	not reported	=	2A	not reported
2B. DETECTION AND PREVENTION OF FRAUD		not reported	+	not reported	=	2B	not reported
3. CUSTOMER SERVICE		not reported	+	not reported	=	3	not reported
4A. PRODUCT MANAGEMENT AND MARKETING		not reported	+	not reported	=	4A	not reported
4B. UNDERWRITING		not reported	+	not reported	=	4B	not reported
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		not reported	+	not reported	=	5A	not reported
5B. LOBBYING		not reported	+	not reported	=	5B	not reported
6. PROVIDER RELATIONS AND CONTRACTING		not reported	+	not reported	=	6	not reported
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		not reported	+	not reported	=	7	not reported
8. WELLNESS AND HEALTH EDUCATION		not reported	+	not reported	=	8	not reported
9. RESEARCH AND PRODUCT DEVELOPMENT		not reported	+	not reported	=	9	not reported
10. CHARITABLE CONTRIBUTIONS		not reported	+	not reported	=	10	not reported
11. GENERAL ADMINISTRATION		not reported	+	not reported	=	11	\$543,319
12. TOTAL INDIRECT HEALTH CARE EXPENSES		not reported	+	not reported	=	12	\$543,319

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not reported
14. OTHER TAXES AND ASSESSMENTS		14	\$108,462

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Mayo Health Plan

Percent indirect expenses 14.1%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$71,000	+	\$49,000	=	1	\$120,000
1. BILLING AND ENROLLMENT						
	\$346,000	+	\$238,000	=	2A	\$584,000
2A. CLAIM PROCESSING						
	\$49,000	+	\$34,000	=	2B	\$83,000
2B. DETECTION AND PREVENTION OF FRAUD						
	\$75,000	+	\$51,000	=	3	\$126,000
3. CUSTOMER SERVICE						
	\$40,000	+	\$28,000	=	4A	\$68,000
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$0	+	\$0	=	4B	\$0
4B. UNDERWRITING						
	\$206,000	+	\$142,000	=	5A	\$348,000
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$6,000	=	5B	\$6,000
5B. LOBBYING						
	\$160,000	+	\$109,000	=	6	\$269,000
6. PROVIDER RELATIONS AND CONTRACTING						
	\$47,000	+	\$32,000	=	7	\$79,000
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$1,000	+	\$1,000	=	8	\$2,000
8. WELLNESS AND HEALTH EDUCATION						
	\$7,000	+	\$5,000	=	9	\$12,000
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS						
	\$226,000	+	\$147,000	=	11	\$373,000
11. GENERAL ADMINISTRATION						
	\$1,228,000	+	\$842,000	=	12	\$2,070,000
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	reported elsewhere
14. OTHER TAXES AND ASSESSMENTS		14	\$317,000

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Medica Health Plans

Percent indirect expenses 11.9%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$1,772,151	+	\$12,143,921	=	1	\$13,916,072
1. BILLING AND ENROLLMENT						
	\$1,978,954	+	\$15,413,979	=	2A	\$17,392,933
2A. CLAIM PROCESSING						
	\$132,381	+	\$115,532	=	2B	\$247,913
2B. DETECTION AND PREVENTION OF FRAUD						
	\$3,303,419	+	\$8,122,669	=	3	\$11,426,088
3. CUSTOMER SERVICE						
	\$3,068,879	+	\$26,217,343	=	4A	\$29,286,222
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$334,671	+	\$292,075	=	4B	\$626,746
4B. UNDERWRITING						
	\$1,763,546	+	\$2,124,769	=	5A	\$3,888,315
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$959,362	=	5B	\$959,362
5B. LOBBYING						
	\$2,468,214	+	\$2,889,117	=	6	\$5,357,331
6. PROVIDER RELATIONS AND CONTRACTING						
	\$2,155,526	+	\$3,952,419	=	7	\$6,107,945
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$746,292	+	\$828,189	=	8	\$1,574,481
8. WELLNESS AND HEALTH EDUCATION						
	\$94,339	+	\$2,601,948	=	9	\$2,696,287
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$27,380	=	10	\$27,380
10. CHARITABLE CONTRIBUTIONS						
	\$14,958,577	+	\$36,320,362	=	11	\$51,278,939
11. GENERAL ADMINISTRATION						
	\$32,776,949	+	\$112,009,065	=	12	\$144,786,014
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$0
14. OTHER TAXES AND ASSESSMENTS		14	\$17,151,156

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$0	15	\$0
16. CAPITAL ACQUISITIONS	\$0	16	\$0
17. OTHER CAPITAL COSTS	\$500,000	17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$500,000	18	\$0

