

Administrative Costs at Minnesota Health Plans in 2002

November, 2003



Introduction

This report contains information about administrative costs reported by group purchasers doing business in Minnesota during 2002. Under Minnesota Statutes chapter 62J, the Minnesota Department of Health is required to monitor health care expenditures in the state (Minnesota Statutes section 62J.301, subdivision. 3; section 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 (Minnesota Statutes section 62J.321, subdivision 5). The Minnesota 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. The data included were derived from information submitted in the calendar year 2002 Health Plan Financial and Statistical Reports submitted by each group purchaser. This report also provides the detailed administrative cost data for each plan, including a breakdown of overall administrative costs reported, broken down into 14 categories. The group purchasers are listed alphabetically. In the detailed summary pages, the abbreviations used are translated as follows: (1) NA = not applicable, (2) NR = not reported, and (3) RE = reported elsewhere (i.e. the spending is included within another category on this page). Health plans collecting less than \$3 million in total health premiums for Minnesota residents are not required to submit detailed administrative cost information.

Appendix A provides the 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, 2002

Group Purchaser	Total Spending	Total Administrative Costs	Administrative Costs (as percent of total costs)
Allianz Life Insurance Company of North America	\$15,320,042	\$1,690,962	11.0%
American Family Mutual Insurance Co.	\$16,763,188	\$4,193,397	25.0%
Bankers Life and Casualty	\$12,999,974	\$2,079,069	16.0%
Blue Cross Blue Shield of Minnesota	\$2,741,839,965	\$213,873,221	7.8%
Central States Health & Life Company of Omaha	\$3,650,286	\$551,587	15.1%
Combined Insurance Company of America	\$4,187,155	\$441,650	10.5%
Connecticut General Life Insurance Co.	\$280,028,777	\$10,879,264	3.9%
Continental General Insurance Co.	\$7,312,482	\$1,095,895	15.0%
Delta Dental Plan of Minnesota	\$585,512,505	\$28,136,342	4.8%
Federated Mutual Insurance Co.	\$110,402,549	\$7,192,162	6.5%
First Plan of Minnesota	\$54,123,484	\$2,381,704	4.4%
Fortis Benefits Insurance Co.	\$8,517,586	\$2,486,147	29.2%
Fortis Insurance Co.	\$81,277,939	\$11,172,504	13.7%
Golden Rule Insurance	\$4,956,687	\$526,562	10.6%
Great-West Life & Annuity Insurance Co.	\$103,102,457	\$7,216,000	7.0%
HealthPartners	\$2,054,612,261	\$156,264,997	7.6%
HMO Minnesota dba Blue Plus	\$560,439,998	\$41,873,854	7.5%
Jefferson Pilot Financial Insurance Co.	\$4,777,959	\$285,564	6.0%
John Alden Life Insurance Co.	\$18,655,571	\$2,619,456	14.0%
Life Investors Insurance Company of America	\$6,734,132	\$758,565	11.3%
Medica Health Plans	\$1,437,001,463	\$130,033,020	9.0%
Medica Insurance Co.	\$270,830,178	\$27,617,859	10.2%
MEGA Life and Health Insurance Co.	\$3,470,007	\$426,551	12.3%
Metropolitan Health Plan	\$95,522,493	\$13,004,677	13.6%
Monumental Life Insurance Co.	\$786,204	\$297,912	37.9%
Mutual of Omaha Insurance Co.	\$46,680,053	\$9,195,804	19.7%
Physicians Life Insurance Co.	\$3,294,304	\$885,081	26.9%
Physicians Mutual Insurance Co.	\$12,329,885	\$2,419,501	19.6%
PreferredOne Community Health Plan	\$71,303,255	\$7,304,055	10.2%
Principal Life Insurance Co.	\$142,558,737	\$7,847,875	5.5%
Reliastar Life Insurance Co.	\$12,075,972	\$1,541,721	12.8%
Security Life Insurance Company of America	\$4,555,665	\$297,281	6.5%
Sioux Valley Health Plan of Minnesota	\$8,358,468	\$588,177	7.0%
State Farm Mutual Automobile Insurance Co.	\$41,792,512	\$5,477,914	13.1%
The Canada Life Assurance Co.	\$4,374,075	\$641,477	14.7%
The Guardian Life Insurance Company of America	\$15,100,066	\$2,372,484	15.7%
Thrivent Financial for Lutherans	\$12,298,929	\$698,865	5.7%
Trustmark Insurance Co.	\$9,777,913	\$1,104,755	11.3%
UCare Minnesota	\$485,864,136	\$35,477,701	7.3%
United American Insurance Co.	\$2,922,412	\$351,624	12.0%
United Healthcare Insurance Co.	\$236,136,271	\$14,715,755	6.2%
World Insurance Co.	\$25,931,985	\$2,922,317	11.3%
TOTAL	\$9,618,179,980	\$760,941,308	7.9%

Allianz Life Insurance Company of North America

Percent indirect expenses 11.0%
(out of total 2002 reported spending):

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MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$26,831		\$22,889		1	\$49,720
1. BILLING AND ENROLLMENT		+		=		
	\$130,696		\$111,494		2A	\$242,190
2A. CLAIM PROCESSING		+		=		
	\$10,957		\$9,347		2B	\$20,304
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	NA		NA		3	NA
3. CUSTOMER SERVICE		+		=		
	\$131,235		\$111,954		4A	\$243,189
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$83,415		\$71,159		4B	\$154,574
4B. UNDERWRITING		+		=		
	\$58,912		\$50,257		5A	\$109,169
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	NA		NA		5B	NA
5B. LOBBYING		+		=		
	\$39,247		\$33,481		6	\$72,728
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	NA		NA		7	NA
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$4,956		\$4,228		8	\$9,184
8. WELLNESS AND HEALTH EDUCATION		+		=		
	NA		NA		9	NA
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	NA		NA		10	NA
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$426,266		\$363,638		11	\$789,904
11. GENERAL ADMINISTRATION		+		=		
	\$912,515		\$778,447		12	\$1,690,962
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	NA
14. OTHER TAXES AND ASSESSMENTS					14	\$108,845

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	NA
16. CAPITAL ACQUISITIONS					16	NA
17. OTHER CAPITAL COSTS					17	NA
18. TOTAL CAPITAL EXPENDITURES					18	NA

American Family Mutual Insurance Co.

Percent indirect expenses 25.0%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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	\$173,022	+	\$418,815	=	1	\$591,837
2A. CLAIM PROCESSING	\$9,362	+	\$404,540	=	2A	\$413,902
2B. DETECTION AND PREVENTION OF FRAUD	\$0	+	\$0	=	2B	\$0
3. CUSTOMER SERVICE	\$7,305	+	\$2,575	=	3	\$9,880
4A. PRODUCT MANAGEMENT AND MARKETING	\$123,451	+	\$1,265,024	=	4A	\$1,388,475
4B. UNDERWRITING	\$0	+	\$0	=	4B	\$0
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	\$15,918	+	\$161,035	=	5A	\$176,953
5B. LOBBYING	\$2,638	+	\$528	=	5B	\$3,166
6. PROVIDER RELATIONS AND CONTRACTING	\$4,767	+	\$1,976	=	6	\$6,743
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	\$60,480	+	\$25,071	=	7	\$85,551
8. WELLNESS AND HEALTH EDUCATION	\$13,143	+	\$2,794	=	8	\$15,937
9. RESEARCH AND PRODUCT DEVELOPMENT	\$3,948	+	\$1,637	=	9	\$5,585
10. CHARITABLE CONTRIBUTIONS	\$18,588	+	\$4,537	=	10	\$23,125
11. GENERAL ADMINISTRATION	\$918,417	+	\$553,828	=	11	\$1,472,245
12. TOTAL INDIRECT HEALTH CARE EXPENSES	\$1,351,038	+	\$2,842,359	=	12	\$4,193,397

* 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	NA
14. OTHER TAXES AND ASSESSMENTS					14	\$595,591

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	NA				15	NA
16. CAPITAL ACQUISITIONS	NA				16	NA
17. OTHER CAPITAL COSTS	NA				17	NA
18. TOTAL CAPITAL EXPENDITURES	NA				18	NA

Bankers Life and Casualty

Percent indirect expenses 16.0%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$4,785		\$6,732	=	1	\$11,517
1. BILLING AND ENROLLMENT		+		=		
	\$102,366		\$144,016	=	2A	\$246,382
2A. CLAIM PROCESSING		+		=		
	\$21,416		\$30,129	=	2B	\$51,545
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$56,051		\$78,857	=	3	\$134,908
3. CUSTOMER SERVICE		+		=		
	\$465,349		\$654,685	=	4A	\$1,120,034
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$71,385		\$100,430	=	4B	\$171,815
4B. UNDERWRITING		+		=		
	\$5,651		\$7,951	=	5A	\$13,602
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$2,142		\$3,013	=	5B	\$5,155
5B. LOBBYING		+		=		
	\$0		\$0	=	6	\$0
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$0		\$0	=	7	\$0
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$536		\$754	=	8	\$1,290
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$15,751		\$22,160	=	9	\$37,911
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$0		\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$118,374		\$166,536	=	11	\$284,910
11. GENERAL ADMINISTRATION		+		=		
	\$863,806		\$1,215,263	=	12	\$2,079,069
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	\$991,381

