

Administrative Costs at Minnesota Health Plans in 2005

December, 2006



Center for Data Initiatives
PO Box 64882
St. Paul, MN 55164-0882
651-201-3570
www.health.state.mn.us/divs/hpsc/dap/

Introduction

This report contains information about administrative costs reported by group purchasers doing business in Minnesota during 2005. Under Minnesota Statutes, 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 of the health plan companies doing business providing health coverage for Minnesota residents, including commercial insurers, HMOs, and other payers, are required to provide these 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 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 2005 Health Plan Financial and Statistical Report submitted by each group purchaser. A methodology change has been made for calculation of total spending. Starting with reports of the data from calendar year 2004, the column labeled “total spending” includes only carrier expenses; prior to 2004, this column included both carrier expenses and member liability. This change also affects the calculation of the percentage of total spending represented by administrative costs (the ratio of administrative spending to total spending is higher as a result of the change).

Averaged across all health plan companies, the following table compares administrative spending as a share of total spending using the revised methodology to previously published data:

Year:	Revised methodology	Previously published
2001	10.6%	9.4%
2002	8.9%	7.9%
2003	8.3%	7.5%
2004	8.6%	N/A
2005	8.4%	N/A

This report also provides 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 abbreviation used for reported elsewhere is RE = (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 definitions of the 14 administrative cost categories included in this report. Appendix B includes copies of all comments received by the Department of Health related to the release of this data.

Any comments or questions related to this report can be directed to the Minnesota Department of Health at (651) 201-3576 or via e-mail at cdireport@health.state.mn.us

Table 1. Administrative Costs as Percent of Total Costs, 2005

2005 Group Purchaser	Total Administrative Costs	Total Spending	2005 Administrative Costs (as percent of total spending)
American Family Mutual Insurance Co.	\$4,414,839	\$13,524,864	32.6%
Bankers Life and Casualty Company	\$2,818,281	\$14,975,087	18.8%
Blue Cross Blue Shield of Minnesota	\$293,426,021	\$3,521,318,981	8.3%
Blue Plus	\$47,505,776	\$574,669,107	8.3%
Central States Health & Life Co. of Omaha	\$457,466	\$3,433,032	13.3%
Combined Insurance Co. of America	\$2,110,029	\$7,852,677	26.9%
Companion Life Insurance Co.	\$115,618	\$2,668,775	4.3%
Connecticut General Life Ins. Co.	\$12,947,404	\$211,802,581	6.1%
Continental General Insurance Co.	\$965,046	\$4,603,606	21.0%
Delta Dental Plan of Minnesota	\$43,407,534	\$693,899,930	6.3%
Federated Mutual Insurance Co.	\$6,702,493	\$61,249,448	10.9%
First Plan of Minnesota	\$4,404,022	\$69,532,279	6.3%
Golden Rule Insurance Company	\$386,802	\$3,164,572	12.2%
Great-West Life & Annuity Ins. Co.	\$5,288,613	\$43,883,114	12.1%
Guarantee Trust Life Insurance Co.	\$757,791	\$6,089,043	12.5%
Guardian Life Ins. Co. of America	\$1,796,000	\$17,218,855	10.4%
HealthPartners	\$175,958,961	\$2,307,095,249	7.6%
Humana Insurance Company	\$7,714,671	\$40,246,685	19.2%
Jefferson Pilot Financial Ins. Co.	\$281,179	\$9,002,912	3.1%
John Alden Life Insurance Co.	\$1,425,123	\$9,278,941	15.4%
Medica Health Plans	\$96,666,431	\$1,216,408,770	8.0%
Medica Insurance Company	\$84,366,668	\$823,649,389	10.2%
Metropolitan HealthPlan	\$19,484,776	\$108,188,643	18.0%
Mutual of Omaha Insurance Co.	\$6,801,584	\$38,632,105	17.6%
Physicians Mutual Ins. Co. & Physicians Life Ins. Co.	\$3,458,874	\$14,138,122	24.5%
PreferredOne Community Health Plan	\$14,974,921	\$129,280,207	11.6%
PrimeWest Health System	\$4,961,106	\$50,024,700	9.9%
Principal Life Insurance Co.	\$7,863,473	\$72,321,804	10.9%
ReliaStar Life Insurance Company	\$2,009,540	\$16,691,610	12.0%
Security Life Insurance Co. of America	\$403,927	\$3,077,429	13.1%
State Farm Mutual Automobile Ins. Co.	\$4,013,809	\$30,927,542	13.0%
Thrivent Financial for Lutherans	\$336,262	\$3,863,124	8.7%
Time Insurance Company	\$10,401,791	\$50,836,703	20.5%
UCare Minnesota	\$53,645,322	\$689,586,412	7.8%
UniCare Life & Health Insurance Co.	\$4,363,716	\$49,791,467	8.8%
Union Security Insurance Company	\$3,697,048	\$22,589,228	16.4%
United HealthCare Insurance Co.	\$15,386,064	\$290,893,060	5.3%
World Insurance Company	\$2,470,138	\$13,700,584	18.0%
Totals:	\$948,189,119	\$11,240,110,637	Average: 8.4%

**14 American Family Mutual
Insurance Co.**

**Administrative Spending as Percent of
Total Carrier Spending:**

32.6%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	218893	+	447406	=	1	666299
2A. CLAIM PROCESSING	12667	+	379375	=	2A	392042
2B. DETECTION AND PREVENTION OF FRAUD	0	+	0	=	2B	
3. CUSTOMER SERVICE	2214	+	831	=	3	3045
4A. PRODUCT MANAGEMENT AND MARKETING	81229	+	1303530	=	4A	1384758
4B. UNDERWRITING	0	+	0	=	4B	
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	20619	+	144599	=	5A	165218
5B. LOBBYING	0	+	0	=	5B	
6. PROVIDER RELATIONS AND CONTRACTING	6873	+	2579	=	6	9452
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	86752	+	32559	=	7	119310
8. WELLNESS AND HEALTH EDUCATION	679	+	255	=	8	933
9. RESEARCH AND PRODUCT DEVELOPMENT	4896	+	1837	=	9	6733
10. CHARITABLE CONTRIBUTIONS	5965	+	2239	=	10	8203
11. GENERAL ADMINISTRATION	1077647	+	581198	=	11	1658845
12. TOTAL INDIRECT HEALTH CARE EXPENSES	1518431	+	2896408	=	12	4414839
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	
14. OTHER TAXES AND ASSESSMENTS					14	719846
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS					16	
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES					18	

**34 Bankers Life and Casualty
Company**

**Administrative Spending as Percent of
Total Carrier Spending:**

18.8%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	6020	+	8628	=	1	14648
2A. CLAIM PROCESSING	128794	+	184576	=	2A	313370
2B. DETECTION AND PREVENTION OF FRAUD	26944	+	38614	=	2B	65558
3. CUSTOMER SERVICE	70521	+	101065	=	3	171586
4A. PRODUCT MANAGEMENT AND MARKETING	655631	+	939595	=	4A	1595226
4B. UNDERWRITING	89814	+	128714	=	4B	218528
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	9805	+	14052	=	5A	23857
5B. LOBBYING	2694	+	3861	=	5B	6555
6. PROVIDER RELATIONS AND CONTRACTING	0	+	0	=	6	
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	0	+	0	=	7	
8. WELLNESS AND HEALTH EDUCATION	674	+	967	=	8	1641
9. RESEARCH AND PRODUCT DEVELOPMENT	19817	+	28401	=	9	48218
10. CHARITABLE CONTRIBUTIONS	0	+	0	=	10	
11. GENERAL ADMINISTRATION	147586	+	211508	=	11	359094
12. TOTAL INDIRECT HEALTH CARE EXPENSES	1158300	+	1659981	=	12	2818281
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	0
14. OTHER TAXES AND ASSESSMENTS					14	78354173
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS					16	
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES					18	

37 Blue Cross Blue Shield of Minnesota

Administrative Spending as Percent of Total Carrier Spending:

8.3%

MINNESOTA DEPARTMENT OF HEALTH Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT **INDIRECT HEALTH CARE EXPENSES: Page 4**