Medica Insurance Company

Percent indirect expenses 12.9%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$495,902	+	\$2,925,168	=	1	\$3,421,070
1. BILLING AND ENROLLMENT						
	\$553,772	+	\$3,734,835	=	2A	\$4,288,607
2A. CLAIM PROCESSING						
	\$37,044	+	\$18,434	=	2B	\$55,478
2B. DETECTION AND PREVENTION OF FRAUD						
	\$924,398	+	\$1,784,285	=	3	\$2,708,683
3. CUSTOMER SERVICE						
	\$858,766	+	\$8,920,302	=	4A	\$9,779,068
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$93,651	+	\$46,601	=	4B	\$140,252
4B. UNDERWRITING						
	\$493,494	+	\$403,462	=	5A	\$896,956
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$214,685	=	5B	\$214,685
5B. LOBBYING						
	\$690,682	+	\$529,466	=	6	\$1,220,148
6. PROVIDER RELATIONS AND CONTRACTING						
	\$603,182	+	\$778,000	=	7	\$1,381,182
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$208,835	+	\$148,623	=	8	\$357,458
8. WELLNESS AND HEALTH EDUCATION						
	\$26,399	+	\$649,953	=	9	\$676,352
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	(\$993,873)	=	10	(\$993,873)
10. CHARITABLE CONTRIBUTIONS						
	\$4,185,868	+	\$5,664,465	=	11	\$9,850,333
11. GENERAL ADMINISTRATION						
	\$9,171,993	+	\$24,824,406	=	12	\$33,996,399
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$0
14. OTHER TAXES AND ASSESSMENTS		14	\$7,584,172

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$0	15	\$0
16. CAPITAL ACQUISITIONS	\$0	16	\$0
17. OTHER CAPITAL COSTS	\$0	17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$0	18	\$0

Metropolitan Health Plan

Percent indirect expenses 12.6%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$309,513	+	\$106,953	=	1	\$416,466
1. BILLING AND ENROLLMENT						
	\$942,756	+	\$336,535	=	2A	\$1,279,291
2A. CLAIM PROCESSING						
	\$68,315	+	\$55,594	=	2B	\$123,909
2B. DETECTION AND PREVENTION OF FRAUD						
	\$1,051,578	+	\$98,571	=	3	\$1,150,149
3. CUSTOMER SERVICE						
	\$157,491	+	\$355,579	=	4A	\$513,070
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$0	+	\$0	=	4B	\$0
4B. UNDERWRITING						
	\$59,606	+	\$120,305	=	5A	\$179,911
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$0	=	5B	\$0
5B. LOBBYING						
	\$285,999	+	\$401,170	=	6	\$687,169
6. PROVIDER RELATIONS AND CONTRACTING						
	\$1,121,573	+	\$54,040	=	7	\$1,175,613
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$88,041	+	\$46,595	=	8	\$134,636
8. WELLNESS AND HEALTH EDUCATION						
	\$13,124	+	\$738,260	=	9	\$751,384
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$53,486	=	10	\$53,486
10. CHARITABLE CONTRIBUTIONS						
	\$1,370,427	+	\$1,711,771	=	11	\$3,082,198
11. GENERAL ADMINISTRATION						
	\$5,468,423	+	\$4,078,859	=	12	\$9,547,282
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not applicable
14. OTHER TAXES AND ASSESSMENTS		14	\$379,085

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Metropolitan Life Insurance Company

Percent indirect expenses 27.7%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$37,882	+	\$109,990	=	1	\$147,872
1. BILLING AND ENROLLMENT						
	\$37,714	+	\$77,616	=	2A	\$115,330
2A. CLAIM PROCESSING						
	not reported	+	not reported	=	2B	not reported
2B. DETECTION AND PREVENTION OF FRAUD						
	\$38,718	+	\$271,927	=	3	\$310,645
3. CUSTOMER SERVICE						
	\$38,597	+	\$248,515	=	4A	\$287,112
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$42,442	+	\$993,331	=	4B	\$1,035,774
4B. UNDERWRITING						
	not reported	+	not reported	=	5A	not reported
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	not reported	+	not reported	=	5B	not reported
5B. LOBBYING						
	\$38,416	+	\$213,528	=	6	\$251,944
6. PROVIDER RELATIONS AND CONTRACTING						
	not reported	+	not reported	=	7	not reported
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$37,952	+	\$123,619	=	8	\$161,571
8. WELLNESS AND HEALTH EDUCATION						
	not reported	+	not reported	=	9	not reported
9. RESEARCH AND PRODUCT DEVELOPMENT						
	not reported	+	not reported	=	10	not reported
10. CHARITABLE CONTRIBUTIONS						
	\$66,176	+	\$5,590,258	=	11	\$5,656,433
11. GENERAL ADMINISTRATION						
	\$337,897	+	\$7,628,784	=	12	\$7,966,681
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not reported
14. OTHER TAXES AND ASSESSMENTS		14	\$18,328

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Monumental Life Insurance Company

Percent indirect expenses 7.64%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$3,132	+	\$2,766	=	1	\$5,898
1. BILLING AND ENROLLMENT						
	\$5,283	+	\$4,666	=	2A	\$9,949
2A. CLAIM PROCESSING						
	not applicable	+	not applicable	=	2B	not applicable
2B. DETECTION AND PREVENTION OF FRAUD						
	\$754	+	\$666	=	3	\$1,420
3. CUSTOMER SERVICE						
	\$7,136	+	\$88,896	=	4A	\$96,032
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$2,654	+	\$2,345	=	4B	\$4,999
4B. UNDERWRITING						
	\$2,401	+	\$2,121	=	5A	\$4,522
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	not applicable	+	not applicable	=	5B	not applicable
5B. LOBBYING						
	not applicable	+	not applicable	=	6	not applicable
6. PROVIDER RELATIONS AND CONTRACTING						
	not applicable	+	not applicable	=	7	not applicable
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	not applicable	+	not applicable	=	8	not applicable
8. WELLNESS AND HEALTH EDUCATION						
	\$443	+	\$391	=	9	\$834
9. RESEARCH AND PRODUCT DEVELOPMENT						
	not applicable	+	not applicable	=	10	not applicable
10. CHARITABLE CONTRIBUTIONS						
	\$28,678	+	\$25,330	=	11	\$54,008
11. GENERAL ADMINISTRATION						
	\$50,481	+	\$127,181	=	12	\$177,662
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not applicable
14. OTHER TAXES AND ASSESSMENTS		14	\$22,901