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments

Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses

	2002 INCURRED	LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	NA	15	NA
16. CAPITAL ACQUISITIONS	NA	16	NA
17. OTHER CAPITAL COSTS	NA	17	NA
18. TOTAL CAPITAL EXPENDITURES	NA	18	NA

Blue Cross Blue Shield of Minnesota

Percent indirect expenses 7.8%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
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INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
1. BILLING AND ENROLLMENT	\$9,694,533	+	\$4,653,356	=	1	\$14,347,889
2A. CLAIM PROCESSING	\$27,144,969	+	\$33,140,286	=	2A	\$60,285,255
2B. DETECTION AND PREVENTION OF FRAUD	\$113,603	+	\$31,445	=	2B	\$145,048
3. CUSTOMER SERVICE	\$17,964,103	+	\$7,412,020	=	3	\$25,376,123
4A. PRODUCT MANAGEMENT AND MARKETING	\$10,003,954	+	\$35,363,313	=	4A	\$45,367,267
4B. UNDERWRITING	\$4,661,515	+	\$1,538,865	=	4B	\$6,200,380
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	\$630,318	+	\$364,393	=	5A	\$994,711
5B. LOBBYING	\$68,915	+	\$90,799	=	5B	\$159,714
6. PROVIDER RELATIONS AND CONTRACTING	\$6,901,663	+	\$3,083,435	=	6	\$9,985,098
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	\$6,789,150	+	\$2,280,771	=	7	\$9,069,921
8. WELLNESS AND HEALTH EDUCATION	\$0	+	\$737,915	=	8	\$737,915
9. RESEARCH AND PRODUCT DEVELOPMENT	\$2,837,294	+	\$2,184,465	=	9	\$5,021,759
10. CHARITABLE CONTRIBUTIONS	\$0	+	\$2,251,474	=	10	\$2,251,474
11. GENERAL ADMINISTRATION	\$8,714,517	+	\$25,216,150	=	11	\$33,930,667
12. TOTAL INDIRECT HEALTH CARE EXPENSES	\$95,524,534	+	\$118,348,687	=	12	\$213,873,221

* 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	\$53,357,940
14. OTHER TAXES AND ASSESSMENTS		14	\$21,007,705

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments

Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses

	2002 INCURRED	LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$0	15	\$0
16. CAPITAL ACQUISITIONS	\$9,817,080	16	\$9,817,080
17. OTHER CAPITAL COSTS	\$0	17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$9,817,080	18	\$9,817,080

Central States Health & Life Company of Omaha

Percent indirect expenses 15.1%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

INDIRECT HEALTH CARE EXPENSES: Page 4

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2002 to 12/31/2002

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INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
	\$3,745		\$3,027	=	1	\$6,772
1. BILLING AND ENROLLMENT		+		=		
	\$41,704		\$83,148	=	2A	\$124,852
2A. CLAIM PROCESSING		+		=		
	\$4,131		\$1,894	=	2B	\$6,025
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$24,119		\$17,543	=	3	\$41,663
3. CUSTOMER SERVICE		+		=		
	\$56,232		\$43,140	=	4A	\$99,372
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$7,466		\$6,055	=	4B	\$13,521
4B. UNDERWRITING		+		=		
	\$2,601		\$2,217	=	5A	\$4,818
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		+		=		
	\$9,251		\$5,272	=	9	\$14,522
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$0		\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$26,791		\$213,251	=	11	\$240,042
11. GENERAL ADMINISTRATION		+		=		
	\$176,039		\$375,548	=	12	\$551,587
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	NA
14. OTHER TAXES AND ASSESSMENTS					14	\$118,773

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	NA
16. CAPITAL ACQUISITIONS					16	NA
17. OTHER CAPITAL COSTS					17	NA
18. TOTAL CAPITAL EXPENDITURES					18	NA

Combined Insurance Company of America

Percent indirect expenses 10.6%
(out of total 2002 reported spending):

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INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (FOR INDIRECT EXPENSE CATEGORY)
1. BILLING AND ENROLLMENT	NA	+	NA	=	1	NA
2A. CLAIM PROCESSING	NA	+	NA	=	2A	NA
2B. DETECTION AND PREVENTION OF FRAUD	NA	+	NA	=	2B	NA
3. CUSTOMER SERVICE	NA	+	NA	=	3	NA
4A. PRODUCT MANAGEMENT AND MARKETING	NA	+	NA	=	4A	NA
4B. UNDERWRITING	NA	+	NA	=	4B	NA
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	NA	+	NA	=	5A	NA
5B. LOBBYING	NA	+	NA	=	5B	NA
6. PROVIDER RELATIONS AND CONTRACTING	NA	+	NA	=	6	NA
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	NA	+	NA	=	7	NA
8. WELLNESS AND HEALTH EDUCATION	NA	+	NA	=	8	NA
9. RESEARCH AND PRODUCT DEVELOPMENT	NA	+	NA	=	9	NA
10. CHARITABLE CONTRIBUTIONS	NA	+	NA	=	10	NA
11. GENERAL ADMINISTRATION	NA	+	NA	=	11	NA
12. TOTAL INDIRECT HEALTH CARE EXPENSES	NA	+	NA	=	12	\$441,650

* 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	NA
14. OTHER TAXES AND ASSESSMENTS					14	NA

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	NA				15	NA
16. CAPITAL ACQUISITIONS	NA				16	NA
17. OTHER CAPITAL COSTS	NA				17	NA
18. TOTAL CAPITAL EXPENDITURES	NA				18	NA

Connecticut General Life Insurance Co.

Percent indirect expenses 3.9%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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	\$574,185	+	\$1,412,843	=	1	\$1,987,028
2A. CLAIM PROCESSING	\$993,259	+	\$2,444,017	=	2A	\$3,437,276
2B. DETECTION AND PREVENTION OF FRAUD	RE	+	RE	=	2B	RE
3. CUSTOMER SERVICE	\$214,979	+	\$528,979	=	3	\$743,958
4A. PRODUCT MANAGEMENT AND MARKETING	\$321,108	+	\$790,121	=	4A	\$1,111,229
4B. UNDERWRITING	RE	+	RE	=	4B	RE
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	\$2,721	+	\$6,696	=	5A	\$9,417
5B. LOBBYING	RE	+	RE	=	5B	RE
6. PROVIDER RELATIONS AND CONTRACTING	\$360,213	+	\$886,342	=	6	\$1,246,555
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	\$176,570	+	\$434,468	=	7	\$611,038
8. WELLNESS AND HEALTH EDUCATION	RE	+	RE	=	8	RE
9. RESEARCH AND PRODUCT DEVELOPMENT	\$13,606	+	\$33,480	=	9	\$47,086
10. CHARITABLE CONTRIBUTIONS	RE	+	RE	=	10	RE
11. GENERAL ADMINISTRATION	\$487,105	+	\$1,198,573	=	11	\$1,685,678
12. TOTAL INDIRECT HEALTH CARE EXPENSES	\$3,143,747	+	\$7,735,517	=	12	\$10,879,264

* 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	NA
14. OTHER TAXES AND ASSESSMENTS					14	\$279,833

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	NA
16. CAPITAL ACQUISITIONS					16	NA
17. OTHER CAPITAL COSTS					17	\$909,521
18. TOTAL CAPITAL EXPENDITURES					18	\$909,521

Continental General Insurance Co.

Percent indirect expenses 15.0%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

INDIRECT HEALTH CARE EXPENSES: Page 4

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2002 to 12/31/2002

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	NR	+	\$19,438	=	1	\$19,438
2A. CLAIM PROCESSING	NR	+	\$182,988	=	2A	\$182,988
2B. DETECTION AND PREVENTION OF FRAUD	NR	+	NR	=	2B	NR
3. CUSTOMER SERVICE	NR	+	\$140,779	=	3	\$140,779
4A. PRODUCT MANAGEMENT AND MARKETING	NR	+	\$3,523	=	4A	\$3,523
4B. UNDERWRITING	NR	+	NR	=	4B	NR
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	NR	+	\$36,557	=	5A	\$36,557
5B. LOBBYING	NR	+	NR	=	5B	NR
6. PROVIDER RELATIONS AND CONTRACTING	NR	+	NR	=	6	NR
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	NR	+	NR	=	7	NR
8. WELLNESS AND HEALTH EDUCATION	NR	+	NR	=	8	NR
9. RESEARCH AND PRODUCT DEVELOPMENT	NR	+	NR	=	9	NR
10. CHARITABLE CONTRIBUTIONS	NR	+	NR	=	10	NR
11. GENERAL ADMINISTRATION	\$544,673	+	\$167,937	=	11	\$712,610
12. TOTAL INDIRECT HEALTH CARE EXPENSES	\$544,673	+	\$551,222	=	12	\$1,095,895

* 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	\$123,813
14. OTHER TAXES AND ASSESSMENTS					14	\$145,186

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	NA
16. CAPITAL ACQUISITIONS					16	NA
17. OTHER CAPITAL COSTS					17	NA
18. TOTAL CAPITAL EXPENDITURES					18	NA