The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	8999778	+	5477610	=	1	14477388
2A. CLAIM PROCESSING	34500270	+	29686876	=	2A	64187146
2B. DETECTION AND PREVENTION OF FRAUD	186493	+	95190	=	2B	281683
3. CUSTOMER SERVICE	18114282	+	6751087	=	3	24865369
4A. PRODUCT MANAGEMENT AND MARKETING	11147543	+	52220876	=	4A	63368419
4B. UNDERWRITING	4249914	+	1097585	=	4B	5347499
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	719098	+	408988	=	5A	1128086
5B. LOBBYING	45339	+	69768	=	5B	115107
6. PROVIDER RELATIONS AND CONTRACTING	13819888	+	11141620	=	6	24961508
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	6575820	+	2459048	=	7	9034868
8. WELLNESS AND HEALTH EDUCATION	876826	+	29106575	=	8	29983401
9. RESEARCH AND PRODUCT DEVELOPMENT	2194555	+	2377435	=	9	4571990
10. CHARITABLE CONTRIBUTIONS	0	+	466706	=	10	466706
11. GENERAL ADMINISTRATION	21960452	+	28676399	=	11	50636851
12. TOTAL INDIRECT HEALTH CARE EXPENSES	123390258	+	170035763	=	12	293426021
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	65217599
14. OTHER TAXES AND ASSESSMENTS					14	57589787
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC			0		15	0
16. CAPITAL ACQUISITIONS			57577000		16	57577000
17. OTHER CAPITAL COSTS			0		17	0
18. TOTAL CAPITAL EXPENDITURES			57577000		18	57577000

38 Blue Plus

Administrative Spending as Percent of
Total Carrier Spending:

8.3%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005	
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4	
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.							
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)	
1. BILLING AND ENROLLMENT	1043087	+	799260	=	1	1842347	
2A. CLAIM PROCESSING	4190127	+	4936083	=	2A	9126210	
2B. DETECTION AND PREVENTION OF FRAUD	23005	+	11763	=	2B	34768	
3. CUSTOMER SERVICE	1798833	+	666123	=	3	2464956	
4A. PRODUCT MANAGEMENT AND MARKETING	1506253	+	5345776	=	4A	6852029	
4B. UNDERWRITING	593880	+	151695	=	4B	745575	
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	109330	+	207640	=	5A	316970	
5B. LOBBYING	6149	+	9394	=	5B	15543	
6. PROVIDER RELATIONS AND CONTRACTING	1500372	+	635382	=	6	2135754	
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	2407604	+	1065239	=	7	3472843	
8. WELLNESS AND HEALTH EDUCATION	243536	+	8198990	=	8	8442526	
9. RESEARCH AND PRODUCT DEVELOPMENT	889295	+	963403	=	9	1852698	
10. CHARITABLE CONTRIBUTIONS	0	+	64417	=	10	64417	
11. GENERAL ADMINISTRATION	3375595	+	6763545	=	11	10139140	
12. TOTAL INDIRECT HEALTH CARE EXPENSES	17687066	+	29818710	=	12	47505776	
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care				
13. MINNESOTACARE TAX					13	10540075	
14. OTHER TAXES AND ASSESSMENTS					14	13096052	
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)							
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 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		

**45 Central States Health &
Life Co. of Omaha**

**Administrative Spending as Percent of
Total Carrier Spending:**

13.3%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005	
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4	
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.							
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)	
1. BILLING AND ENROLLMENT	13330	+	13266	=	1	26595	
2A. CLAIM PROCESSING	50984	+	76185	=	2A	127168	
2B. DETECTION AND PREVENTION OF FRAUD	159	+	70	=	2B	229	
3. CUSTOMER SERVICE	28134	+	32657	=	3	60791	
4A. PRODUCT MANAGEMENT AND MARKETING	26404	+	27649	=	4A	54053	
4B. UNDERWRITING	7928	+	4849	=	4B	12777	
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	1957	+	2040	=	5A	3997	
5B. LOBBYING	0	+	0	=	5B		
6. PROVIDER RELATIONS AND CONTRACTING	0	+	0	=	6		
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	0	+	0	=	7		
8. WELLNESS AND HEALTH EDUCATION	0	+	0	=	8		
9. RESEARCH AND PRODUCT DEVELOPMENT	1011	+	519	=	9	1530	
10. CHARITABLE CONTRIBUTIONS	0	+	0	=	10		
11. GENERAL ADMINISTRATION	19110	+	151216	=	11	170326	
12. TOTAL INDIRECT HEALTH CARE EXPENSES	149015	+	308451	=	12	457466	
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care				
13. MINNESOTACARE TAX					13	0	
14. OTHER TAXES AND ASSESSMENTS					14	130605	
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)							
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 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		

**57 Combined Insurance Co.
 of America**

**Administrative Spending as Percent of
 Total Carrier Spending:**

26.9%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT		+		=	1	
2A. CLAIM PROCESSING		+		=	2A	
2B. DETECTION AND PREVENTION OF FRAUD		+		=	2B	
3. CUSTOMER SERVICE		+		=	3	
4A. PRODUCT MANAGEMENT AND MARKETING		+		=	4A	
4B. UNDERWRITING		+		=	4B	
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=	5A	
5B. LOBBYING		+		=	5B	
6. PROVIDER RELATIONS AND CONTRACTING		+		=	6	
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=	7	
8. WELLNESS AND HEALTH EDUCATION		+		=	8	
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=	9	
10. CHARITABLE CONTRIBUTIONS		+		=	10	
11. GENERAL ADMINISTRATION		+	2110029	=	11	2110029
12. TOTAL INDIRECT HEALTH CARE EXPENSES		+	2110029	=	12	2110029
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	
14. OTHER TAXES AND ASSESSMENTS					14	
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS					16	
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES					18	

60 Companion Life Insurance Co.

Administrative Spending as Percent of Total Carrier Spending:

4.3%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005	
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4	
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.							
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)	
1. BILLING AND ENROLLMENT	11391	+		=	1	11391	
2A. CLAIM PROCESSING	10572	+		=	2A	10572	
2B. DETECTION AND PREVENTION OF FRAUD		+		=	2B		
3. CUSTOMER SERVICE	6328	+		=	3	6328	
4A. PRODUCT MANAGEMENT AND MARKETING	3776	+		=	4A	3776	
4B. UNDERWRITING	11260	+		=	4B	11260	
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	3493	+		=	5A	3493	
5B. LOBBYING		+		=	5B		
6. PROVIDER RELATIONS AND CONTRACTING		+		=	6		
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=	7		
8. WELLNESS AND HEALTH EDUCATION		+		=	8		
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=	9		
10. CHARITABLE CONTRIBUTIONS	1891	+		=	10	1891	
11. GENERAL ADMINISTRATION		+	66907	=	11	66907	
12. TOTAL INDIRECT HEALTH CARE EXPENSES	48711	+	66907	=	12	115618	
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care				
13. MINNESOTACARE TAX					13		
14. OTHER TAXES AND ASSESSMENTS					14		
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)							
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005				2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC						15	
16. CAPITAL ACQUISITIONS						16	
17. OTHER CAPITAL COSTS						17	
18. TOTAL CAPITAL EXPENDITURES						18	

**61 Connecticut General Life
Ins. Co.**

**Administrative Spending as Percent of
Total Carrier Spending:**

6.1%

MINNESOTA DEPARTMENT OF HEALTH		Report for period: 1/1/2005 to 12/31/2005			
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT		INDIRECT HEALTH CARE EXPENSES: Page 4			
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.					
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	TOTAL (INDIRECT HEALTH CARE EXPENSES)
					LINE #
1. BILLING AND ENROLLMENT	817250	+	1917387	=	1 2734637
2A. CLAIM PROCESSING	1413727	+	3316806	=	2A 4730533
2B. DETECTION AND PREVENTION OF FRAUD	RE	+	RE	=	2B RE
3. CUSTOMER SERVICE	305985	+	717884	=	3 1023869
4A. PRODUCT MANAGEMENT AND MARKETING	457040	+	1072283	=	4A 1529323
4B. UNDERWRITING	RE	+	RE	=	4B RE
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	3873	+	9087	=	5A 12960
5B. LOBBYING	RE	+	RE	=	5B RE
6. PROVIDER RELATIONS AND CONTRACTING	151056	+	354398	=	6 505454
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	7746	+	18174	=	7 25921
8. WELLNESS AND HEALTH EDUCATION	0	+	0	=	8
9. RESEARCH AND PRODUCT DEVELOPMENT	19366	+	45436	=	9 64802
10. CHARITABLE CONTRIBUTIONS	0	+	0	=	10
11. GENERAL ADMINISTRATION	693307	+	1626598	=	11 2319905
12. TOTAL INDIRECT HEALTH CARE EXPENSES	3869351	+	9078053	=	12 12947404
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care		
13. MINNESOTACARE TAX					13 0
14. OTHER TAXES AND ASSESSMENTS					14 605650
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)					
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #
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