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Mutual of Omaha Insurance Company

Percent indirect expenses 25.3%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$18,777	+	\$16,008	=	1	\$34,785
1. BILLING AND ENROLLMENT						
	\$621,090	+	\$533,932	=	2A	\$1,155,022
2A. CLAIM PROCESSING						
	\$12,735	+	\$1,633	=	2B	\$14,368
2B. DETECTION AND PREVENTION OF FRAUD						
	\$359,334	+	\$200,665	=	3	\$559,999
3. CUSTOMER SERVICE						
	\$1,138,950	+	\$4,136,619	=	4A	\$5,275,569
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$170,565	+	\$79,194	=	4B	\$249,759
4B. UNDERWRITING						
	\$13,048	+	\$5,688	=	5A	\$18,736
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$0	=	5B	\$0
5B. LOBBYING						
	\$13,383	+	\$7,678	=	6	\$21,061
6. PROVIDER RELATIONS AND CONTRACTING						
	\$50,090	+	\$13,576	=	7	\$63,666
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$282	+	\$9,216	=	8	\$9,498
8. WELLNESS AND HEALTH EDUCATION						
	\$39,364	+	\$7,640	=	9	\$47,004
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$97	=	10	\$97
10. CHARITABLE CONTRIBUTIONS						
	\$127,073	+	\$152,336	=	11	\$279,409
11. GENERAL ADMINISTRATION						
	\$2,564,691	+	\$5,164,282	=	12	\$7,728,973
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$217,168
14. OTHER TAXES AND ASSESSMENTS		14	\$384,492

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Physicians Mutual Ins. Co.

Percent indirect expenses 18.4%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$132,885	+	\$383,659	=	1	\$516,544
1. BILLING AND ENROLLMENT						
	\$110,535	+	\$108,672	=	2A	\$219,207
2A. CLAIM PROCESSING						
	\$5,229	+	\$11,741	=	2B	\$16,970
2B. DETECTION AND PREVENTION OF FRAUD						
	\$151,968	+	\$5,262	=	3	\$157,230
3. CUSTOMER SERVICE						
	\$127,216	+	\$726,801	=	4A	\$854,017
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$35,335	+	\$19,991	=	4B	\$55,326
4B. UNDERWRITING						
	\$21,009	+	\$12,079	=	5A	\$33,088
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	not reported	+	not reported	=	5B	not reported
5B. LOBBYING						
	not reported	+	not reported	=	6	not reported
6. PROVIDER RELATIONS AND CONTRACTING						
	not reported	+	not reported	=	7	not reported
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	not reported	+	not reported	=	8	not reported
8. WELLNESS AND HEALTH EDUCATION						
	\$24,657	+	\$105,092	=	9	\$129,748
9. RESEARCH AND PRODUCT DEVELOPMENT						
	not reported	+	\$4,971	=	10	\$4,971
10. CHARITABLE CONTRIBUTIONS						
	\$414,201	+	\$137,076	=	11	\$551,277
11. GENERAL ADMINISTRATION						
	\$1,023,034	+	\$1,515,345	=	12	\$2,538,379
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$0
14. OTHER TAXES AND ASSESSMENTS		14	\$485,840

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

PreferredOne Community Health Plan

Percent indirect expenses 7.6%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$146,524	+	\$82,740	=	1	\$229,264
1. BILLING AND ENROLLMENT						
	\$640,434	+	\$361,644	=	2A	\$1,002,078
2A. CLAIM PROCESSING						
	\$69,866	+	\$39,452	=	2B	\$109,318
2B. DETECTION AND PREVENTION OF FRAUD						
	\$232,885	+	\$131,507	=	3	\$364,392
3. CUSTOMER SERVICE						
	\$173,694	+	\$98,082	=	4A	\$271,776
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$98,976	+	\$55,890	=	4B	\$154,866
4B. UNDERWRITING						
	\$38,814	+	\$21,918	=	5A	\$60,732
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$27,170	+	\$15,342	=	5B	\$42,512
5B. LOBBYING						
	\$332,832	+	\$187,945	=	6	\$520,777
6. PROVIDER RELATIONS AND CONTRACTING						
	\$106,739	+	\$60,274	=	7	\$167,013
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$39,785	+	\$22,466	=	8	\$62,251
8. WELLNESS AND HEALTH EDUCATION						
	\$51,429	+	\$29,041	=	9	\$80,470
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS						
	\$354,179	+	\$200,000	=	11	\$554,179
11. GENERAL ADMINISTRATION						
	\$2,313,327	+	\$1,306,301	=	12	\$3,619,628
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$0
14. OTHER TAXES AND ASSESSMENTS		14	\$787,263

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$0	15	\$0
16. CAPITAL ACQUISITIONS	\$0	16	\$0
17. OTHER CAPITAL COSTS	\$0	17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$0	18	\$0