Delta Dental Plan of Minnesota

Percent indirect expenses 4.8%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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	\$1,579,505	+	\$1,486,121	=	1	\$3,065,626
2A. CLAIM PROCESSING	\$2,660,422	+	\$1,294,235	=	2A	\$3,954,657
2B. DETECTION AND PREVENTION OF FRAUD	\$313,142	+	\$89,974	=	2B	\$403,116
3. CUSTOMER SERVICE	\$4,322,161	+	\$12,704	=	3	\$4,334,865
4A. PRODUCT MANAGEMENT AND MARKETING	\$2,212,620	+	\$4,474,198	=	4A	\$6,686,818
4B. UNDERWRITING	\$377,813	+	\$3,435	=	4B	\$381,248
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	\$791,246	+	\$349,509	=	5A	\$1,140,755
5B. LOBBYING	\$153,612	+	\$105,462	=	5B	\$259,074
6. PROVIDER RELATIONS AND CONTRACTING	\$1,222,682	+	\$4,726	=	6	\$1,227,408
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	\$520,831	+	\$72,216	=	7	\$593,046
8. WELLNESS AND HEALTH EDUCATION	\$126,433	+	\$88,539	=	8	\$214,972
9. RESEARCH AND PRODUCT DEVELOPMENT	\$304,457	+	\$150,797	=	9	\$455,253
10. CHARITABLE CONTRIBUTIONS	\$0	+	\$6,950	=	10	\$6,950
11. GENERAL ADMINISTRATION	\$2,449,143	+	\$2,963,412	=	11	\$5,412,555
12. TOTAL INDIRECT HEALTH CARE EXPENSES	\$17,034,066	+	\$11,102,275	=	12	\$28,136,342

* 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	\$11,126,997
14. OTHER TAXES AND ASSESSMENTS					14	\$26,593

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$0				15	\$0
16. CAPITAL ACQUISITIONS	\$2,147,311				16	\$2,147,311
17. OTHER CAPITAL COSTS	\$0				17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$2,147,311				18	\$2,147,311

Federated Mutual Insurance Co.

Percent indirect expenses 6.5%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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	\$64,874	+	\$29,034	=	1	\$93,908
2A. CLAIM PROCESSING	\$1,365,600	+	\$1,638,271	=	2A	\$3,003,871
2B. DETECTION AND PREVENTION OF FRAUD	\$15,029	+	\$4,662	=	2B	\$19,691
3. CUSTOMER SERVICE	\$41,916	+	\$11,968	=	3	\$53,884
4A. PRODUCT MANAGEMENT AND MARKETING	\$1,722,259	+	\$622,821	=	4A	\$2,385,080
4B. UNDERWRITING	\$304,696	+	\$158,590	=	4B	\$463,286
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	\$20,179	+	\$5,297	=	5A	\$25,476
5B. LOBBYING	\$0	+	\$0	=	5B	\$0
6. PROVIDER RELATIONS AND CONTRACTING	\$35,061	+	\$8,661	=	6	\$43,722
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	\$41,916	+	\$11,968	=	7	\$53,884
8. WELLNESS AND HEALTH EDUCATION	\$7,047	+	\$1,731	=	8	\$8,778
9. RESEARCH AND PRODUCT DEVELOPMENT	\$98,879	+	\$39,595	=	9	\$138,474
10. CHARITABLE CONTRIBUTIONS	\$0	+	\$0	=	10	\$0
11. GENERAL ADMINISTRATION	\$837,025	+	\$65,083	=	11	\$902,108
12. TOTAL INDIRECT HEALTH CARE EXPENSES	\$4,554,481	+	\$2,637,681	=	12	\$7,192,162

* 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			\$0
14. OTHER TAXES AND ASSESSMENTS			\$2,418,125

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments			
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses			
	2002 INCURRED	LINE #	2002 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 4.4%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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	\$94,720	+	\$11,707	=	1	\$106,427
2A. CLAIM PROCESSING	\$308,831	+	\$334,567	=	2A	\$643,398
2B. DETECTION AND PREVENTION OF FRAUD	\$17,901	+	\$554	=	2B	\$18,455
3. CUSTOMER SERVICE	\$96,116	+	\$9,506	=	3	\$105,622
4A. PRODUCT MANAGEMENT AND MARKETING	\$132,837	+	\$97,300	=	4A	\$221,137
4B. UNDERWRITING	\$39,869	+	\$2,545	=	4B	\$42,414
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	\$125,977	+	\$31,494	=	5A	\$157,471
5B. LOBBYING	\$0	+	\$4,218	=	5B	\$4,218
6. PROVIDER RELATIONS AND CONTRACTING	\$71,711	+	\$15,742	=	6	\$87,453
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	\$106,533	+	\$83,704	=	7	\$190,237
8. WELLNESS AND HEALTH EDUCATION	\$49,923	+	\$23,112	=	8	\$66,035
9. RESEARCH AND PRODUCT DEVELOPMENT	\$1,916	+	\$861	=	9	\$2,777
10. CHARITABLE CONTRIBUTIONS	\$3,000	+	\$67,444	=	10	\$70,444
11. GENERAL ADMINISTRATION	\$386,057	+	\$279,559	=	11	\$665,616
12. TOTAL INDIRECT HEALTH CARE EXPENSES	\$1,419,391	+	\$962,313	=	12	\$2,381,704

* 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	\$233,729
14. OTHER TAXES AND ASSESSMENTS		14	\$340,106

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments

Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses

	2002 INCURRED	LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$70,560	15	\$206,904
16. CAPITAL ACQUISITIONS	\$272,454	16	\$311,453
17. OTHER CAPITAL COSTS	\$0	17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$343,014	18	\$518,357

Fortis Benefits Insurance Co.

Percent indirect expenses 29.2%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

INDIRECT HEALTH CARE EXPENSES: Page 4

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2002 to 12/31/2002

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)
	\$55,504		\$47,907		1	\$103,412
1. BILLING AND ENROLLMENT		+		=		
	\$128,623		\$177,243		2A	\$305,866
2A. CLAIM PROCESSING		+		=		
	\$17,000		\$3,310		2B	\$20,311
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$160,044		\$117,254		3	\$277,299
3. CUSTOMER SERVICE		+		=		
	\$154,856		\$360,768		4A	\$515,625
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$72,215		\$76,073		4B	\$148,288
4B. UNDERWRITING		+		=		
	\$10,976		\$13,995		5A	\$24,971
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$0		\$0		5B	\$0
5B. LOBBYING		+		=		
	\$46,191		\$154,587		6	\$200,778
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$93,600		-\$2,804		7	\$90,796
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$1,764		\$1,279		8	\$3,044
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$2,347		\$10,535		9	\$12,882
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$0		\$1,559		10	\$1,559
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$430,782		\$350,527		11	\$781,310
11. GENERAL ADMINISTRATION		+		=		
	\$1,173,907		\$1,312,239		12	\$2,486,147
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	\$29
14. OTHER TAXES AND ASSESSMENTS					14	\$360,189

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	NA
16. CAPITAL ACQUISITIONS					16	NA
17. OTHER CAPITAL COSTS					17	NA
18. TOTAL CAPITAL EXPENDITURES					18	NA

Fortis Insurance Co.

Percent indirect expenses 13.8%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

INDIRECT HEALTH CARE EXPENSES: Page 4

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2002 to 12/31/2002

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)
	\$140,125		\$106,836		1	\$246,961
1. BILLING AND ENROLLMENT		+				
	\$445,346		\$567,344		2A	\$1,012,691
2A. CLAIM PROCESSING		+				
	\$61,628		\$10,949		2B	\$72,577
2B. DETECTION AND PREVENTION OF FRAUD		+				
	\$719,259		\$388,738		3	\$1,107,998
3. CUSTOMER SERVICE		+				
	\$1,651,784		\$1,936,999		4A	\$3,588,783
4A. PRODUCT MANAGEMENT AND MARKETING		+				
	\$382,423		\$231,314		4B	\$613,738
4B. UNDERWRITING		+				
	\$52,283		\$47,021		5A	\$99,305
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+				
	\$0		\$0		5B	\$0
5B. LOBBYING		+				
	\$151,708		\$801,114		6	\$952,823
6. PROVIDER RELATIONS AND CONTRACTING		+				
	\$299,916		\$71,892		7	\$371,808
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+				
	\$7,610		\$5,753		8	\$13,363
8. WELLNESS AND HEALTH EDUCATION		+				
	\$88,253		\$35,543		9	\$123,797
9. RESEARCH AND PRODUCT DEVELOPMENT		+				
	NA		\$86,783		10	\$86,783
10. CHARITABLE CONTRIBUTIONS		+				
	\$1,572,538		\$1,309,334		11	\$2,881,873
11. GENERAL ADMINISTRATION		+				
	\$5,572,878		\$5,599,626		12	\$11,172,504
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	\$3,655
14. OTHER TAXES AND ASSESSMENTS					14	\$1,116,838

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	NA
16. CAPITAL ACQUISITIONS					16	NA
17. OTHER CAPITAL COSTS					17	NA
18. TOTAL CAPITAL EXPENDITURES					18	NA