**71 Continental General
Insurance Co.**

**Administrative Spending as Percent of
Total Carrier Spending:**

21.0%

MINNESOTA DEPARTMENT OF HEALTH		Report for period: 1/1/2005 to 12/31/2005			
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT			INDIRECT HEALTH CARE EXPENSES: Page 4		
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.					
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	TOTAL (INDIRECT HEALTH CARE EXPENSES)
					LINE #
1. BILLING AND ENROLLMENT		+	26163	=	1 26163
2A. CLAIM PROCESSING		+	33453	=	2A 33453
2B. DETECTION AND PREVENTION OF FRAUD		+		=	2B
3. CUSTOMER SERVICE		+	64978	=	3 64978
4A. PRODUCT MANAGEMENT AND MARKETING		+	352182	=	4A 352182
4B. UNDERWRITING		+		=	4B
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+	15756	=	5A 15756
5B. LOBBYING		+		=	5B
6. PROVIDER RELATIONS AND CONTRACTING		+		=	6
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=	7
8. WELLNESS AND HEALTH EDUCATION		+		=	8
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=	9
10. CHARITABLE CONTRIBUTIONS		+		=	10
11. GENERAL ADMINISTRATION	332675	+	139839	=	11 472514
12. TOTAL INDIRECT HEALTH CARE EXPENSES	332675	+	632371	=	12 965046
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)					
	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care		
13. MINNESOTACARE TAX					13 45816
14. OTHER TAXES AND ASSESSMENTS					14 109157
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)					
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE # 2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15
16. CAPITAL ACQUISITIONS					16
17. OTHER CAPITAL COSTS					17
18. TOTAL CAPITAL EXPENDITURES					18

**76 Delta Dental Plan of
Minnesota**

**Administrative Spending as Percent of
Total Carrier Spending:**

6.3%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	20407	+	3800094	=	1	3820501
2A. CLAIM PROCESSING	20407	+	6355807	=	2A	6376214
2B. DETECTION AND PREVENTION OF FRAUD	62	+	362458	=	2B	362520
3. CUSTOMER SERVICE	480085	+	7606472	=	3	8086557
4A. PRODUCT MANAGEMENT AND MARKETING	3553317	+	6134348	=	4A	9687665
4B. UNDERWRITING	0	+	903063	=	4B	903063
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	40934	+	1819123	=	5A	1860057
5B. LOBBYING	0	+	67451	=	5B	67451
6. PROVIDER RELATIONS AND CONTRACTING	41435	+	2089414	=	6	2130849
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	132	+	1218285	=	7	1218417
8. WELLNESS AND HEALTH EDUCATION	20480	+	544504	=	8	564984
9. RESEARCH AND PRODUCT DEVELOPMENT	459576	+	602853	=	9	1062429
10. CHARITABLE CONTRIBUTIONS	0	+	223008	=	10	223008
11. GENERAL ADMINISTRATION	163613	+	6880206	=	11	7043819
12. TOTAL INDIRECT HEALTH CARE EXPENSES	4800448	+	38607086	=	12	43407534
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	14714353
14. OTHER TAXES AND ASSESSMENTS					14	6848
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC			0		15	0
16. CAPITAL ACQUISITIONS			531477		16	531477
17. OTHER CAPITAL COSTS			0		17	0
18. TOTAL CAPITAL EXPENDITURES			531477		18	531477

**88 Federated Mutual
Insurance Co.**

**Administrative Spending as Percent of
Total Carrier Spending:**

10.9%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	76586	+	28214	=	1	104800
2A. CLAIM PROCESSING	1118072	+	1188894	=	2A	2306966
2B. DETECTION AND PREVENTION OF FRAUD	0	+	0	=	2B	
3. CUSTOMER SERVICE	44983	+	15520	=	3	60503
4A. PRODUCT MANAGEMENT AND MARKETING	2005124	+	594048	=	4A	2599172
4B. UNDERWRITING	353973	+	198321	=	4B	552294
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	30713	+	6121	=	5A	36834
5B. LOBBYING	0	+	0	=	5B	
6. PROVIDER RELATIONS AND CONTRACTING	50682	+	10450	=	6	61132
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	22908	+	7377	=	7	30285
8. WELLNESS AND HEALTH EDUCATION	2030	+	491	=	8	2521
9. RESEARCH AND PRODUCT DEVELOPMENT	85888	+	22562	=	9	108450
10. CHARITABLE CONTRIBUTIONS	0	+	0	=	10	
11. GENERAL ADMINISTRATION	733582	+	105954	=	11	839536
12. TOTAL INDIRECT HEALTH CARE EXPENSES	4524541	+	2177952	=	12	6702493
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	0
14. OTHER TAXES AND ASSESSMENTS					14	1098866
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 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	

96 First Plan of Minnesota

Administrative Spending as Percent of
Total Carrier Spending:

6.3%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	79389	+	9165	=	1	88554
2A. CLAIM PROCESSING	550287	+	485349	=	2A	1035636
2B. DETECTION AND PREVENTION OF FRAUD	11171	+	30380	=	2B	41551
3. CUSTOMER SERVICE	119490	+	17195	=	3	136685
4A. PRODUCT MANAGEMENT AND MARKETING	226733	+	279541	=	4A	506274
4B. UNDERWRITING	0	+	11865	=	4B	11865
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	114244	+	136205	=	5A	250449
5B. LOBBYING	0	+	3707	=	5B	3707
6. PROVIDER RELATIONS AND CONTRACTING	92918	+	16267	=	6	109185
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	224821	+	171081	=	7	395902
8. WELLNESS AND HEALTH EDUCATION	9677	+	47675	=	8	57352
9. RESEARCH AND PRODUCT DEVELOPMENT	7657	+	1735	=	9	9392
10. CHARITABLE CONTRIBUTIONS	0	+	24945	=	10	24945
11. GENERAL ADMINISTRATION	1251226	+	481299	=	11	1732525
12. TOTAL INDIRECT HEALTH CARE EXPENSES	2687613	+	1716409	=	12	4404022
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	389595
14. OTHER TAXES AND ASSESSMENTS					14	392251
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC			256848		15	554811
16. CAPITAL ACQUISITIONS			796580		16	844227
17. OTHER CAPITAL COSTS			0		17	0
18. TOTAL CAPITAL EXPENDITURES			1053428		18	1399038

**111 Golden Rule Insurance
Company**

**Administrative Spending as Percent of
Total Carrier Spending:**

12.2%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005	
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4	
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.							
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)	
1. BILLING AND ENROLLMENT	4521	+	2675	=	1	7196	
2A. CLAIM PROCESSING	41426	+	24509	=	2A	65935	
2B. DETECTION AND PREVENTION OF FRAUD	576	+	1831	=	2B	2406	
3. CUSTOMER SERVICE	5129	+	3034	=	3	8163	
4A. PRODUCT MANAGEMENT AND MARKETING	0	+	154265	=	4A	154265	
4B. UNDERWRITING	0	+	0	=	4B		
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	21620	+	12791	=	5A	34410	
5B. LOBBYING	0	+	0	=	5B		
6. PROVIDER RELATIONS AND CONTRACTING	9897	+	31475	=	6	41372	
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	259	+	824	=	7	1084	
8. WELLNESS AND HEALTH EDUCATION	0	+	0	=	8		
9. RESEARCH AND PRODUCT DEVELOPMENT	0	+	0	=	9		
10. CHARITABLE CONTRIBUTIONS	0	+	0	=	10		
11. GENERAL ADMINISTRATION	45219	+	26753	=	11	71972	
12. TOTAL INDIRECT HEALTH CARE EXPENSES	128646	+	258156	=	12	386802	
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care				
13. MINNESOTACARE TAX					13	186	
14. OTHER TAXES AND ASSESSMENTS					14	67775	
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)							
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS	
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15		
16. CAPITAL ACQUISITIONS					16		
17. OTHER CAPITAL COSTS					17		
18. TOTAL CAPITAL EXPENDITURES					18		