Principal Life Insurance Company

Percent indirect expenses 9.3%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$578,717	+	\$248,021	=	1	\$826,739
1. BILLING AND ENROLLMENT		+		=		
	\$3,262,162	+	\$1,398,069	=	2A	\$4,660,231
2A. CLAIM PROCESSING		+		=		
	reported elsewhere	+	reported elsewhere	=	2B	reported elsewhere
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	reported elsewhere	+	reported elsewhere	=	3	reported elsewhere
3. CUSTOMER SERVICE		+		=		
	\$572,172	+	\$3,910,724	=	4A	\$4,482,897
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	reported elsewhere	+	reported elsewhere	=	4B	reported elsewhere
4B. UNDERWRITING		+		=		
	\$144,298	+	\$61,842	=	5A	\$206,140
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	reported elsewhere	+	reported elsewhere	=	5B	reported elsewhere
5B. LOBBYING		+		=		
	\$214,533	+	\$91,942	=	6	\$306,476
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$249,611	+	\$106,976	=	7	\$356,587
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	reported elsewhere	+	reported elsewhere	=	8	reported elsewhere
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$89,035	+	\$38,157	=	9	\$127,193
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	reported elsewhere	+	reported elsewhere	=	10	reported elsewhere
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$1,613,636	+	\$691,558	=	11	\$2,305,195
11. GENERAL ADMINISTRATION		+		=		
	\$6,724,167	+	\$6,547,293	=	12	\$13,271,461
12. TOTAL INDIRECT HEALTH CARE EXPENSES		+		=		

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$518,988
14. OTHER TAXES AND ASSESSMENTS		14	\$2,075,768

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

ReliaStar Life Insurance Company

Percent indirect expenses 13.0%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$17,122	+	\$72,057	=	1	\$89,179
1. BILLING AND ENROLLMENT						
	\$7,880	+	\$28,550	=	2A	\$36,430
2A. CLAIM PROCESSING						
	\$0	+	\$0	=	2B	\$0
2B. DETECTION AND PREVENTION OF FRAUD						
	\$8,791	+	\$41,357	=	3	\$50,148
3. CUSTOMER SERVICE						
	\$70,852	+	\$156,238	=	4A	\$227,090
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$31,838	+	\$96,025	=	4B	\$127,863
4B. UNDERWRITING						
	\$18,865	+	\$41,600	=	5A	\$60,465
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$0	=	5B	\$0
5B. LOBBYING						
	\$6,848	+	\$17,964	=	6	\$24,812
6. PROVIDER RELATIONS AND CONTRACTING						
	\$11,357	+	\$30,197	=	7	\$41,554
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$0	+	\$793	=	8	\$793
8. WELLNESS AND HEALTH EDUCATION						
	\$13,065	+	\$28,811	=	9	\$41,876
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS						
	\$51,353	+	\$129,149	=	11	\$180,502
11. GENERAL ADMINISTRATION						
	\$237,971	+	\$642,741	=	12	\$880,712
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$0
14. OTHER TAXES AND ASSESSMENTS		14	\$161,672

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Sentry Select Insurance Company

Percent indirect expenses 15.7%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	reported elsewhere	+	reported elsewhere	=	1	reported elsewhere
1. BILLING AND ENROLLMENT		+		=		
	\$151,000	+	\$18,000	=	2A	\$169,000
2A. CLAIM PROCESSING		+		=		
	reported elsewhere	+	reported elsewhere	=	2B	reported elsewhere
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$31,000	+	\$4,000	=	3	\$35,000
3. CUSTOMER SERVICE		+		=		
	\$36,000	+	\$4,000	=	4A	\$40,000
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$6,000	+	\$1,000	=	4B	\$7,000
4B. UNDERWRITING		+		=		
	\$5,000	+	\$1,000	=	5A	\$6,000
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	reported elsewhere	+	reported elsewhere	=	5B	reported elsewhere
5B. LOBBYING		+		=		
	reported elsewhere	+	reported elsewhere	=	6	reported elsewhere
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	reported elsewhere	+	reported elsewhere	=	7	reported elsewhere
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	reported elsewhere	+	reported elsewhere	=	8	reported elsewhere
8. WELLNESS AND HEALTH EDUCATION		+		=		
	reported elsewhere	+	reported elsewhere	=	9	reported elsewhere
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	reported elsewhere	+	reported elsewhere	=	10	reported elsewhere
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$112,000	+	\$13,000	=	11	\$125,000
11. GENERAL ADMINISTRATION		+		=		
	\$341,000	+	\$41,000	=	12	\$382,000
12. TOTAL INDIRECT HEALTH CARE EXPENSES		+		=		

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not reported
14. OTHER TAXES AND ASSESSMENTS		14	\$82,000

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Sioux Valley Health Plan of Minnesota