Golden Rule Insurance

Percent indirect expenses 10.6%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

INDIRECT HEALTH CARE EXPENSES: Page 4

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2002 to 12/31/2002

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)
	\$6,711		\$4,066	=	1	\$10,777
1. BILLING AND ENROLLMENT		+		=		
	\$59,105		\$35,806	=	2A	\$94,911
2A. CLAIM PROCESSING		+		=		
	\$1,865		\$1,130	=	2B	\$2,995
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$7,085		\$4,292	=	3	\$11,377
3. CUSTOMER SERVICE		+		=		
	\$0		\$219,753	=	4A	\$219,753
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$0		\$0	=	4B	\$0
4B. UNDERWRITING		+		=		
	\$44,693		\$27,075	=	5A	\$71,768
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$0		\$0	=	5B	\$0
5B. LOBBYING		+		=		
	\$983		\$595	=	6	\$1,578
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$884		\$536	=	7	\$1,420
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$98		\$60	=	8	\$158
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$0		\$0	=	9	\$0
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$0		\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$69,637		\$42,187	=	11	\$111,824
11. GENERAL ADMINISTRATION		+		=		
	\$191,061		\$335,501	=	12	\$526,562
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	\$271
14. OTHER TAXES AND ASSESSMENTS					14	\$86,306

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	NA
16. CAPITAL ACQUISITIONS					16	NA
17. OTHER CAPITAL COSTS					17	NA
18. TOTAL CAPITAL EXPENDITURES					18	NA

Great-West Life & Annuity Insurance Co.

Percent indirect expenses 7.0%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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	\$27,000	+	\$521,000	=	1	\$548,000
2A. CLAIM PROCESSING	\$0	+	\$2,620,000	=	2A	\$2,620,000
2B. DETECTION AND PREVENTION OF FRAUD	NA	+	NA	=	2B	NA
3. CUSTOMER SERVICE	\$47,000	+	\$999,000	=	3	\$1,046,000
4A. PRODUCT MANAGEMENT AND MARKETING	\$25,000	+	\$1,709,000	=	4A	\$1,734,000
4B. UNDERWRITING	\$456,000	+	\$0	=	4B	\$456,000
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	\$12,000	+	\$21,000	=	5A	\$33,000
5B. LOBBYING	\$0	+	\$0	=	5B	\$0
6. PROVIDER RELATIONS AND CONTRACTING	\$6,000	+	\$128,000	=	6	\$134,000
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	\$49,000	+	\$549,000	=	7	\$598,000
8. WELLNESS AND HEALTH EDUCATION	\$3,000	+	\$44,000	=	8	\$47,000
9. RESEARCH AND PRODUCT DEVELOPMENT	NA	+	NA	=	9	NA
10. CHARITABLE CONTRIBUTIONS	NA	+	NA	=	10	NA
11. GENERAL ADMINISTRATION	NA	+	NA	=	11	NA
12. TOTAL INDIRECT HEALTH CARE EXPENSES	\$625,000	+	\$6,591,000	=	12	\$7,216,000

* 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	NA
14. OTHER TAXES AND ASSESSMENTS					14	\$782,100

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	NA				15	NA
16. CAPITAL ACQUISITIONS	NA				16	NA
17. OTHER CAPITAL COSTS	NA				17	NA
18. TOTAL CAPITAL EXPENDITURES	NA				18	NA

HealthPartners

Percent indirect expenses 7.6%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$4,560,803		\$1,379,671		1	\$5,940,474
1. BILLING AND ENROLLMENT		+		=		
	\$14,922,574		\$2,569,455		2A	\$17,492,029
2A. CLAIM PROCESSING		+		=		
	\$411,016		\$38,143		2B	\$449,159
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$6,337,441		\$164,828		3	\$6,502,269
3. CUSTOMER SERVICE		+		=		
	\$9,854,424		\$7,013,210		4A	\$16,867,634
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$2,425,303		\$115,048		4B	\$2,540,351
4B. UNDERWRITING		+		=		
	\$1,191,843		\$710,283		5A	\$1,902,126
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$121,000		\$30,000		5B	\$151,000
5B. LOBBYING		+		=		
	\$3,386,721		\$116,536		6	\$3,503,257
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$16,757,891		\$9,885,732		7	\$26,643,623
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$4,054,566		\$722,074		8	\$4,776,640
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$706,615		\$26,306		9	\$732,921
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	NA		\$319,725		10	\$319,725
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$29,001,301		\$39,442,488		11	\$68,443,789
11. GENERAL ADMINISTRATION		+		=		
	\$93,731,497		\$62,533,500		12	\$156,264,997
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	\$10,300,000
14. OTHER TAXES AND ASSESSMENTS					14	\$18,274,000

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$8,664,543				15	\$8,577,046
16. CAPITAL ACQUISITIONS	\$27,553,125				16	\$27,359,695
17. OTHER CAPITAL COSTS	\$0				17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$36,217,668				18	\$35,936,741

HMO Minnesota dba Blue Plus

Percent indirect expenses 7.5%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$1,765,350		\$962,781	=	1	\$2,728,131
1. BILLING AND ENROLLMENT		+		=		
	\$5,105,457		\$6,059,896	=	2A	\$11,165,353
2A. CLAIM PROCESSING		+		=		
	\$20,345		\$5,590	=	2B	\$25,935
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$2,409,128		\$1,185,149	=	3	\$3,594,277
3. CUSTOMER SERVICE		+		=		
	\$1,688,502		\$5,822,788	=	4A	\$7,511,290
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$1,196,043		\$338,790	=	4B	\$1,534,833
4B. UNDERWRITING		+		=		
	\$149,485		\$240,073	=	5A	\$389,558
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$12,383		\$16,521	=	5B	\$28,904
5B. LOBBYING		+		=		
	\$1,706,417		\$897,783	=	6	\$2,604,200
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$1,250,726		\$1,548,224	=	7	\$2,798,950
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$0		\$116,737	=	8	\$116,737
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$423,563		\$326,106	=	9	\$749,669
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$0		\$41,838	=	10	\$41,838
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$4,544,232		\$4,039,947	=	11	\$8,584,179
11. GENERAL ADMINISTRATION		+		=		
	\$20,271,631		\$21,602,223	=	12	\$41,873,854
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	\$2,307,656
14. OTHER TAXES AND ASSESSMENTS					14	\$5,359,383

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 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

Jefferson Pilot Financial Insurance Co.

Percent indirect expenses 6.0%
(out of total 2002 reported spending):

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INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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	RE	+	RE	=	1	RE
2A. CLAIM PROCESSING	RE	+	RE	=	2A	RE
2B. DETECTION AND PREVENTION OF FRAUD	RE	+	RE	=	2B	RE
3. CUSTOMER SERVICE	RE	+	RE	=	3	RE
4A. PRODUCT MANAGEMENT AND MARKETING	RE	+	RE	=	4A	RE
4B. UNDERWRITING	RE	+	RE	=	4B	RE
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	RE	+	RE	=	5A	RE
5B. LOBBYING	RE	+	RE	=	5B	RE
6. PROVIDER RELATIONS AND CONTRACTING	RE	+	RE	=	6	RE
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	RE	+	RE	=	7	RE
8. WELLNESS AND HEALTH EDUCATION	RE	+	RE	=	8	RE
9. RESEARCH AND PRODUCT DEVELOPMENT	RE	+	RE	=	9	RE
10. CHARITABLE CONTRIBUTIONS	RE	+	RE	=	10	RE
11. GENERAL ADMINISTRATION	RE	+	RE	=	11	\$285,564
12. TOTAL INDIRECT HEALTH CARE EXPENSES	RE	+	RE	=	12	\$285,564

* 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	NA
14. OTHER TAXES AND ASSESSMENTS					14	NA

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	NA
16. CAPITAL ACQUISITIONS					16	NA
17. OTHER CAPITAL COSTS					17	NA
18. TOTAL CAPITAL EXPENDITURES					18	NA

John Alden Life Insurance Co.

