

# **Administrative Costs at Minnesota Health Plans in 2008**

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# Introduction

The Minnesota Department of Health is required to collect and publish information on administrative costs of health plans (group purchasers) that do business in Minnesota.<sup>1</sup> This report presents data on 2008 administrative costs for all health plans that reported more than \$3 million in total health premiums for Minnesota residents.

The detailed tables on the following pages present information on administrative costs as reported by group purchasers for each of 14 categories of administrative spending. Appendix A provides the definitions of the 14 administrative cost categories included in this report.

Averaged across all health plan companies, the following table shows administrative costs as a share of total costs over time:

<b>Year</b>	<b>Administrative Cost as % of Total Cost</b>
2001	10.6%
2002	8.9%
2003	8.3%
2004	8.6%
2005	8.3%
2006	8.3%
2007	8.4% <sup>2</sup>
2008	8.1%

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

Comments or questions related to this report may be directed to Tom Major at (651) 201-3574 or by email to [tom.major@state.mn.us](mailto:tom.major@state.mn.us).

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<sup>1</sup> Minnesota Statutes, Section 62J.38, paragraph (b).

<sup>2</sup> Revised from 8.2% to 8.4% since initial publication in January 2009 due to changes in data reported by health plans.

**Table 1. Administrative Costs as Percent of Total Costs, 2008**

<b>2008 Health Plan Companies</b>	<b>Total 2008 Administrative Costs</b>	<b>Total 2008 Spending</b>	<b>2008 Administrative Costs (as a percent of total spending)</b>
American Family Mutual Insurance Company	3,542,802	12,238,319	28.95%
Ameritas Life Insurance Corp	447,019	3,079,661	14.52%
Bankers Life and Casualty Company	1,682,019	10,785,041	15.60%
Blue Cross Blue Shield of Minnesota	377,713,620	4,229,992,076	8.93%
Blue Plus	66,308,681	973,671,179	6.81%
Combined Insurance Company of America	1,012,019	5,144,365	19.67%
Companion Life Insurance Company	147,891	1,674,011	8.83%
Connecticut General Life Insurance Company	24,994,611	317,857,830	7.86%
Delta Dental Plan of Minnesota	51,435,715	872,810,335	5.89%
Federated Mutual Insurance Company	8,473,189	72,633,366	11.67%
First Health Life & Health Insurance Company	902,679	14,749,933	6.12%
FirstSolutions	6,569,938	111,741,371	5.88%
Great-West Life & Annuity Insurance Company	1,207,362	15,352,288	7.86%
Guarantee Trust Life Insurance Company	4,190,528	18,866,662	22.21%
Guardian Life Insurance Company of America	733,475	16,288,793	4.50%
HCC Life Insurance Company	950,226	13,348,338	7.12%
HealthPartners	216,990,823	2,994,203,871	7.25%
Humana Insurance Company	38,657,455	313,904,806	12.32%
HumanaDental Insurance Company	912,597	2,556,376	35.70%
Itasca Medical Care	3,654,199	37,835,147	9.66%
John Alden Life Insurance Company	1,008,861	5,382,319	18.74%
Lincoln National Life Insurance Company	219,176	4,943,805	4.43%
Medica Health Plans	64,811,247	1,005,393,368	6.45%
Medica Insurance Company	139,104,669	1,269,775,290	10.96%
Medica Self Insured	62,708,306	1,317,407,043	4.76%
Metropolitan HealthPlan (MHP)	32,089,152	162,539,540	19.74%
Metropolitan Life Insurance Company	5,316,919	60,322,041	8.81%
Mutual of Omaha Insurance Company	1,405,949	10,344,978	13.59%
Pan-American Life	49,924	3,375,218	1.48%
Pennsylvania Life Insurance Company	2,723,242	20,301,814	13.41%
Physicians Mutual Ins. Co. & Physicians Life Ins. Co.	1,486,745	6,963,123	21.35%
PreferredOne Community Health Plan	17,404,417	154,342,295	11.28%
PreferredOne Insurance Company	2,162,674	15,374,591	14.07%
PrimeWest Health System	19,456,228	129,824,930	14.99%
Principal Life Insurance Company	3,259,217	59,006,750	5.52%
Pyramid Life Insurance Company	1,118,150	9,881,963	11.32%
ReliaStar Life Insurance Company	2,285,994	23,205,273	9.85%
RxAmerica, LLC	567,856	6,649,393	8.54%
Security Life Insurance Company of America	712,825	3,689,496	19.32%
SilverScript Insurance Company	381,906	8,307,761	4.60%
South Country Health Alliance	17,477,564	183,625,668	9.52%
State Farm Mutual Automobile Insurance Company	3,346,875	22,409,503	14.94%
Sterling Life Insurance Company	564,254	4,086,596	13.81%
Sun Life Assurance Company of Canada	503,772	3,261,663	15.45%
Time Insurance Company	10,270,863	42,736,069	24.03%
UCare Minnesota	68,692,520	1,142,386,175	6.01%
UniCare Life & Health Insurance Company	19,426,232	173,682,101	11.18%
Union Security Insurance Company	3,387,270	22,017,694	15.38%
United HealthCare Insurance Company	23,013,806	377,615,326	6.09%
United World Life Insurance Company	1,808,001	7,192,756	25.14%
WellCare Prescription Insurance, Inc.	998,262	8,486,158	11.76%
World Insurance Company	1,803,060	10,271,073	17.55%
<b>Totals:</b>	<b>1,320,092,784</b>	<b>16,313,535,541</b>	<b>8.1%</b>