Percent indirect
expenses (out of total
2001 reported
expenses) 10.4%

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$32,954	\$66,227	+	1	\$99,181
1. BILLING AND ENROLLMENT					
	\$30,349	\$86,618	+	2A	\$116,967
2A. CLAIM PROCESSING					
	not reported	not reported	+	2B	not reported
2B. DETECTION AND PREVENTION OF FRAUD					
	\$30,349	\$86,618	+	3	\$116,967
3. CUSTOMER SERVICE					
	\$6,482	\$798	+	4A	\$7,281
4A. PRODUCT MANAGEMENT AND MARKETING					
	\$6,482	\$798	+	4B	\$7,281
4B. UNDERWRITING					
	not reported	not reported	+	5A	not reported
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS					
	not reported	not reported	+	5B	not reported
5B. LOBBYING					
	\$10,145	\$8,112	+	6	\$18,257
6. PROVIDER RELATIONS AND CONTRACTING					
	\$38,035	\$12,767	+	7	\$50,801
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT					
	not reported	not reported	+	8	not reported
8. WELLNESS AND HEALTH EDUCATION					
	not reported	not reported	+	9	not reported
9. RESEARCH AND PRODUCT DEVELOPMENT					
	not reported	not reported	+	10	not reported
10. CHARITABLE CONTRIBUTIONS					
	\$32,954	\$66,227	+	11	\$99,181
11. GENERAL ADMINISTRATION					
	\$187,750	\$328,166	+	12	\$515,915
12. TOTAL INDIRECT HEALTH CARE EXPENSES					

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)				
13. MINNESOTACARE TAX			13	not reported
14. OTHER TAXES AND ASSESSMENTS			14	\$83,698

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

State Farm Mutual Automobile Insurance Company

Percent indirect expenses 14.4%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$181,066	+	\$13,521	=	1	\$194,587
1. BILLING AND ENROLLMENT						
	\$1,619,482	+	\$1,371,251	=	2A	\$2,990,733
2A. CLAIM PROCESSING						
	\$85,236	+	\$72,171	=	2B	\$157,407
2B. DETECTION AND PREVENTION OF FRAUD						
	\$52,811	+	\$74	=	3	\$52,885
3. CUSTOMER SERVICE						
	\$95,060	+	\$1,726,877	=	4A	\$1,821,937
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$10,562	+	\$5,113	=	4B	\$15,675
4B. UNDERWRITING						
	\$105,621	+	\$26,678	=	5A	\$132,299
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$19,028	=	5B	\$19,028
5B. LOBBYING						
	\$22,633	+	\$32	=	6	\$22,665
6. PROVIDER RELATIONS AND CONTRACTING						
	\$52,811	+	\$11,948	=	7	\$64,759
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$7,544	+	\$11	=	8	\$7,555
8. WELLNESS AND HEALTH EDUCATION						
	\$75,445	+	\$11,979	=	9	\$87,424
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS						
	\$150,888	+	\$15,208	=	11	\$166,096
11. GENERAL ADMINISTRATION						
	\$2,459,159	+	\$3,273,891	=	12	\$5,733,050
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$2,298
14. OTHER TAXES AND ASSESSMENTS		14	\$864,201

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$0	15	\$0
16. CAPITAL ACQUISITIONS	\$0	16	\$0
17. OTHER CAPITAL COSTS	\$0	17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$0	18	\$0

The Canada Life Assurance Company

Percent indirect expenses 23.3%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$44,138	+	\$24,502	=	1	\$68,640
1. BILLING AND ENROLLMENT						
	\$28,960	+	\$8,776	=	2A	\$37,736
2A. CLAIM PROCESSING						
	not applicable	+	not applicable	=	2B	not applicable
2B. DETECTION AND PREVENTION OF FRAUD						
	\$9,200	+	\$811	=	3	\$10,011
3. CUSTOMER SERVICE						
	\$149,830	+	\$298,475	=	4A	\$448,305
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$56,728	+	\$6,656	=	4B	\$63,384
4B. UNDERWRITING						
	\$190	+	\$119	=	5A	\$309
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	not applicable	+	not applicable	=	5B	not applicable
5B. LOBBYING						
	not applicable	+	not applicable	=	6	not applicable
6. PROVIDER RELATIONS AND CONTRACTING						
	not applicable	+	not applicable	=	7	not applicable
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	not applicable	+	not applicable	=	8	not applicable
8. WELLNESS AND HEALTH EDUCATION						
	\$14,211	+	\$3,733	=	9	\$17,944
9. RESEARCH AND PRODUCT DEVELOPMENT						
	not applicable	+	not applicable	=	10	not applicable
10. CHARITABLE CONTRIBUTIONS						
	\$59,543	+	\$137,390	=	11	\$196,933
11. GENERAL ADMINISTRATION						
	\$362,800	+	\$480,462	=	12	\$843,262
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not applicable
14. OTHER TAXES AND ASSESSMENTS		14	(\$1,523)

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

The Guardian Life Insurance Company of America

Percent indirect expenses 18.0%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$144,157	+	\$93,371	=	1	\$237,528
1. BILLING AND ENROLLMENT		+				
	\$123,966	+	\$116,126	=	2A	\$240,092
2A. CLAIM PROCESSING		+				
	\$5,778	+	\$4,284	=	2B	\$10,062
2B. DETECTION AND PREVENTION OF FRAUD		+				
	\$84,775	+	\$53,537	=	3	\$138,312
3. CUSTOMER SERVICE		+				
	\$285,736	+	\$992,179	=	4A	\$1,277,915
4A. PRODUCT MANAGEMENT AND MARKETING		+				
	reported elsewhere	+	reported elsewhere	=	4B	reported elsewhere
4B. UNDERWRITING		+				
	\$14,810	+	\$8,916	=	5A	\$23,726
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+				
	reported elsewhere	+	reported elsewhere	=	5B	reported elsewhere
5B. LOBBYING		+				
	reported elsewhere	+	reported elsewhere	=	6	reported elsewhere
6. PROVIDER RELATIONS AND CONTRACTING		+				
	\$1,432	+	\$50,125	=	7	\$51,557
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+				
	not applicable	+	not applicable	=	8	not applicable
8. WELLNESS AND HEALTH EDUCATION		+				
	reported elsewhere	+	reported elsewhere	=	9	reported elsewhere
9. RESEARCH AND PRODUCT DEVELOPMENT		+				
	reported elsewhere	+	reported elsewhere	=	10	reported elsewhere
10. CHARITABLE CONTRIBUTIONS		+				
	\$148,177	+	\$63,223	=	11	\$211,400
11. GENERAL ADMINISTRATION		+				
	\$808,831	+	\$1,381,761	=	12	\$2,190,592
12. TOTAL INDIRECT HEALTH CARE EXPENSES		+				