Percent indirect expenses 14.0%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
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INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$17,841		\$10,778	=	1	\$28,620
1. BILLING AND ENROLLMENT		+		=		
	\$91,283		\$128,628	=	2A	\$219,912
2A. CLAIM PROCESSING		+		=		
	\$2,597		\$583	=	2B	\$3,180
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$118,453		\$86,624	=	3	\$205,078
3. CUSTOMER SERVICE		+		=		
	\$471,444		\$465,078	=	4A	\$936,523
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$66,905		\$61,523	=	4B	\$128,429
4B. UNDERWRITING		+		=		
	\$8,840		\$11,865	=	5A	\$20,706
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$0		\$0	=	5B	\$0
5B. LOBBYING		+		=		
	\$76,791		\$180,205	=	6	\$256,997
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$77,246		-\$37,323	=	7	\$39,923
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$1,796		\$1,342	=	8	\$3,139
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$4,034		\$15,405	=	9	\$19,439
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$0		\$1,431	=	10	\$1,431
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$396,196		\$359,881	=	11	\$756,077
11. GENERAL ADMINISTRATION		+		=		
	\$1,333,432		\$1,286,024	=	12	\$2,619,456
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	NA
14. OTHER TAXES AND ASSESSMENTS					14	\$268,710

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC		NA			15	NA
16. CAPITAL ACQUISITIONS		NA			16	NA
17. OTHER CAPITAL COSTS		NA			17	NA
18. TOTAL CAPITAL EXPENDITURES		NA			18	NA

Life Investors Insurance Company of America

Percent indirect expenses 11.3%
(out of total 2002 reported
spending):

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INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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	\$22,720	+	\$3,323	=	1	\$26,043
2A. CLAIM PROCESSING	\$78,188	+	\$12,474	=	2A	\$90,662
2B. DETECTION AND PREVENTION OF FRAUD	NA	+	NA	=	2B	NA
3. CUSTOMER SERVICE	\$22,720	+	\$3,323	=	3	\$26,043
4A. PRODUCT MANAGEMENT AND MARKETING	\$0	+	\$412,878	=	4A	\$412,878
4B. UNDERWRITING	\$21,728	+	\$6,874	=	4B	\$28,602
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	\$6,725	+	\$1,883	=	5A	\$8,608
5B. LOBBYING	NA	+	NA	=	5B	NA
6. PROVIDER RELATIONS AND CONTRACTING	NA	+	NA	=	6	NA
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	\$0	+	\$21,130	=	7	\$21,130
8. WELLNESS AND HEALTH EDUCATION	NA	+	NA	=	8	NA
9. RESEARCH AND PRODUCT DEVELOPMENT	\$1,271	+	\$1,040	=	9	\$2,311
10. CHARITABLE CONTRIBUTIONS	NA	+	NA	=	10	NA
11. GENERAL ADMINISTRATION	\$21,208	+	\$121,080	=	11	\$142,288
12. TOTAL INDIRECT HEALTH CARE EXPENSES	\$174,560	+	\$584,005	=	12	\$758,565

* 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	NA
14. OTHER TAXES AND ASSESSMENTS		14	\$80,146

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments

Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses

	2002 INCURRED	LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	NA	15	NA
16. CAPITAL ACQUISITIONS	NA	16	NA
17. OTHER CAPITAL COSTS	NA	17	NA
18. TOTAL CAPITAL EXPENDITURES	NA	18	NA

Medica Health Plans

Percent indirect expenses 9.1%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
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INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$1,847,347		\$12,780,397		1	\$14,627,744
1. BILLING AND ENROLLMENT		+		=		
	\$1,739,753		\$21,586,173		2A	\$23,325,926
2A. CLAIM PROCESSING		+		=		
	\$145,350		\$111,862		2B	\$257,212
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$3,789,993		\$6,887,268		3	\$10,677,261
3. CUSTOMER SERVICE		+		=		
	\$4,276,837		\$28,035,542		4A	\$32,312,379
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$233,442		\$179,658		4B	\$413,100
4B. UNDERWRITING		+		=		
	\$1,267,626		\$1,568,910		5A	\$2,836,536
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$357,928		\$275,464		5B	\$633,392
5B. LOBBYING		+		=		
	\$2,290,587		\$2,360,255		6	\$4,650,842
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$2,021,197		\$3,949,334		7	\$5,970,531
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$655,530		\$549,205		8	\$1,204,735
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$164,067		\$2,052,567		9	\$2,216,634
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$8,227		\$2,506,331		10	\$2,514,558
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$14,864,944		\$13,527,226		11	\$28,392,170
11. GENERAL ADMINISTRATION		+		=		
	\$33,662,828		\$96,370,192		12	\$130,033,020
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	\$21,291,611

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 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

Medica Insurance Co.

Percent indirect expenses 10.2%
(out of total 2002 reported spending):

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INDIRECT HEALTH CARE EXPENSES: Page 4
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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)
	\$355,220		\$2,758,806		1	\$3,114,026
1. BILLING AND ENROLLMENT		+		=		
	\$334,531		\$4,665,535		2A	\$5,000,066
2A. CLAIM PROCESSING		+		=		
	\$27,949		\$21,510		2B	\$49,459
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$728,766		\$1,429,652		3	\$2,158,418
3. CUSTOMER SERVICE		+		=		
	\$822,379		\$7,379,619		4A	\$8,201,998
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$44,888		\$34,546		4B	\$79,434
4B. UNDERWRITING		+		=		
	\$243,748		\$331,579		5A	\$575,327
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$68,825		\$52,968		5B	\$121,793
5B. LOBBYING		+		=		
	\$440,450		\$469,692		6	\$910,142
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$388,650		\$756,905		7	\$1,145,555
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$126,050		\$106,791		8	\$232,841
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$31,548		\$445,779		9	\$477,327
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$1,582		\$1,217		10	\$2,799
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$2,868,929		\$2,679,745		11	\$5,548,674
11. GENERAL ADMINISTRATION		+		=		
	\$6,483,515		\$21,134,344		12	\$27,617,859
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	\$10,076,254

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 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

MEGA Life and Health Insurance Co.

Percent indirect expenses 12.3%
(out of total 2002 reported spending):

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INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$24,665		\$6,166	=	1	\$30,831
1. BILLING AND ENROLLMENT		+		=		
	\$102,821		\$18,993	=	2A	\$121,814
2A. CLAIM PROCESSING		+		=		
	\$4,625		\$0	=	2B	\$4,625
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$51,333		\$38,043	=	3	\$89,376
3. CUSTOMER SERVICE		+		=		
	\$36,997		\$24,664	=	4A	\$61,661
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	NA		NA	=	4B	NA
4B. UNDERWRITING		+		=		
	NA		NA	=	5A	NA
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	NA		NA	=	5B	NA
5B. LOBBYING		+		=		
	NA		NA	=	6	NA
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	NA		NA	=	7	NA
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	NA		NA	=	8	NA
8. WELLNESS AND HEALTH EDUCATION		+		=		
	NA		NA	=	9	NA
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	NA		NA	=	10	NA
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$79,196		\$39,048	=	11	\$118,244
11. GENERAL ADMINISTRATION		+		=		
	\$299,637		\$126,914	=	12	\$426,551
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	\$216
14. OTHER TAXES AND ASSESSMENTS					14	\$0

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 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 13.6%
(out of total 2002 reported spending):

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INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$256,093	+	\$342,212	=	1	\$598,305
1. BILLING AND ENROLLMENT						
	\$1,379,465	+	\$1,745,545	=	2A	\$3,125,010
2A. CLAIM PROCESSING						
	\$72,768	+	\$18,087	=	2B	\$90,855
2B. DETECTION AND PREVENTION OF FRAUD						
	\$1,080,074	+	\$931,903	=	3	\$2,011,977
3. CUSTOMER SERVICE						
	\$218,235	+	\$464,579	=	4A	\$682,814
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$0	+	\$0	=	4B	\$0
4B. UNDERWRITING						
	\$800,777	+	\$1,257,834	=	5A	\$2,058,611
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$0	=	5B	\$0
5B. LOBBYING						
	\$383,878	+	\$307,213	=	6	\$691,091
6. PROVIDER RELATIONS AND CONTRACTING						
	\$1,364,806	+	\$548,815	=	7	\$1,913,621
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$133,711	+	\$88,508	=	8	\$222,219
8. WELLNESS AND HEALTH EDUCATION						
	\$0	+	\$137,447	=	9	\$137,447
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0	+	\$220,127	=	10	\$220,127
10. CHARITABLE CONTRIBUTIONS						
	\$487,817	+	\$764,783	=	11	\$1,252,600
11. GENERAL ADMINISTRATION						
	\$6,177,624	+	\$6,827,053	=	12	\$13,004,677
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	NA
14. OTHER TAXES AND ASSESSMENTS					14	\$405,279

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	NA				15	NA
16. CAPITAL ACQUISITIONS	NA				16	NA
17. OTHER CAPITAL COSTS	NA				17	NA
18. TOTAL CAPITAL EXPENDITURES	NA				18	NA

Monumental Life Insurance Co.

Percent indirect expenses 37.9%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$7,839		\$5,938	=	1	\$13,777
1. BILLING AND ENROLLMENT		+				
	\$17,506		\$13,260	=	2A	\$30,766
2A. CLAIM PROCESSING		+				
	NA		NA	=	2B	NA
2B. DETECTION AND PREVENTION OF FRAUD		+				
	\$2,444		\$1,852	=	3	\$4,296
3. CUSTOMER SERVICE		+				
	\$21,875		\$16,502	=	4A	\$38,287
4A. PRODUCT MANAGEMENT AND MARKETING		+				
	\$8,507		\$6,444	=	4B	\$14,951
4B. UNDERWRITING		+				
	\$5,954		\$4,510	=	5A	\$10,464
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+				
	NA		NA	=	5B	NA
5B. LOBBYING		+				
	NA		NA	=	6	NA
6. PROVIDER RELATIONS AND CONTRACTING		+				
	NA		NA	=	7	NA
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+				
	NA		NA	=	8	NA
8. WELLNESS AND HEALTH EDUCATION		+				
	\$1,075		\$814	=	9	\$1,889
9. RESEARCH AND PRODUCT DEVELOPMENT		+				
	NA		NA	=	10	NA
10. CHARITABLE CONTRIBUTIONS		+				
	\$104,401		\$79,081	=	11	\$183,482
11. GENERAL ADMINISTRATION		+				
	\$169,511		\$128,401	=	12	\$297,912
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	NA
14. OTHER TAXES AND ASSESSMENTS					14	\$63,224

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	NA
16. CAPITAL ACQUISITIONS					16	NA
17. OTHER CAPITAL COSTS					17	NA
18. TOTAL CAPITAL EXPENDITURES					18	NA

Mutual of Omaha Insurance Co.