**112 Great-West Life &
Annuity Ins. Co.**

**Administrative Spending as Percent of
Total Carrier Spending:**

12.1%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	19635	+	381891	=	1	401526
2A. CLAIM PROCESSING	0	+	1920415	=	2A	1920415
2B. DETECTION AND PREVENTION OF FRAUD	0	+	0	=	2B	
3. CUSTOMER SERVICE	34259	+	731945	=	3	766204
4A. PRODUCT MANAGEMENT AND MARKETING	18362	+	1252696	=	4A	1271058
4B. UNDERWRITING	333903	+	0	=	4B	333903
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	8494	+	15366	=	5A	23860
5B. LOBBYING	0	+	0	=	5B	
6. PROVIDER RELATIONS AND CONTRACTING	4603	+	93933	=	6	98536
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	36091	+	402464	=	7	438555
8. WELLNESS AND HEALTH EDUCATION	2298	+	32259	=	8	34557
9. RESEARCH AND PRODUCT DEVELOPMENT	0	+	0	=	9	
10. CHARITABLE CONTRIBUTIONS	0	+	0	=	10	
11. GENERAL ADMINISTRATION	0	+	0	=	11	
12. TOTAL INDIRECT HEALTH CARE EXPENSES	457644	+	4830969	=	12	5288613
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	0
14. OTHER TAXES AND ASSESSMENTS					14	232003
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 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	

**114 Guarantee Trust Life
Insurance Co.**

**Administrative Spending as Percent of
Total Carrier Spending:**

12.5%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	6680	+	4608	=	1	11288
2A. CLAIM PROCESSING	93213	+	51424	=	2A	144637
2B. DETECTION AND PREVENTION OF FRAUD	0	+	0	=	2B	
3. CUSTOMER SERVICE	193589	+	138356	=	3	331945
4A. PRODUCT MANAGEMENT AND MARKETING	20606	+	27670	=	4A	48275
4B. UNDERWRITING	8300	+	1683	=	4B	9983
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	15634	+	4210	=	5A	19843
5B. LOBBYING		+	422	=	5B	422
6. PROVIDER RELATIONS AND CONTRACTING		+	0	=	6	
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+	0	=	7	
8. WELLNESS AND HEALTH EDUCATION		+	0	=	8	
9. RESEARCH AND PRODUCT DEVELOPMENT		+	0	=	9	
10. CHARITABLE CONTRIBUTIONS		+	416	=	10	416
11. GENERAL ADMINISTRATION	143349	+	47634	=	11	190983
12. TOTAL INDIRECT HEALTH CARE EXPENSES	481369	+	276423	=	12	757791
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	
14. OTHER TAXES AND ASSESSMENTS					14	
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS					16	
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES					18	

115 Guardian Life Ins. Co. of America

Administrative Spending as Percent of Total Carrier Spending:

10.4%

MINNESOTA DEPARTMENT OF HEALTH Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT **INDIRECT HEALTH CARE EXPENSES: Page 4**

The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.

INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	82000	+	78000	=	1	160000
2A. CLAIM PROCESSING	158000	+	162000	=	2A	320000
2B. DETECTION AND PREVENTION OF FRAUD	9000	+	6000	=	2B	15000
3. CUSTOMER SERVICE	8000	+	7000	=	3	15000
4A. PRODUCT MANAGEMENT AND MARKETING	79000	+	314000	=	4A	393000
4B. UNDERWRITING	60000	+	15000	=	4B	75000
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	7000	+	8000	=	5A	15000
5B. LOBBYING	0	+	0	=	5B	
6. PROVIDER RELATIONS AND CONTRACTING	0	+	0	=	6	
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	0	+	7000	=	7	7000
8. WELLNESS AND HEALTH EDUCATION	0	+	0	=	8	
9. RESEARCH AND PRODUCT DEVELOPMENT	0	+	0	=	9	
10. CHARITABLE CONTRIBUTIONS	0	+	0	=	10	
11. GENERAL ADMINISTRATION	330000	+	466000	=	11	796000
12. TOTAL INDIRECT HEALTH CARE EXPENSES	733000	+	1063000	=	12	1796000
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	23
14. OTHER TAXES AND ASSESSMENTS					14	14332
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS					16	
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES					18	

124 HealthPartners

Administrative Spending as Percent of
Total Carrier Spending:

7.6%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	5385554	+	1806814	=	1	7192368
2A. CLAIM PROCESSING	14990246	+	2504656	=	2A	17494902
2B. DETECTION AND PREVENTION OF FRAUD	415070	+	170383	=	2B	585453
3. CUSTOMER SERVICE	6712882	+	170522	=	3	6883404
4A. PRODUCT MANAGEMENT AND MARKETING	13909098	+	8771034	=	4A	22680132
4B. UNDERWRITING	2949764	+	197386	=	4B	3147150
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	1498621	+	794935	=	5A	2293556
5B. LOBBYING	0	+	0	=	5B	
6. PROVIDER RELATIONS AND CONTRACTING	2990937	+	145461	=	6	3136398
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	16019726	+	14461977	=	7	30481703
8. WELLNESS AND HEALTH EDUCATION	3061095	+	1977700	=	8	5038795
9. RESEARCH AND PRODUCT DEVELOPMENT	958968	+	38302	=	9	997270
10. CHARITABLE CONTRIBUTIONS	0	+	2751963	=	10	2751963
11. GENERAL ADMINISTRATION	35925121	+	37350746	=	11	73275867
12. TOTAL INDIRECT HEALTH CARE EXPENSES	104817082	+	71141879	=	12	175958961
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	18986000
14. OTHER TAXES AND ASSESSMENTS					14	49341000
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC			10411265		15	10546834
16. CAPITAL ACQUISITIONS			18614006		16	18923141
17. OTHER CAPITAL COSTS			0		17	0
18. TOTAL CAPITAL EXPENDITURES			29025271		18	29469975

**129 Humana Insurance
Company**

**Administrative Spending as Percent of
Total Carrier Spending: 19.2%**

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	95092	+	657636	=	1	752728
2A. CLAIM PROCESSING	14448	+	99923	=	2A	114371
2B. DETECTION AND PREVENTION OF FRAUD		+		=	2B	
3. CUSTOMER SERVICE	212095	+	1466808	=	3	1678903
4A. PRODUCT MANAGEMENT AND MARKETING	443933	+	3070163	=	4A	3514096
4B. UNDERWRITING	4648	+	32141	=	4B	36789
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	63315	+	437878	=	5A	501193
5B. LOBBYING		+		=	5B	
6. PROVIDER RELATIONS AND CONTRACTING	129432	+	895129	=	6	1024561
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=	7	
8. WELLNESS AND HEALTH EDUCATION		+		=	8	
9. RESEARCH AND PRODUCT DEVELOPMENT	1532	+	10595	=	9	12127
10. CHARITABLE CONTRIBUTIONS		+		=	10	
11. GENERAL ADMINISTRATION	10094	+	69809	=	11	79903
12. TOTAL INDIRECT HEALTH CARE EXPENSES	974589	+	6740082	=	12	7714671
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	
14. OTHER TAXES AND ASSESSMENTS					14	933390
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS					16	
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES					18	