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$3,003
14. OTHER TAXES AND ASSESSMENTS		14	\$1,069,727

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

The Prudential Ins Co of America

Percent indirect expenses 5.1%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
1. BILLING AND ENROLLMENT	not reported	+	not reported	=	1	\$82,463
2A. CLAIM PROCESSING	not reported	+	not reported	=	2A	\$206,156
2B. DETECTION AND PREVENTION OF FRAUD	not reported	+	not reported	=	2B	not reported
3. CUSTOMER SERVICE	not reported	+	not reported	=	3	\$109,950
4A. PRODUCT MANAGEMENT AND MARKETING	not reported	+	not reported	=	4A	\$144,309
4B. UNDERWRITING	not reported	+	not reported	=	4B	not reported
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	not reported	+	not reported	=	5A	\$13,744
5B. LOBBYING	not reported	+	not reported	=	5B	not reported
6. PROVIDER RELATIONS AND CONTRACTING	not reported	+	not reported	=	6	\$34,359
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	not reported	+	not reported	=	7	not reported
8. WELLNESS AND HEALTH EDUCATION	not reported	+	not reported	=	8	\$2,749
9. RESEARCH AND PRODUCT DEVELOPMENT	not reported	+	not reported	=	9	not reported
10. CHARITABLE CONTRIBUTIONS	not reported	+	not reported	=	10	not reported
11. GENERAL ADMINISTRATION	not reported	+	not reported	=	11	\$780,646
12. TOTAL INDIRECT HEALTH CARE EXPENSES	not reported	+	not reported	=	12	\$1,374,376

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not reported
14. OTHER TAXES AND ASSESSMENTS		14	\$15,428

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Trustmark Insurance Company

Percent indirect expenses 16.6%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$62,779	+	\$10,729	=	1	\$73,508
1. BILLING AND ENROLLMENT						
	\$425,639	+	\$149,582	=	2A	\$575,221
2A. CLAIM PROCESSING						
	\$4,002	+	\$678	=	2B	\$4,680
2B. DETECTION AND PREVENTION OF FRAUD						
	\$48,830	+	\$18,163	=	3	\$66,993
3. CUSTOMER SERVICE						
	\$349,421	+	\$60,777	=	4A	\$410,198
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$64,964	+	\$43,336	=	4B	\$108,300
4B. UNDERWRITING						
	\$25,435	+	\$11,587	=	5A	\$37,022
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$0	=	5B	\$0
5B. LOBBYING						
	\$3,919	+	\$2,679	=	6	\$6,598
6. PROVIDER RELATIONS AND CONTRACTING						
	\$6,638	+	\$22,740	=	7	\$29,378
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$3,600	+	\$400	=	8	\$4,000
8. WELLNESS AND HEALTH EDUCATION						
	\$27,042	+	\$5,007	=	9	\$32,049
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$3,600	+	(\$2,706)	=	10	\$894
10. CHARITABLE CONTRIBUTIONS						
	\$103,113	+	\$87,026	=	11	\$190,139
11. GENERAL ADMINISTRATION						
	\$1,128,982	+	\$409,998	=	12	\$1,538,980
12. TOTAL INDIRECT HEALTH CARE EXPENSES						

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$64,484
14. OTHER TAXES AND ASSESSMENTS		14	\$75,276

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

UCare Minnesota

Percent indirect expenses 8.1%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$624,042	+	\$449,163	=	1	\$1,073,205
1. BILLING AND ENROLLMENT		+		=		
	\$4,785,580	+	\$3,176,918	=	2A	\$7,962,498
2A. CLAIM PROCESSING		+		=		
	\$17,456	+	\$6,258	=	2B	\$23,714
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$1,398,430	+	\$920,582	=	3	\$2,319,012
3. CUSTOMER SERVICE		+		=		
	\$1,217,603	+	\$1,688,991	=	4A	\$2,906,594
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$0	+	\$0	=	4B	\$0
4B. UNDERWRITING		+		=		
	\$621,072	+	\$237,890	=	5A	\$858,962
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$52,446	+	\$12,908	=	5B	\$65,354
5B. LOBBYING		+		=		
	\$1,997,444	+	\$2,690,493	=	6	\$4,687,937
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$2,405,008	+	\$3,008,022	=	7	\$5,413,030
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$22,358	+	\$896,056	=	8	\$918,414
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$417,022	+	\$167,965	=	9	\$584,987
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$0	+	\$555,983	=	10	\$555,983
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$2,081,128	+	\$2,445,386	=	11	\$4,526,514
11. GENERAL ADMINISTRATION		+		=		
	\$15,639,589	+	\$16,256,615	=	12	\$31,896,204
12. TOTAL INDIRECT HEALTH CARE EXPENSES		+		=		