Percent indirect expenses 19.7%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

INDIRECT HEALTH CARE EXPENSES: Page 4

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2002 to 12/31/2002

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)
	\$24,108		\$21,735	=	1	\$45,843
1. BILLING AND ENROLLMENT		+		=		
	\$707,486		\$736,457	=	2A	\$1,443,943
2A. CLAIM PROCESSING		+		=		
	\$14,995		\$1,706	=	2B	\$16,701
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$421,224		\$272,678	=	3	\$693,902
3. CUSTOMER SERVICE		+		=		
	\$865,424		\$5,462,243	=	4A	\$6,327,667
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$128,336		\$82,241	=	4B	\$210,577
4B. UNDERWRITING		+		=		
	\$24,390		\$5,969	=	5A	\$30,359
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$0		\$0	=	5B	\$0
5B. LOBBYING		+		=		
	\$18,603		\$23,536	=	6	\$42,139
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$46,666		\$14,512	=	7	\$61,178
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$113		\$27,622	=	8	\$27,735
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$30,686		\$5,001	=	9	\$35,687
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$0		\$94	=	10	\$94
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$127,895		\$132,084	=	11	\$259,979
11. GENERAL ADMINISTRATION		+		=		
	\$2,409,926		\$6,785,878	=	12	\$9,195,804
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	\$274,016
14. OTHER TAXES AND ASSESSMENTS					14	\$551,249

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 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

Physicians Life Insurance Co.

Percent indirect expenses 26.9%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
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INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$5	+	\$50	=	1	\$55
1. BILLING AND ENROLLMENT						
	\$5,905	+	\$60,126	=	2A	\$66,031
2A. CLAIM PROCESSING						
	\$0	+	\$0	=	2B	\$0
2B. DETECTION AND PREVENTION OF FRAUD						
	\$0	+	\$0	=	3	\$0
3. CUSTOMER SERVICE						
	\$59,044	+	\$601,198	=	4A	\$660,242
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$1,142	+	\$11,630	=	4B	\$12,772
4B. UNDERWRITING						
	\$0	+	\$0	=	5A	\$0
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$0	+	\$0	=	5B	\$0
5B. LOBBYING						
	\$13,055	+	\$132,927	=	6	\$145,981
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						
	\$0	+	\$0	=	11	\$0
11. GENERAL ADMINISTRATION						
	\$79,150	+	\$805,931	=	12	\$885,081
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	\$91,325

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	NA
16. CAPITAL ACQUISITIONS					16	NA
17. OTHER CAPITAL COSTS					17	NA
18. TOTAL CAPITAL EXPENDITURES					18	NA

Physicians Mutual Insurance Co.

Percent indirect expenses 19.6%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$5,556		\$16,220	=	1	\$21,776
1. BILLING AND ENROLLMENT		+				
	\$58,955		\$166,913	=	2A	\$225,868
2A. CLAIM PROCESSING		+				
	\$0		\$0	=	2B	\$0
2B. DETECTION AND PREVENTION OF FRAUD		+				
	\$46,081		\$131,883	=	3	\$117,965
3. CUSTOMER SERVICE		+				
	\$299,983		\$830,145	=	4A	\$1,130,129
4A. PRODUCT MANAGEMENT AND MARKETING		+				
	\$3,183		\$9,317	=	4B	\$12,501
4B. UNDERWRITING		+				
	\$22,527		\$63,829	=	5A	\$86,356
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+				
	\$0		\$0	=	5B	\$0
5B. LOBBYING		+				
	\$92,621		\$262,661	=	6	\$355,282
6. PROVIDER RELATIONS AND CONTRACTING		+				
	\$22,804		\$64,753	=	7	\$87,557
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+				
	\$0		\$0	=	8	\$0
8. WELLNESS AND HEALTH EDUCATION		+				
	\$10,039		\$29,114	=	9	\$39,153
9. RESEARCH AND PRODUCT DEVELOPMENT		+				
	\$0		\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS		+				
	\$73,880		\$209,034	=	11	\$282,914
11. GENERAL ADMINISTRATION		+				
	\$635,631		\$1,783,870	=	12	\$2,419,501
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	\$489,434

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC			NA		15	NA
16. CAPITAL ACQUISITIONS			NA		16	NA
17. OTHER CAPITAL COSTS			NA		17	NA
18. TOTAL CAPITAL EXPENDITURES			NA		18	NA

PreferredOne Community Health Plan

Percent indirect expenses 10.2%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
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INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$295,670		\$166,961	=	1	\$462,631
1. BILLING AND ENROLLMENT		+		=		
	\$1,292,334		\$729,762	=	2A	\$2,022,096
2A. CLAIM PROCESSING		+		=		
	\$140,982		\$79,610	=	2B	\$220,592
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$469,940		\$265,368	=	3	\$735,308
3. CUSTOMER SERVICE		+		=		
	\$350,497		\$197,920	=	4A	\$548,417
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$199,724		\$112,781	=	4B	\$312,505
4B. UNDERWRITING		+		=		
	\$78,323		\$44,228	=	5A	\$122,551
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$54,826		\$30,960	=	5B	\$85,786
5B. LOBBYING		+		=		
	\$671,622		\$379,255	=	6	\$1,050,877
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$215,389		\$121,627	=	7	\$337,016
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$80,281		\$45,334	=	8	\$125,615
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$103,778		\$58,602	=	9	\$162,380
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$0		\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$714,700		\$403,581	=	11	\$1,118,281
11. GENERAL ADMINISTRATION		+		=		
	\$4,668,066		\$2,635,989	=	12	\$7,304,055
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	\$1,193,851

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC		NA			15	NA
16. CAPITAL ACQUISITIONS		NA			16	NA
17. OTHER CAPITAL COSTS		NA			17	NA
18. TOTAL CAPITAL EXPENDITURES		NA			18	NA

Principal Life Insurance Co.

Percent indirect expenses 5.5%
(out of total 2002 reported spending):

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INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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	\$472,800	+	\$202,628	=	1	\$675,429
2A. CLAIM PROCESSING	\$2,665,122	+	\$1,142,195	=	2A	\$3,807,318
2B. DETECTION AND PREVENTION OF FRAUD	RE	+	RE	=	2B	RE
3. CUSTOMER SERVICE	RE	+	RE	=	3	RE
4A. PRODUCT MANAGEMENT AND MARKETING	\$467,454	+	\$200,337	=	4A	\$667,791
4B. UNDERWRITING	RE	+	RE	=	4B	RE
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	\$117,889	+	\$50,523	=	5A	\$168,412
5B. LOBBYING	RE	+	RE	=	5B	RE
6. PROVIDER RELATIONS AND CONTRACTING	\$175,269	+	\$75,115	=	6	\$250,385
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	\$203,927	+	\$87,397	=	7	\$291,324
8. WELLNESS AND HEALTH EDUCATION	RE	+	RE	=	8	RE
9. RESEARCH AND PRODUCT DEVELOPMENT	\$72,740	+	\$31,174	=	9	\$103,914
10. CHARITABLE CONTRIBUTIONS	RE	+	RE	=	10	RE
11. GENERAL ADMINISTRATION	\$1,318,309	+	\$564,989	=	11	\$1,883,299
12. TOTAL INDIRECT HEALTH CARE EXPENSES	\$5,493,513	+	\$2,354,362	=	12	\$7,847,875

* 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	\$899,788
14. OTHER TAXES AND ASSESSMENTS					14	\$1,864,489

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 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

Reliastar Life Insurance Co.