**142 Jefferson Pilot Financial
Ins. Co.**

**Administrative Spending as Percent of
Total Carrier Spending:**

3.1%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005	
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4	
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.							
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)	
1. BILLING AND ENROLLMENT		+		=	1		
2A. CLAIM PROCESSING		+		=	2A		
2B. DETECTION AND PREVENTION OF FRAUD		+		=	2B		
3. CUSTOMER SERVICE		+		=	3		
4A. PRODUCT MANAGEMENT AND MARKETING		+		=	4A		
4B. UNDERWRITING		+		=	4B		
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+		=	5A		
5B. LOBBYING		+		=	5B		
6. PROVIDER RELATIONS AND CONTRACTING		+		=	6		
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+		=	7		
8. WELLNESS AND HEALTH EDUCATION		+		=	8		
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=	9		
10. CHARITABLE CONTRIBUTIONS		+		=	10		
11. GENERAL ADMINISTRATION		+	281179	=	11	281179	
12. TOTAL INDIRECT HEALTH CARE EXPENSES		+	281179	=	12	281179	
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care				
13. MINNESOTACARE TAX					13		
14. OTHER TAXES AND ASSESSMENTS					14		
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)							
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS	
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15		
16. CAPITAL ACQUISITIONS					16		
17. OTHER CAPITAL COSTS					17		
18. TOTAL CAPITAL EXPENDITURES					18		

**143 John Alden Life
Insurance Co.**

**Administrative Spending as Percent of
Total Carrier Spending:**

15.4%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	16336	+	8301	=	1	24637
2A. CLAIM PROCESSING	46801	+	69623	=	2A	116424
2B. DETECTION AND PREVENTION OF FRAUD		+		=	2B	
3. CUSTOMER SERVICE	61256	+	36358	=	3	97614
4A. PRODUCT MANAGEMENT AND MARKETING	275432	+	248380	=	4A	523812
4B. UNDERWRITING	71837	+	48828	=	4B	120665
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	17668	+	14043	=	5A	31711
5B. LOBBYING		+		=	5B	
6. PROVIDER RELATIONS AND CONTRACTING	516	+		=	6	516
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	18786	+		=	7	18786
8. WELLNESS AND HEALTH EDUCATION	1707	+	1034	=	8	2741
9. RESEARCH AND PRODUCT DEVELOPMENT	15840	+	26099	=	9	41939
10. CHARITABLE CONTRIBUTIONS		+	11855	=	10	11855
11. GENERAL ADMINISTRATION	104871	+	329552	=	11	434423
12. TOTAL INDIRECT HEALTH CARE EXPENSES	631050	+	794073	=	12	1425123
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	1434
14. OTHER TAXES AND ASSESSMENTS					14	210093
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS					16	
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES					18	

160 Medica Health Plans

Administrative Spending as Percent of
Total Carrier Spending:

8.0%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	1535142	+	8797270	=	1	10332412
2A. CLAIM PROCESSING	1377932	+	13748865	=	2A	15126797
2B. DETECTION AND PREVENTION OF FRAUD	132997	+	99490	=	2B	232488
3. CUSTOMER SERVICE	3003094	+	3462557	=	3	6465651
4A. PRODUCT MANAGEMENT AND MARKETING	4208167	+	22811448	=	4A	27019616
4B. UNDERWRITING	218933	+	163775	=	4B	382709
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	875526	+	1048458	=	5A	1923984
5B. LOBBYING	34102	+	25510	=	5B	59612
6. PROVIDER RELATIONS AND CONTRACTING	1638424	+	1635549	=	6	3273973
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	1310743	+	1439613	=	7	2750356
8. WELLNESS AND HEALTH EDUCATION	588291	+	483802	=	8	1072093
9. RESEARCH AND PRODUCT DEVELOPMENT	386464	+	2174676	=	9	2561140
10. CHARITABLE CONTRIBUTIONS	0	+	0	=	10	
11. GENERAL ADMINISTRATION	14908958	+	10556642	=	11	25465600
12. TOTAL INDIRECT HEALTH CARE EXPENSES	30218775	+	66447656	=	12	96666431
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	
14. OTHER TAXES AND ASSESSMENTS					14	37840821
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS					16	
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES					18	

**161 Medica Insurance
Company**

**Administrative Spending as Percent of
Total Carrier Spending:**

10.2%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	1308042	+	6949080	=	1	8257122
2A. CLAIM PROCESSING	1174088	+	10805799	=	2A	11979887
2B. DETECTION AND PREVENTION OF FRAUD	113323	+	84772	=	2B	198095
3. CUSTOMER SERVICE	2558833	+	2863398	=	3	5422230
4A. PRODUCT MANAGEMENT AND MARKETING	3585634	+	21540420	=	4A	25126054
4B. UNDERWRITING	186545	+	139547	=	4B	326093
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	746005	+	888347	=	5A	1634353
5B. LOBBYING	29057	+	21736	=	5B	50794
6. PROVIDER RELATIONS AND CONTRACTING	1396045	+	1364293	=	6	2760338
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	1116839	+	1193826	=	7	2310666
8. WELLNESS AND HEALTH EDUCATION	501263	+	409105	=	8	910368
9. RESEARCH AND PRODUCT DEVELOPMENT	329292	+	1718179	=	9	2047471
10. CHARITABLE CONTRIBUTIONS	0	+	0	=	10	
11. GENERAL ADMINISTRATION	12703409	+	10639790	=	11	23343199
12. TOTAL INDIRECT HEALTH CARE EXPENSES	25748375	+	58618293	=	12	84366668
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	
14. OTHER TAXES AND ASSESSMENTS					14	23790109
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS					16	
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES					18	

162 Medica Self Insured

Administrative Spending as Percent of
Total Carrier Spending:

6.0%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	955429	+	5016636	=	1	5972065
2A. CLAIM PROCESSING	857586	+	7794481	=	2A	8652067
2B. DETECTION AND PREVENTION OF FRAUD	82774	+	61920	=	2B	144694
3. CUSTOMER SERVICE	1869040	+	2082098	=	3	3951138
4A. PRODUCT MANAGEMENT AND MARKETING	2619044	+	2576324	=	4A	5195368
4B. UNDERWRITING	136258	+	101929	=	4B	238187
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	544902	+	628940	=	5A	1173843
5B. LOBBYING	21224	+	15877	=	5B	37101
6. PROVIDER RELATIONS AND CONTRACTING	1019709	+	993346	=	6	2013055
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	815770	+	868452	=	7	1684222
8. WELLNESS AND HEALTH EDUCATION	366136	+	298483	=	8	664619
9. RESEARCH AND PRODUCT DEVELOPMENT	240524	+	1240421	=	9	1480945
10. CHARITABLE CONTRIBUTIONS	0	+	0	=	10	
11. GENERAL ADMINISTRATION	9278913	+	7760383	=	11	17039296
12. TOTAL INDIRECT HEALTH CARE EXPENSES	18807309	+	29439289	=	12	48246598
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	
14. OTHER TAXES AND ASSESSMENTS					14	
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS					16	
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES					18	

168 Metropolitan HealthPlan

Administrative Spending as Percent of
Total Carrier Spending:

18.0%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005	
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4	
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.							
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)	
1. BILLING AND ENROLLMENT	355498	+	512251	=	1	867749	
2A. CLAIM PROCESSING	2639571	+	3512866	=	2A	6152437	
2B. DETECTION AND PREVENTION OF FRAUD	204175	+	21765	=	2B	225940	
3. CUSTOMER SERVICE	1264066	+	272008	=	3	1536074	
4A. PRODUCT MANAGEMENT AND MARKETING	434659	+	983317	=	4A	1417976	
4B. UNDERWRITING	0	+	0	=	4B		
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	1090865	+	1427312	=	5A	2518177	
5B. LOBBYING	0	+	0	=	5B		
6. PROVIDER RELATIONS AND CONTRACTING	726122	+	509606	=	6	1235728	
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	2402846	+	857067	=	7	3259913	
8. WELLNESS AND HEALTH EDUCATION	179366	+	114043	=	8	293409	
9. RESEARCH AND PRODUCT DEVELOPMENT	0	+	394231	=	9	394231	
10. CHARITABLE CONTRIBUTIONS	0	+	126146	=	10	126146	
11. GENERAL ADMINISTRATION	415968	+	1041028	=	11	1456996	
12. TOTAL INDIRECT HEALTH CARE EXPENSES	9713136	+	9771640	=	12	19484776	
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care				
13. MINNESOTACARE TAX					13	885140	
14. OTHER TAXES AND ASSESSMENTS					14	520996	
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)							
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005				2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC						15	
16. CAPITAL ACQUISITIONS						16	
17. OTHER CAPITAL COSTS						17	
18. TOTAL CAPITAL EXPENDITURES						18	