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	\$0
14. OTHER TAXES AND ASSESSMENTS		14	\$3,067,756

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$0	15	\$0
16. CAPITAL ACQUISITIONS	\$1,169,760	16	\$1,169,760
17. OTHER CAPITAL COSTS	\$0	17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$1,169,760	18	\$1,169,760

United American Insurance Company

Percent indirect expenses 15.5%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY		Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
1. BILLING AND ENROLLMENT		\$3,369	+	not applicable	=	1	\$3,369
2A. CLAIM PROCESSING		\$34,139	+	not applicable	=	2A	\$34,139
2B. DETECTION AND PREVENTION OF FRAUD		\$1,634	+	not applicable	=	2B	\$1,634
3. CUSTOMER SERVICE		\$8,643	+	not applicable	=	3	\$8,643
4A. PRODUCT MANAGEMENT AND MARKETING		\$38,893	+	\$193,748	=	4A	\$232,641
4B. UNDERWRITING		\$3,369	+	not applicable	=	4B	\$3,369
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		\$2,421	+	not applicable	=	5A	\$2,421
5B. LOBBYING	not reported		+	not applicable	=	5B	not reported
6. PROVIDER RELATIONS AND CONTRACTING	not reported		+	not applicable	=	6	not reported
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		\$4,902	+	not applicable	=	7	\$4,902
8. WELLNESS AND HEALTH EDUCATION	not reported		+	not applicable	=	8	not reported
9. RESEARCH AND PRODUCT DEVELOPMENT		\$12,835	+	not applicable	=	9	\$12,835
10. CHARITABLE CONTRIBUTIONS	not reported		+	not applicable	=	10	not reported
11. GENERAL ADMINISTRATION		\$32,637	+	\$112,421	=	11	\$145,058
12. TOTAL INDIRECT HEALTH CARE EXPENSES		\$142,842	+	\$306,169	=	12	\$449,011

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not reported
14. OTHER TAXES AND ASSESSMENTS		14	\$89,021

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

World Insurance Company

Percent indirect expenses 13.9%
(out of total 2001 reported
spending):

2001 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2001 to 12/31/2001

The data submitted in this report may be estimated using existing accounting methods with allocations to specific categories. This information is intended to provide detail about the types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$309,221	+	\$368,038	=	1	\$677,259
1. BILLING AND ENROLLMENT		+		=		
	\$395,430	+	\$470,645	=	2A	\$866,075
2A. CLAIM PROCESSING		+		=		
	reported elsewhere	+	reported elsewhere	=	2B	reported elsewhere
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	reported elsewhere	+	reported elsewhere	=	3	reported elsewhere
3. CUSTOMER SERVICE		+		=		
	\$184,033	+	\$219,038	=	4A	\$403,071
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	reported elsewhere	+	reported elsewhere	=	4B	reported elsewhere
4B. UNDERWRITING		+		=		
	\$143,595	+	\$170,908	=	5A	\$314,503
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	reported elsewhere	+	reported elsewhere	=	5B	reported elsewhere
5B. LOBBYING		+		=		
	reported elsewhere	+	reported elsewhere	=	6	reported elsewhere
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	reported elsewhere	+	reported elsewhere	=	7	reported elsewhere
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	reported elsewhere	+	reported elsewhere	=	8	reported elsewhere
8. WELLNESS AND HEALTH EDUCATION		+		=		
	reported elsewhere	+	reported elsewhere	=	9	reported elsewhere
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$108	+	\$128	=	10	\$236
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$349,451	+	\$415,920	=	11	\$765,371
11. GENERAL ADMINISTRATION		+		=		
	\$1,381,838	+	\$1,644,677	=	12	\$3,026,515
12. TOTAL INDIRECT HEALTH CARE EXPENSES		+		=		

* Include ONLY salaries and benefits of central office staff who do not provide direct patient care **Include expenses OTHER THAN salaries and benefits

Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)			
13. MINNESOTACARE TAX		13	not reported
14. OTHER TAXES AND ASSESSMENTS		14	\$532,488

Capital costs go on lines 15, 16, and 17; report both the 2001 incurred costs and 2001 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses	2001 INCURRED	LINE #	2001 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	not applicable	15	not applicable
16. CAPITAL ACQUISITIONS	not applicable	16	not applicable
17. OTHER CAPITAL COSTS	not applicable	17	not applicable
18. TOTAL CAPITAL EXPENDITURES	not applicable	18	not applicable

Appendix A



Corporate Office:
8100 34th Avenue South
Bloomington, MN 55425
www.healthpartners.com

Mailing Address:
P.O. Box 1309
Minneapolis, MN 55440-1309

October 25, 2002

Mr. David J. Giese
Director Health Policy and Systems Compliance
Minnesota Department of Health
Metro Square Building
121 East Seventh Place, Suite 400
St. Paul, MN 55101

Dear Mr. Giese:

Per your letter dated October 2, 2002, HealthPartners, Inc. would like to include the following comment on the release of HealthPartners, Inc. data:

“HealthPartners Indirect Health Care expenses reported on the 2001 Health Plan Financial and Statistical Report are filed on a consolidated basis which includes the following organizations:

HealthPartners, Inc.	Minnesota Nonprofit Corporation (State of Minnesota licensed HMO)
Group Health Plan, Inc.	Minnesota Nonprofit Corporation (State of Minnesota licensed HMO)
Midwest Assurance Company	Minnesota Stock Corporation (Licensed Accident and Health Insurance)
HealthPartners Administrators, Inc.	Minnesota Taxable Non-Profit Corporation (Third Party Administrator)
HealthPartners Services, Inc.	Minnesota Business Corporation.”