Percent indirect expenses 12.8%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$29,584		\$124,500	=	1	\$154,084
1. BILLING AND ENROLLMENT		+		=		
	\$14,776		\$53,536	=	2A	\$63,312
2A. CLAIM PROCESSING		+		=		
	\$0		\$0	=	2B	\$0
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$13,543		\$63,712	=	3	\$77,255
3. CUSTOMER SERVICE		+		=		
	\$127,476		\$281,100	=	4A	\$408,576
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$59,167		\$178,452	=	4B	\$237,619
4B. UNDERWRITING		+		=		
	\$29,073		\$64,110	=	5A	\$93,183
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$0		\$0	=	5B	\$0
5B. LOBBYING		+		=		
	\$10,939		\$28,695	=	6	\$39,634
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$20,374		\$54,173	=	7	\$74,547
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$0		\$688	=	8	\$688
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$23,198		\$51,155	=	9	\$74,353
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$0		\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$89,183		\$224,288	=	11	\$313,470
11. GENERAL ADMINISTRATION		+		=		
	\$417,312		\$1,124,409	=	12	\$1,541,721
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	\$292,277

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 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

Security Life Insurance Company of America

Percent indirect expenses 6.5%
(out of total 2002 reported spending):

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INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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	NA	+	NA	=	1	NA
2A. CLAIM PROCESSING	NA	+	NA	=	2A	NA
2B. DETECTION AND PREVENTION OF FRAUD	NA	+	NA	=	2B	NA
3. CUSTOMER SERVICE	NA	+	NA	=	3	NA
4A. PRODUCT MANAGEMENT AND MARKETING	\$38,465	+	\$51,897	=	4A	\$90,362
4B. UNDERWRITING	\$10,229	+	\$13,801	=	4B	\$24,030
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	\$3,457	+	\$4,664	=	5A	\$8,121
5B. LOBBYING	NA	+	NA	=	5B	NA
6. PROVIDER RELATIONS AND CONTRACTING	NA	+	NA	=	6	NA
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	\$11,163	+	\$15,062	=	7	\$28,225
8. WELLNESS AND HEALTH EDUCATION	NA	+	NA	=	8	NA
9. RESEARCH AND PRODUCT DEVELOPMENT	NA	+	NA	=	9	NA
10. CHARITABLE CONTRIBUTIONS	NA	+	NA	=	10	NA
11. GENERAL ADMINISTRATION	\$63,231	+	\$85,312	=	11	\$148,543
12. TOTAL INDIRECT HEALTH CARE EXPENSES	\$126,545	+	\$170,736	=	12	\$297,281

* 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	\$183,616

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 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

Sioux Valley Health Plan of Minnesota

Percent indirect expenses 7.0%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$50,076	+	\$142,659	=	1	\$192,735
1. BILLING AND ENROLLMENT		+		=		
	\$31,289	+	\$27,524	=	2A	\$58,814
2A. CLAIM PROCESSING		+		=		
	NA	+	NA	=	2B	NA
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$31,289	+	\$27,524	=	3	\$58,814
3. CUSTOMER SERVICE		+		=		
	\$6,128	+	\$628	=	4A	\$6,756
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$6,128	+	\$628	=	4B	\$6,756
4B. UNDERWRITING		+		=		
	NA	+	\$2,454	=	5A	\$2,454
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	NA	+	NA	=	5B	NA
5B. LOBBYING		+		=		
	\$9,962	+	\$8,406	=	6	\$18,369
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$37,699	+	\$13,041	=	7	\$50,740
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	NA	+	NA	=	8	NA
8. WELLNESS AND HEALTH EDUCATION		+		=		
	NA	+	NA	=	9	NA
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	NA	+	NA	=	10	NA
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$50,076	+	\$142,659	=	11	\$192,735
11. GENERAL ADMINISTRATION		+		=		
	\$222,651	+	\$365,526	=	12	\$588,177
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	NA
14. OTHER TAXES AND ASSESSMENTS					14	\$197,482

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	NA
16. CAPITAL ACQUISITIONS					16	NA
17. OTHER CAPITAL COSTS					17	NA
18. TOTAL CAPITAL EXPENDITURES					18	NA

State Farm Mutual Automobile Insurance Co.

Percent indirect expenses 13.1%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

INDIRECT HEALTH CARE EXPENSES: Page 4

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2002 to 12/31/2002

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)
	\$200,358		\$21,673	=	1	\$221,831
1. BILLING AND ENROLLMENT		+				
	\$1,391,256		\$1,180,131	=	2A	\$2,571,387
2A. CLAIM PROCESSING		+				
	\$73,082		\$82,266	=	2B	\$135,397
2B. DETECTION AND PREVENTION OF FRAUD		+				
	\$58,438		\$61	=	3	\$58,499
3. CUSTOMER SERVICE		+				
	\$105,188		\$1,814,860	=	4A	\$1,920,048
4A. PRODUCT MANAGEMENT AND MARKETING		+				
	\$11,688		\$7,278	=	4B	\$18,966
4B. UNDERWRITING		+				
	\$116,875		\$32,459	=	5A	\$149,334
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+				
	\$0		\$0	=	5B	\$0
5B. LOBBYING		+				
	\$25,045		\$26	=	6	\$25,071
6. PROVIDER RELATIONS AND CONTRACTING		+				
	\$68,438		\$13,542	=	7	\$71,980
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+				
	\$8,348		\$9	=	8	\$8,357
8. WELLNESS AND HEALTH EDUCATION		+				
	\$83,480		\$13,566	=	9	\$97,046
9. RESEARCH AND PRODUCT DEVELOPMENT		+				
	\$0		\$0	=	10	\$0
10. CHARITABLE CONTRIBUTIONS		+				
	\$165,965		\$32,993	=	11	\$199,958
11. GENERAL ADMINISTRATION		+				
	\$2,299,161		\$3,178,753	=	12	\$5,477,914
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	\$2,028
14. OTHER TAXES AND ASSESSMENTS					14	\$878,524

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED			LINE #		2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC		NA		15		NA
16. CAPITAL ACQUISITIONS		NA		16		NA
17. OTHER CAPITAL COSTS		NA		17		NA
18. TOTAL CAPITAL EXPENDITURES		NA		18		NA

The Canada Life Assurance Co.

Percent indirect expenses 14.7%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT

INDIRECT HEALTH CARE EXPENSES: Page 4

MINNESOTA DEPARTMENT OF HEALTH

Report for period: 1/1/2002 to 12/31/2002

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)
	\$28,246		\$12,211		1	\$40,457
1. BILLING AND ENROLLMENT		+		=		
	\$15,392		\$15,539		2A	\$30,931
2A. CLAIM PROCESSING		+		=		
	\$0		\$0		2B	\$0
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$6,363		\$2,571		3	\$8,934
3. CUSTOMER SERVICE		+		=		
	\$139,196		\$178,615		4A	\$317,811
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$33,851		\$7,715		4B	\$41,566
4B. UNDERWRITING		+		=		
	\$107		\$42		5A	\$149
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		+		=		
	\$12,874		\$6,734		9	\$19,608
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$0		\$0		10	\$0
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$13,687		\$168,334		11	\$182,021
11. GENERAL ADMINISTRATION		+		=		
	\$249,716		\$391,761		12	\$641,477
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	-\$236

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	NA
16. CAPITAL ACQUISITIONS					16	NA
17. OTHER CAPITAL COSTS					17	NA
18. TOTAL CAPITAL EXPENDITURES					18	NA

The Guardian Life Insurance Company of America

Percent indirect expenses 15.7%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$144,355		\$70,350	=	1	\$214,705
1. BILLING AND ENROLLMENT		+		=		
	\$120,509		\$108,715	=	2A	\$229,224
2A. CLAIM PROCESSING		+		=		
	\$4,785		\$3,959	=	2B	\$8,744
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$79,357		\$49,430	=	3	\$128,787
3. CUSTOMER SERVICE		+		=		
	\$307,285		\$1,069,258	=	4A	\$1,376,543
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	RE		RE	=	4B	RE
4B. UNDERWRITING		+		=		
	\$12,674		\$10,917	=	5A	\$23,591
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	RE		RE	=	5B	RE
5B. LOBBYING		+		=		
	RE		RE	=	6	RE
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	RE		\$49,902	=	7	\$49,902
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	NA		NA	=	8	NA
8. WELLNESS AND HEALTH EDUCATION		+		=		
	RE		RE	=	9	RE
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	RE		RE	=	10	RE
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$142,750		\$198,238	=	11	\$340,988
11. GENERAL ADMINISTRATION		+		=		
	\$811,715		\$1,560,769	=	12	\$2,372,484
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	\$247
14. OTHER TAXES AND ASSESSMENTS					14	\$424,327

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
INDIRECT EXPENSE CATEGORY	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	NA
16. CAPITAL ACQUISITIONS					16	NA
17. OTHER CAPITAL COSTS					17	NA
18. TOTAL CAPITAL EXPENDITURES					18	NA

Thrivent Financial for Lutherans

Percent indirect expenses 5.7%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$4,861		\$3,198	=	1	\$8,059
1. BILLING AND ENROLLMENT		+		=		
	\$213,660		\$219,760	=	2A	\$433,420
2A. CLAIM PROCESSING		+		=		
	\$676		\$347	=	2B	\$1,023
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$38,304		\$16,078	=	3	\$54,382
3. CUSTOMER SERVICE		+		=		
	\$14,375		\$1,823	=	4A	\$16,198
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$0		\$0	=	4B	\$0
4B. UNDERWRITING		+		=		
	\$0		\$428	=	5A	\$428
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$0		\$0	=	5B	\$0
5B. LOBBYING		+		=		
	\$0		\$0	=	6	\$0
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$0		\$10,307	=	7	\$10,307
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$0		\$0	=	8	\$0
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$8,797		\$1,900	=	9	\$10,697
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$0		\$4,014	=	10	\$4,014
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$107,254		\$53,083	=	11	\$160,337
11. GENERAL ADMINISTRATION		+		=		
	\$387,927		\$310,938	=	12	\$698,865
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	\$121
14. OTHER TAXES AND ASSESSMENTS					14	\$75,280

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC		NA			15	NA
16. CAPITAL ACQUISITIONS		NA			16	NA
17. OTHER CAPITAL COSTS		NA			17	NA
18. TOTAL CAPITAL EXPENDITURES		NA			18	NA

Trustmark Insurance Co.