**177 Mutual of Omaha
Insurance Co.**

**Administrative Spending as Percent of
Total Carrier Spending:**

17.6%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	17208	+	13755	=	1	30963
2A. CLAIM PROCESSING	631722	+	740349	=	2A	1372071
2B. DETECTION AND PREVENTION OF FRAUD	15965	+	12304	=	2B	28269
3. CUSTOMER SERVICE	122156	+	65282	=	3	187438
4A. PRODUCT MANAGEMENT AND MARKETING	270475	+	3865166	=	4A	4135641
4B. UNDERWRITING	41446	+	12810	=	4B	54256
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	26506	+	39440	=	5A	65946
5B. LOBBYING	0	+	0	=	5B	
6. PROVIDER RELATIONS AND CONTRACTING	28700	+	10015	=	6	38715
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	45599	+	14825	=	7	60424
8. WELLNESS AND HEALTH EDUCATION	499	+	57441	=	8	57940
9. RESEARCH AND PRODUCT DEVELOPMENT	53678	+	23549	=	9	77227
10. CHARITABLE CONTRIBUTIONS	0	+	130	=	10	130
11. GENERAL ADMINISTRATION	430295	+	262269	=	11	692564
12. TOTAL INDIRECT HEALTH CARE EXPENSES	1684249	+	5117335	=	12	6801584
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	1050160
14. OTHER TAXES AND ASSESSMENTS					14	1519576
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS					16	
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES					18	

**206 Physicians Mutual Ins.
Co. & Physicians Life Ins. Co.**

**Administrative Spending as Percent of
Total Carrier Spending:**

24.5%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	20662	+	137693	=	1	158355
2A. CLAIM PROCESSING	101781	+	129902	=	2A	231683
2B. DETECTION AND PREVENTION OF FRAUD	426	+	269	=	2B	695
3. CUSTOMER SERVICE	223861	+	41456	=	3	265317
4A. PRODUCT MANAGEMENT AND MARKETING	294616	+	1334612	=	4A	1629228
4B. UNDERWRITING	33230	+	44496	=	4B	77726
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	17121	+	213443	=	5A	230564
5B. LOBBYING	0	+	0	=	5B	
6. PROVIDER RELATIONS AND CONTRACTING	6623	+	40087	=	6	46710
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	6731	+	103632	=	7	110363
8. WELLNESS AND HEALTH EDUCATION	0	+	0	=	8	
9. RESEARCH AND PRODUCT DEVELOPMENT	55113	+	16955	=	9	72068
10. CHARITABLE CONTRIBUTIONS	0	+	0	=	10	
11. GENERAL ADMINISTRATION	298533	+	337632	=	11	636165
12. TOTAL INDIRECT HEALTH CARE EXPENSES	1058697	+	2400177	=	12	3458874
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	
14. OTHER TAXES AND ASSESSMENTS					14	670624
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS					16	
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES					18	

**208 PreferredOne
Community Health Plan**

**Administrative Spending as Percent of
Total Carrier Spending:**

11.6%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	335015	+	228036	=	1	563051
2A. CLAIM PROCESSING	539158	+	366990	=	2A	906148
2B. DETECTION AND PREVENTION OF FRAUD	77174	+	52530	=	2B	129704
3. CUSTOMER SERVICE	486432	+	331101	=	3	817533
4A. PRODUCT MANAGEMENT AND MARKETING	1149034	+	5707698	=	4A	6856732
4B. UNDERWRITING	429379	+	292267	=	4B	721646
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	263130	+	179105	=	5A	442235
5B. LOBBYING	8705	+	5925	=	5B	14630
6. PROVIDER RELATIONS AND CONTRACTING	378574	+	257685	=	6	636259
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	299747	+	204029	=	7	503776
8. WELLNESS AND HEALTH EDUCATION	95555	+	1583877	=	8	1679432
9. RESEARCH AND PRODUCT DEVELOPMENT	184740	+	125748	=	9	310488
10. CHARITABLE CONTRIBUTIONS	0	+	0	=	10	
11. GENERAL ADMINISTRATION	670808	+	722479	=	11	1393287
12. TOTAL INDIRECT HEALTH CARE EXPENSES	4917451	+	10057470	=	12	14974921
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	1257375
14. OTHER TAXES AND ASSESSMENTS					14	3821967
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS					16	
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES					18	

209 PrimeWest Health System

Administrative Spending as Percent of Total Carrier Spending:

9.9%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005	
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4	
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.							
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)	
1. BILLING AND ENROLLMENT	10642	+	187522	=	1	198164	
2A. CLAIM PROCESSING		+	1094726	=	2A	1094726	
2B. DETECTION AND PREVENTION OF FRAUD	51961	+	22321	=	2B	74282	
3. CUSTOMER SERVICE	60391	+	209977	=	3	270368	
4A. PRODUCT MANAGEMENT AND MARKETING	69219	+	248320	=	4A	317539	
4B. UNDERWRITING		+		=	4B		
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	150470	+	479049	=	5A	629519	
5B. LOBBYING		+		=	5B		
6. PROVIDER RELATIONS AND CONTRACTING	236717	+	123365	=	6	360082	
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	501485	+	446644	=	7	948129	
8. WELLNESS AND HEALTH EDUCATION	78762	+	187810	=	8	266572	
9. RESEARCH AND PRODUCT DEVELOPMENT	10924	+	164117	=	9	175041	
10. CHARITABLE CONTRIBUTIONS		+		=	10		
11. GENERAL ADMINISTRATION	127559	+	499125	=	11	626684	
12. TOTAL INDIRECT HEALTH CARE EXPENSES	1298130	+	3662976	=	12	4961106	
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care				
13. MINNESOTACARE TAX					13	362610	
14. OTHER TAXES AND ASSESSMENTS					14		
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)							
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005				2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15		
16. CAPITAL ACQUISITIONS			836786		16	836786	
17. OTHER CAPITAL COSTS					17		
18. TOTAL CAPITAL EXPENDITURES			836786		18	836786	

210 Principal Life Insurance Co.

Administrative Spending as Percent of Total Carrier Spending:

10.9%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	321713	+	137877	=	1	459590
2A. CLAIM PROCESSING	1813458	+	777196	=	2A	2590654
2B. DETECTION AND PREVENTION OF FRAUD		+		=	2B	0
3. CUSTOMER SERVICE	1766420	+	757037	=	3	2523457
4A. PRODUCT MANAGEMENT AND MARKETING	318074	+	136317	=	4A	454391
4B. UNDERWRITING		+		=	4B	0
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	80216	+	34378	=	5A	114594
5B. LOBBYING		+		=	5B	0
6. PROVIDER RELATIONS AND CONTRACTING	119260	+	51111	=	6	170371
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	138760	+	59468	=	7	198228
8. WELLNESS AND HEALTH EDUCATION		+		=	8	0
9. RESEARCH AND PRODUCT DEVELOPMENT	49495	+	21212	=	9	70707
10. CHARITABLE CONTRIBUTIONS		+		=	10	0
11. GENERAL ADMINISTRATION	897031	+	384442	=	11	1281473
12. TOTAL INDIRECT HEALTH CARE EXPENSES	5504431	+	2359042	=	12	7863473
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	616123
14. OTHER TAXES AND ASSESSMENTS					14	1890521
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005				2005 INCURRED	LINE #	2005 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

**220 ReliaStar Life Insurance
Company**

**Administrative Spending as Percent of
Total Carrier Spending: 12.0%**

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	39610	+	13810	=	1	53420
2A. CLAIM PROCESSING	118840	+	60480	=	2A	179320
2B. DETECTION AND PREVENTION OF FRAUD	0	+	0	=	2B	
3. CUSTOMER SERVICE	56280	+	26850	=	3	83130
4A. PRODUCT MANAGEMENT AND MARKETING	299760	+	130640	=	4A	430400
4B. UNDERWRITING	77120	+	20490	=	4B	97610
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	10200	+	2830	=	5A	13030
5B. LOBBYING	0	+	0	=	5B	
6. PROVIDER RELATIONS AND CONTRACTING	50100	+	23790	=	6	73890
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	112010	+	56160	=	7	168170
8. WELLNESS AND HEALTH EDUCATION	0	+	0	=	8	
9. RESEARCH AND PRODUCT DEVELOPMENT	6500	+	1180	=	9	7680
10. CHARITABLE CONTRIBUTIONS	0	+	0	=	10	
11. GENERAL ADMINISTRATION	364160	+	538730	=	11	902890
12. TOTAL INDIRECT HEALTH CARE EXPENSES	1134580	+	874960	=	12	2009540
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	0
14. OTHER TAXES AND ASSESSMENTS					14	389950
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 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	