We want to make sure that when this information is released, the readers of this report understand that HealthPartners' report is filed on a consolidated basis. If you have any questions, please feel free to contact me directly at 952-883-6584.

Sincerely,

Kevin J. Brandt
Manager of Corporate Financial Reporting

KJB/ch
/ch/lt/mndoh giese 10 25 02

Appendix B

Definitions: Indirect Health Care Expenses

Line 1. Billing and enrollment expenses. "Billing and enrollment expenses" means all costs associated with group and individual billing, member enrollment and premium collection and reconciliation functions. This may include costs 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. Examples of traditional expense categories that your company may allocate in whole or in part to billing and enrollment expenses include finance and information systems.

Lines 2a and 2b. Claim processing expenses. "Claim processing expenses" means all costs 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. Examples of traditional expense categories that your company may allocate in whole or in part to claim processing expenses include information systems and legal. Report expenses for fraud prevention and detection (investigation) in line 2b. Report all other claim processing expenses in line 2a.

Line 3. Customer service expenses. "Customer service expenses" means all costs associated with individual, group, or provider support relating to membership, open enrollment, grievance resolution, claim problems, and specialized phone services and equipment. Examples of traditional expense categories that your company may allocate in whole or in part to customer service expenses include information systems, finance, legal, and sales and marketing.

Lines 4a and 4b. Product management and marketing expenses. "Product management and marketing expenses" means all costs associated with the management and marketing of current products. This may include costs 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. Examples of traditional expense categories that your company may allocate in whole or in part to product management and marketing expenses include information systems, underwriting, legal, finance, actuarial, public relations, and network management. Report expenses for underwriting in line 4b. Report all other product management and marketing expenses in line 4a.

Lines 5a and 5b. Regulatory compliance and government relations expenses. "Regulatory compliance and government relations expenses" means all costs associated with federal and state reporting, rate filing, state and federal audits, tax accounting, lobbying, licensing and filing fees, and costs associated with the preparation and filing of all financial, utilization, statistical, and quality reports, and administration of government programs. Examples of traditional expense categories that your company may allocate in

whole or in part to regulatory compliance and government relations expenses include information systems, finance, actuarial, sales and marketing, underwriting, contract, legal, utilization management, quality assurance, and compliance. Report expenses related to lobbying in line 5b. Report all other regulatory compliance and government relations expenses in line 5a.

Line 6. Provider relations and contracting expenses. "Provider relations and contracting expenses" means all costs 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. Examples of traditional expense categories that your company may allocate in whole or in part to provider relations and contracting expenses include finance, legal, accounting, actuarial, and information systems.

Line 7. Quality assurance and utilization management expenses. "Quality assurance and utilization management expenses" means all costs 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. Examples of traditional expense categories that your company may allocate in whole or in part to quality assurance and utilization management expenses include information systems and legal.

Line 8. Wellness and health education expenses. "Wellness and health education expenses" means all costs associated with wellness and health promotion, disease prevention, member education and materials, provider education, and outreach services. Examples of traditional expense categories that your company may allocate in whole or in part to wellness and health education expenses include marketing, medical services, and printing.

Line 9. Research and product development expenses. "Research and product development expenses" means all costs 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. Examples of traditional expense categories that your company may allocate in whole or in part to research and product development expenses include actuarial, information systems, marketing, finance, underwriting, and wellness programs.

Line 10. Charitable contributions expenses. "Charitable contributions expenses" means all costs related to contributions made for charitable purposes.

Line 11. General administration expenses. "General administration expenses" means all costs not outlined or allocated to the categories of billing and enrollment, claim processing, customer service, product management and marketing, regulatory compliance and government relations, provider relations and contracting, quality assurance and utilization management, wellness and health education, research and product development, charitable contributions. Examples of traditional expense

categories that your company may allocate in whole or in part 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 costs, 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 these costs.

Line 12. Total indirect health care expenses. Total lines 1 through 11. This total must match the sum of line 12, Page 3 for all columns.

Line 13. MinnesotaCare tax expenses. "MinnesotaCare tax expenses" means all 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.

Line 14. Other taxes and assessments expenses. "Other taxes and assessments expenses" means all 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.

Line 15. Capital Costs on behalf of a hospital or clinic. These expenditures are for capital costs 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 costs incurred during the year.

Line 16. Capital Acquisitions. These expenditures are for the acquisition of capital. Report payments made during the calendar year (including lease payments) along with any costs incurred during the year.

Line 17. Other Capital Costs. These expenditures are for other costs, such as legal or administrative costs, that are directly associated with the incurring of capital costs. Report payments made during the calendar year (including lease payments) along with any costs incurred during the year.

Line 18. Total Capital Expenditures. This is the total of all the incurred capital expenditures listed on lines 15, 16, and 17, and of the payments listed on lines 15, 16, and 17.