Percent indirect expenses 11.3%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$43,036		\$10,284	=	1	\$53,319
1. BILLING AND ENROLLMENT		+		=		
	\$296,110		\$148,125	=	2A	\$441,535
2A. CLAIM PROCESSING		+		=		
	\$3,019		\$542	=	2B	\$11,560
2B. DETECTION AND PREVENTION OF FRAUD		+		=		
	\$40,804		\$16,810	=	3	\$57,612
3. CUSTOMER SERVICE		+		=		
	\$216,660		\$36,363	=	4A	\$253,022
4A. PRODUCT MANAGEMENT AND MARKETING		+		=		
	\$20,276		\$5,305	=	4B	\$25,580
4B. UNDERWRITING		+		=		
	\$12,756		\$1,862	=	5A	\$14,617
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=		
	\$0		\$0	=	5B	\$0
5B. LOBBYING		+		=		
	\$2,508		\$279	=	6	\$2,786
6. PROVIDER RELATIONS AND CONTRACTING		+		=		
	\$2,508		\$19,059	=	7	\$21,566
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=		
	\$2,508		\$279	=	8	\$2,786
8. WELLNESS AND HEALTH EDUCATION		+		=		
	\$25,997		\$5,353	=	9	\$31,349
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=		
	\$2,508		-\$186	=	10	\$2,321
10. CHARITABLE CONTRIBUTIONS		+		=		
	\$101,365		\$93,327	=	11	\$194,691
11. GENERAL ADMINISTRATION		+		=		
	\$767,354		\$337,402	=	12	\$1,104,755
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	\$42,111
14. OTHER TAXES AND ASSESSMENTS					14	\$65,630

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	NA
16. CAPITAL ACQUISITIONS					16	NA
17. OTHER CAPITAL COSTS					17	NA
18. TOTAL CAPITAL EXPENDITURES					18	NA

UCare Minnesota

Percent indirect expenses 7.3%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$805,165		\$1,617,622		1	\$2,422,787
1. BILLING AND ENROLLMENT						
	\$3,446,855		\$3,954,224		2A	\$7,401,079
2A. CLAIM PROCESSING						
	\$23,874		\$25,475		2B	\$49,349
2B. DETECTION AND PREVENTION OF FRAUD						
	\$1,521,937		\$846,459		3	\$2,368,396
3. CUSTOMER SERVICE						
	\$1,171,675		\$2,169,092		4A	\$3,340,767
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$0		\$0		4B	\$0
4B. UNDERWRITING						
	\$599,824		\$505,397		5A	\$1,105,221
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	\$78,000		\$32,718		5B	\$110,718
5B. LOBBYING						
	\$2,211,259		\$1,828,355		6	\$4,039,614
6. PROVIDER RELATIONS AND CONTRACTING						
	\$3,424,636		\$5,332,213		7	\$8,756,849
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	\$439,455		\$707,371		8	\$1,146,826
8. WELLNESS AND HEALTH EDUCATION						
	\$106,986		\$28,153		9	\$135,139
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$0		\$40,831		10	\$40,831
10. CHARITABLE CONTRIBUTIONS						
	\$1,964,138		\$2,595,987		11	\$4,560,125
11. GENERAL ADMINISTRATION						
	\$15,793,804		\$19,683,897		12	\$35,477,701
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	\$3,330,838

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	\$0				15	\$0
16. CAPITAL ACQUISITIONS	\$1,016,287				16	\$1,016,287
17. OTHER CAPITAL COSTS	\$0				17	\$0
18. TOTAL CAPITAL EXPENDITURES	\$1,016,287				18	\$1,016,287

United American Insurance Co.

Percent indirect expenses 12.0%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$3,060	+	\$0	=	1	\$3,060
1. BILLING AND ENROLLMENT						
	\$30,756	+	\$0	=	2A	\$30,756
2A. CLAIM PROCESSING						
	\$1,314	+	\$0	=	2B	\$1,314
2B. DETECTION AND PREVENTION OF FRAUD						
	\$8,665	+	\$0	=	3	\$8,665
3. CUSTOMER SERVICE						
	\$23,137	+	\$136,002	=	4A	\$159,139
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$3,060	+	\$0	=	4B	\$3,060
4B. UNDERWRITING						
	\$2,171	+	\$0	=	5A	\$2,171
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	NA	+	NA	=	5B	NA
5B. LOBBYING						
	NA	+	NA	=	6	NA
6. PROVIDER RELATIONS AND CONTRACTING						
	\$6,572	+	\$0	=	7	\$6,572
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	NA	+	NA	=	8	NA
8. WELLNESS AND HEALTH EDUCATION						
	\$12,988	+	\$0	=	9	\$12,988
9. RESEARCH AND PRODUCT DEVELOPMENT						
	NA	+	NA	=	10	NA
10. CHARITABLE CONTRIBUTIONS						
	\$27,852	+	\$96,047	=	11	\$123,899
11. GENERAL ADMINISTRATION						
	\$119,575	+	\$232,049	=	12	\$351,624
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	NA
14. OTHER TAXES AND ASSESSMENTS					14	\$69,054

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	NA
16. CAPITAL ACQUISITIONS					16	NA
17. OTHER CAPITAL COSTS					17	NA
18. TOTAL CAPITAL EXPENDITURES					18	NA

United Healthcare Insurance Co.

Percent indirect expenses 6.2%
(out of total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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	NA	+	\$989,446	=	1	\$989,446
2A. CLAIM PROCESSING	NA	+	\$3,759,893	=	2A	\$3,759,893
2B. DETECTION AND PREVENTION OF FRAUD	NA	+	\$107,940	=	2B	\$107,940
3. CUSTOMER SERVICE	NA	+	\$3,040,296	=	3	\$3,040,296
4A. PRODUCT MANAGEMENT AND MARKETING	NA	+	\$863,516	=	4A	\$863,516
4B. UNDERWRITING	NA	+	\$179,899	=	4B	\$179,899
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	NA	+	\$71,960	=	5A	\$71,960
5B. LOBBYING	NA	+	NA	=	5B	NA
6. PROVIDER RELATIONS AND CONTRACTING	NA	+	\$1,978,891	=	6	\$1,978,891
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	NA	+	\$2,752,458	=	7	\$2,752,458
8. WELLNESS AND HEALTH EDUCATION	NA	+	NA	=	8	NA
9. RESEARCH AND PRODUCT DEVELOPMENT	NA	+	\$143,919	=	9	\$143,919
10. CHARITABLE CONTRIBUTIONS	NA	+	\$17,990	=	10	\$17,990
11. GENERAL ADMINISTRATION	NA	+	\$809,546	=	11	\$809,546
12. TOTAL INDIRECT HEALTH CARE EXPENSES	NA	+	\$14,715,755	=	12	\$14,715,755

* 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	\$300,952

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments						
Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses						
	2002 INCURRED				LINE #	2002 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

World Insurance Co.

Percent indirect expenses (out of 11.3% total 2002 reported spending):

2002 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT
MINNESOTA DEPARTMENT OF HEALTH

INDIRECT HEALTH CARE EXPENSES: Page 4
Report for period: 1/1/2002 to 12/31/2002

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)
	\$341,084	+	\$312,857	=	1	\$653,941
1. BILLING AND ENROLLMENT						
	\$436,177	+	\$400,081	=	2A	\$836,258
2A. CLAIM PROCESSING						
	RE	+	RE	=	2B	RE
2B. DETECTION AND PREVENTION OF FRAUD						
	\$115,008	+	\$24,464	=	3	\$139,472
3. CUSTOMER SERVICE						
	\$132,279	+	\$14,492	=	4A	\$146,771
4A. PRODUCT MANAGEMENT AND MARKETING						
	\$70,717	+	\$171,705	=	4B	\$242,422
4B. UNDERWRITING						
	\$158,391	+	\$145,284	=	5A	\$303,675
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS						
	RE	+	RE	=	5B	RE
5B. LOBBYING						
	RE	+	RE	=	6	RE
6. PROVIDER RELATIONS AND CONTRACTING						
	RE	+	RE	=	7	RE
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT						
	RE	+	RE	=	8	RE
8. WELLNESS AND HEALTH EDUCATION						
	RE	+	RE	=	9	RE
9. RESEARCH AND PRODUCT DEVELOPMENT						
	\$119	+	\$109	=	10	\$228
10. CHARITABLE CONTRIBUTIONS						
	\$270,452	+	\$329,098	=	11	\$599,550
11. GENERAL ADMINISTRATION						
12. TOTAL INDIRECT HEALTH CARE EXPENSES	\$1,524,227	+	\$1,398,090	=	12	\$2,922,317

* 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	NA
14. OTHER TAXES AND ASSESSMENTS		14	\$409,080

Capital costs go on lines 15, 16, and 17; report both the 2002 incurred costs and 2002 payments

Depreciation associated with these capital expenditures is to be included in lines 1-12 as organizational expenses

	2002 INCURRED	LINE #	2002 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC	NA	15	NA
16. CAPITAL ACQUISITIONS	NA	16	NA
17. OTHER CAPITAL COSTS	NA	17	NA
18. TOTAL CAPITAL EXPENDITURES	NA	18	NA

Appendix A:

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.