**228 Security Life Insurance
Co. of America**

**Administrative Spending as Percent of
Total Carrier Spending:**

13.1%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005	
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4	
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.							
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)	
1. BILLING AND ENROLLMENT		+		=	1		
2A. CLAIM PROCESSING		+		=	2A		
2B. DETECTION AND PREVENTION OF FRAUD		+		=	2B		
3. CUSTOMER SERVICE		+		=	3		
4A. PRODUCT MANAGEMENT AND MARKETING	49105	+	54713	=	4A	103818	
4B. UNDERWRITING	18704	+	20840	=	4B	39544	
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	3708	+	4131	=	5A	7839	
5B. LOBBYING		+		=	5B		
6. PROVIDER RELATIONS AND CONTRACTING		+		=	6		
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	11196	+	12475	=	7	23671	
8. WELLNESS AND HEALTH EDUCATION		+		=	8		
9. RESEARCH AND PRODUCT DEVELOPMENT		+		=	9		
10. CHARITABLE CONTRIBUTIONS		+		=	10		
11. GENERAL ADMINISTRATION	108341	+	120714	=	11	229055	
12. TOTAL INDIRECT HEALTH CARE EXPENSES	191054	+	212873	=	12	403927	
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care				
13. MINNESOTACARE TAX					13	135934	
14. OTHER TAXES AND ASSESSMENTS					14		
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)							
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005				2005 INCURRED		LINE #	2005 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		

**239 State Farm Mutual
Automobile Ins. Co.**

**Administrative Spending as Percent of
Total Carrier Spending:**

13.0%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	102301	+	11544	=	1	113845
2A. CLAIM PROCESSING	957498	+	810735	=	2A	1768233
2B. DETECTION AND PREVENTION OF FRAUD	50395	+	42670	=	2B	93065
3. CUSTOMER SERVICE	29837	+	59	=	3	29896
4A. PRODUCT MANAGEMENT AND MARKETING	53708	+	1617063	=	4A	1670771
4B. UNDERWRITING	5967	+	3025	=	4B	8992
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	59676	+	21264	=	5A	80940
5B. LOBBYING	0	+	24510	=	5B	24510
6. PROVIDER RELATIONS AND CONTRACTING	12788	+	25	=	6	12813
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	29837	+	9671	=	7	39508
8. WELLNESS AND HEALTH EDUCATION	4263	+	8	=	8	4271
9. RESEARCH AND PRODUCT DEVELOPMENT	42626	+	9696	=	9	52322
10. CHARITABLE CONTRIBUTIONS	0	+	0	=	10	
11. GENERAL ADMINISTRATION	85252	+	29391	=	11	114643
12. TOTAL INDIRECT HEALTH CARE EXPENSES	1434148	+	2579661	=	12	4013809
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	-5
14. OTHER TAXES AND ASSESSMENTS					14	1055537
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS					16	
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES					18	

249 Thrivent Financial for Lutherans

Administrative Spending as Percent of Total Carrier Spending:

8.7%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005	
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4	
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.							
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)	
1. BILLING AND ENROLLMENT	1046	+	358	=	1	1405	
2A. CLAIM PROCESSING	55592	+	80450	=	2A	136042	
2B. DETECTION AND PREVENTION OF FRAUD	0	+	128	=	2B	128	
3. CUSTOMER SERVICE	64035	+	18679	=	3	82715	
4A. PRODUCT MANAGEMENT AND MARKETING	0	+	0	=	4A		
4B. UNDERWRITING	0	+	0	=	4B		
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	0	+	170	=	5A	170	
5B. LOBBYING	0	+	0	=	5B		
6. PROVIDER RELATIONS AND CONTRACTING	0	+	0	=	6		
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	0	+	1809	=	7	1809	
8. WELLNESS AND HEALTH EDUCATION	0	+	0	=	8		
9. RESEARCH AND PRODUCT DEVELOPMENT	3546	+	849	=	9	4395	
10. CHARITABLE CONTRIBUTIONS	0	+	1505	=	10	1505	
11. GENERAL ADMINISTRATION	67454	+	40639	=	11	108093	
12. TOTAL INDIRECT HEALTH CARE EXPENSES	191674	+	144588	=	12	336262	
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care				
13. MINNESOTACARE TAX					13	0	
14. OTHER TAXES AND ASSESSMENTS					14	127611	
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)							
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005				2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15		
16. CAPITAL ACQUISITIONS					16		
17. OTHER CAPITAL COSTS					17		
18. TOTAL CAPITAL EXPENDITURES					18		

**251 Time Insurance
Company (formerly Fortis)**

**Administrative Spending as Percent of
Total Carrier Spending:**

20.5%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	145338	+	121708	=	1	267046
2A. CLAIM PROCESSING	284588	+	343387	=	2A	627975
2B. DETECTION AND PREVENTION OF FRAUD		+		=	2B	
3. CUSTOMER SERVICE	651824	+	207940	=	3	859764
4A. PRODUCT MANAGEMENT AND MARKETING	1785150	+	2246545	=	4A	4031695
4B. UNDERWRITING	502153	+	258030	=	4B	760183
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	104258	+	100913	=	5A	205171
5B. LOBBYING		+		=	5B	
6. PROVIDER RELATIONS AND CONTRACTING	1888	+		=	6	1888
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	169638	+		=	7	169638
8. WELLNESS AND HEALTH EDUCATION	12283	+	7447	=	8	19730
9. RESEARCH AND PRODUCT DEVELOPMENT	101634	+	165671	=	9	267305
10. CHARITABLE CONTRIBUTIONS		+	76597	=	10	76597
11. GENERAL ADMINISTRATION	870811	+	2243988	=	11	3114799
12. TOTAL INDIRECT HEALTH CARE EXPENSES	4629565	+	5772226	=	12	10401791
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	38462
14. OTHER TAXES AND ASSESSMENTS					14	1381177
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS					16	
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES					18	

262 UCare Minnesota

Administrative Spending as Percent of
Total Carrier Spending:

7.8%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT	1177002	+	3432950	=	1	4609952
2A. CLAIM PROCESSING	4225298	+	3389728	=	2A	7615026
2B. DETECTION AND PREVENTION OF FRAUD	86507	+	79460	=	2B	165967
3. CUSTOMER SERVICE	1868802	+	850420	=	3	2719222
4A. PRODUCT MANAGEMENT AND MARKETING	2463031	+	8101772	=	4A	10564803
4B. UNDERWRITING	0	+	0	=	4B	
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	983757	+	523045	=	5A	1506802
5B. LOBBYING	74250	+	67831	=	5B	142081
6. PROVIDER RELATIONS AND CONTRACTING	2663075	+	4403599	=	6	7066674
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	4006269	+	5425795	=	7	9432064
8. WELLNESS AND HEALTH EDUCATION	484181	+	965355	=	8	1449536
9. RESEARCH AND PRODUCT DEVELOPMENT	118357	+	45339	=	9	163696
10. CHARITABLE CONTRIBUTIONS	0	+	3172980	=	10	3172980
11. GENERAL ADMINISTRATION	2409077	+	2627442	=	11	5036519
12. TOTAL INDIRECT HEALTH CARE EXPENSES	20559606	+	33085716	=	12	53645322
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	3979492
14. OTHER TAXES AND ASSESSMENTS					14	3550595
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15	
16. CAPITAL ACQUISITIONS			1327423		16	1327423
17. OTHER CAPITAL COSTS					17	
18. TOTAL CAPITAL EXPENDITURES			1327423		18	1327423

**264 UniCare Life & Health
Insurance Co.**

**Administrative Spending as Percent of
Total Carrier Spending:**

8.8%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005	
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4	
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.							
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)	
1. BILLING AND ENROLLMENT	211275	+	99423	=	1	310698	
2A. CLAIM PROCESSING	637133	+	299827	=	2A	936960	
2B. DETECTION AND PREVENTION OF FRAUD	29187	+	13735	=	2B	42922	
3. CUSTOMER SERVICE	621833	+	292627	=	3	914460	
4A. PRODUCT MANAGEMENT AND MARKETING	346037	+	162841	=	4A	508878	
4B. UNDERWRITING	86102	+	40519	=	4B	126621	
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	106902	+	50307	=	5A	157209	
5B. LOBBYING	16505	+	7767	=	5B	24272	
6. PROVIDER RELATIONS AND CONTRACTING	119787	+	56370	=	6	176157	
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	157810	+	74263	=	7	232073	
8. WELLNESS AND HEALTH EDUCATION	33664	+	15842	=	8	49506	
9. RESEARCH AND PRODUCT DEVELOPMENT	25372	+	11940	=	9	37312	
10. CHARITABLE CONTRIBUTIONS	2601	+	1124	=	10	3725	
11. GENERAL ADMINISTRATION	573119	+	269703	=	11	842822	
12. TOTAL INDIRECT HEALTH CARE EXPENSES	2967327	+	1396389	=	12	4363716	
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care				
13. MINNESOTACARE TAX					13		
14. OTHER TAXES AND ASSESSMENTS					14	323885	
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)							
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS	
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15		
16. CAPITAL ACQUISITIONS					16		
17. OTHER CAPITAL COSTS					17		
18. TOTAL CAPITAL EXPENDITURES					18		

**268 Union Security Insurance
Company (formerly Fortis**

**Administrative Spending as Percent of
Total Carrier Spending:**

16.4%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005	
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4	
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.							
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)	
1. BILLING AND ENROLLMENT	40292	+	46921	=	1	87213	
2A. CLAIM PROCESSING	235474	+	238620	=	2A	474094	
2B. DETECTION AND PREVENTION OF FRAUD	0	+	0	=	2B		
3. CUSTOMER SERVICE	296376	+	76702	=	3	373078	
4A. PRODUCT MANAGEMENT AND MARKETING	924755	+	344042	=	4A	1268797	
4B. UNDERWRITING	70138	+	17874	=	4B	88012	
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	17983	+	13799	=	5A	31782	
5B. LOBBYING	0	+	0	=	5B		
6. PROVIDER RELATIONS AND CONTRACTING	100869	+	0	=	6	100869	
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	16438	+	0	=	7	16438	
8. WELLNESS AND HEALTH EDUCATION	1039	+	636	=	8	1675	
9. RESEARCH AND PRODUCT DEVELOPMENT	16829	+	23203	=	9	40032	
10. CHARITABLE CONTRIBUTIONS	0	+	11154	=	10	11154	
11. GENERAL ADMINISTRATION	140572	+	1063332	=	11	1203904	
12. TOTAL INDIRECT HEALTH CARE EXPENSES	1860765	+	1836283	=	12	3697048	
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care				
13. MINNESOTACARE TAX					13	489	
14. OTHER TAXES AND ASSESSMENTS					14	164016	
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)							
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005				2005 INCURRED		LINE #	2005 PAYMENTS
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC						15	
16. CAPITAL ACQUISITIONS						16	
17. OTHER CAPITAL COSTS						17	
18. TOTAL CAPITAL EXPENDITURES						18	

**271 United HealthCare
Insurance Co.**

**Administrative Spending as Percent of
Total Carrier Spending:**

5.3%

MINNESOTA DEPARTMENT OF HEALTH		Report for period: 1/1/2005 to 12/31/2005				
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT			INDIRECT HEALTH CARE EXPENSES: Page 4			
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.						
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)
1. BILLING AND ENROLLMENT		+	1371895	=	1	1371895
2A. CLAIM PROCESSING		+	3507884	=	2A	3507884
2B. DETECTION AND PREVENTION OF FRAUD		+	121560	=	2B	121560
3. CUSTOMER SERVICE		+	2830619	=	3	2830619
4A. PRODUCT MANAGEMENT AND MARKETING		+	903020	=	4A	903020
4B. UNDERWRITING		+	191023	=	4B	191023
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS		+	69463	=	5A	69463
5B. LOBBYING		+	0	=	5B	
6. PROVIDER RELATIONS AND CONTRACTING		+	2257549	=	6	2257549
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT		+	3125837	=	7	3125837
8. WELLNESS AND HEALTH EDUCATION		+	0	=	8	
9. RESEARCH AND PRODUCT DEVELOPMENT		+	156292	=	9	156292
10. CHARITABLE CONTRIBUTIONS		+	17366	=	10	17366
11. GENERAL ADMINISTRATION		+	833556	=	11	833556
12. TOTAL INDIRECT HEALTH CARE EXPENSES		+	15386064	=	12	15386064
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care			
13. MINNESOTACARE TAX					13	0
14. OTHER TAXES AND ASSESSMENTS					14	651840
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)						
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 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	

**289 World Insurance
Company**

**Administrative Spending as Percent of
Total Carrier Spending:**

18.0%

MINNESOTA DEPARTMENT OF HEALTH						Report for period: 1/1/2005 to 12/31/2005	
2005 HEALTH PLAN FINANCIAL AND STATISTICAL REPORT						INDIRECT HEALTH CARE EXPENSES: Page 4	
The data reported on this page may be estimated using existing accounting methods with allocations to specific categories. This data is intended to give detailed information about types of indirect health care expenses.							
INDIRECT EXPENSE CATEGORY	Salaries and Benefits*	+	Other Expenses**	=	LINE #	TOTAL (INDIRECT HEALTH CARE EXPENSES)	
1. BILLING AND ENROLLMENT	305646	+	247109	=	1	552755	
2A. CLAIM PROCESSING	390859	+	316002	=	2A	706861	
2B. DETECTION AND PREVENTION OF FRAUD	0	+	0	=	2B		
3. CUSTOMER SERVICE	103059	+	19323	=	3	122382	
4A. PRODUCT MANAGEMENT AND MARKETING	118535	+	11446	=	4A	129981	
4B. UNDERWRITING	63370	+	135621	=	4B	198991	
5A. REGULATORY COMPLIANCE AND GOVERNMENT RELATIONS	141935	+	114752	=	5A	256687	
5B. LOBBYING	0	+	0	=	5B		
6. PROVIDER RELATIONS AND CONTRACTING	0	+	0	=	6		
7. QUALITY ASSURANCE AND UTILIZATION MANAGEMENT	0	+	0	=	7		
8. WELLNESS AND HEALTH EDUCATION	0	+	0	=	8		
9. RESEARCH AND PRODUCT DEVELOPMENT	0	+	0	=	9		
10. CHARITABLE CONTRIBUTIONS	106	+	86	=	10	192	
11. GENERAL ADMINISTRATION	242353	+	259936	=	11	502289	
12. TOTAL INDIRECT HEALTH CARE EXPENSES	1365863	+	1104275	=	12	2470138	
Please put taxes and assessments on lines 13 and 14. Do not include the taxes in total indirect expenses (line 12, above)	* Include in the column above ONLY expenses for salaries and benefits of central office staff who do not provide direct patient care		**Include in the column above ONLY expenses OTHER THAN those for salaries and benefits of central office staff who do not provide direct patient care				
13. MINNESOTACARE TAX					13	0	
14. OTHER TAXES AND ASSESSMENTS					14	502579	
(Depreciation associated with these capital expenses goes on lines 1-12 as organizational expenses)							
Capital costs go on lines 15, 16, and 17; please report both 2005 incurred capital costs and also capital payments made in 2005			2005 INCURRED		LINE #	2005 PAYMENTS	
15. CAPITAL COSTS ON BEHALF OF A HOSPITAL OR CLINIC					15		
16. CAPITAL ACQUISITIONS					16		
17. OTHER CAPITAL COSTS					17		
18. TOTAL CAPITAL EXPENDITURES					18		

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.

Appendix B:

Comment from Metropolitan Health Plan, CFO, David Edwards: "MHP has invested heavily in infrastructure improvements that will benefit future periods but have to be expensed in either current periods or over very short amortization periods."