## Minnesota Health Plan Spending on Administrative Services, 2008

<b>Total Administrative Spending as percent of Total Carrier Spending:</b> <sup>1</sup>	<b>8.1%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>9.5%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>7.3%</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>11.4%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental), 2008</b>					
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>	<b>Percent of Total Admin Expenses</b>	<b>Percent of Total Expenses</b>
Billing and Enrollment	31,788,183	59,054,349	<b>90,842,532</b>	6.9%	0.6%
Claim Processing	88,578,964	140,769,962	<b>229,348,926</b>	17.4%	1.4%
Detection and Prevention of Fraud	2,090,424	1,874,174	<b>3,964,598</b>	0.3%	0.0%
Customer Service	52,459,719	41,592,871	<b>94,052,590</b>	7.1%	0.6%
Product Management and Marketing	73,229,758	217,938,501	<b>291,168,259</b>	22.1%	1.8%
Underwriting	13,073,156	6,226,792	<b>19,299,948</b>	1.5%	0.1%
Regulatory Compliance and Government	10,821,817	16,315,540	<b>27,137,357</b>	2.1%	0.2%
Lobbying	433,136	419,847	<b>852,983</b>	0.1%	0.0%
Provider Relations and Contracting	33,827,774	33,476,101	<b>67,303,875</b>	5.1%	0.4%
Quality Assurance and Utilization Management	61,248,952	44,732,373	<b>105,981,325</b>	8.0%	0.6%
Wellness and Health Education	6,833,228	40,444,893	<b>47,278,121</b>	3.6%	0.3%
Research and Product Development	7,935,541	10,028,946	<b>17,964,487</b>	1.4%	0.1%
Charitable Contributions	5,189	4,965,265	<b>4,970,454</b>	0.4%	0.0%
General Administration	149,924,185	170,003,144	<b>319,927,329</b>	24.2%	2.0%
<b>Total</b>	<b>532,250,026</b>	<b>787,842,758</b>	<b>1,320,092,784</b>	<b>100.0%</b>	<b>8.1%</b>

<b>Taxes and Assessments, 2008</b>	
MinnesotaCare Tax	141,522,369
Other Taxes and Assessments	266,138,073

<b>Capital Costs</b>		
	<b>2008 Incurred</b>	<b>2008 Payments</b>
Capital Costs on Behalf of a Hospital or Clinic	13,866,985	14,070,368
Capital Acquisitions	74,194,654	74,111,610
Other Capital Costs	11,590	11,590
<b>Total Capital Expenditures</b>	<b>88,073,229</b>	<b>88,193,568</b>

**2008 Administrative Spending: American Family Mutual Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>29.0%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>30.4%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>22.9%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	126,954	277,857	404,811
Claim Processing	5,156	336,898	342,054
Detection and Prevention of Fraud	0	0	
Customer Service	1,136	536	1,672
Product Management and Marketing	53,420	1,317,516	1,370,936
Underwriting	0	0	
Regulatory Compliance and Government	11,257	128,355	139,612
Lobbying	0	0	
Provider Relations and Contracting	3,752	1,772	5,524
Quality Assurance and Utilization Management	52,297	24,690	76,987
Wellness and Health Education	271	128	399
Research and Product Development	3,665	1,730	5,395
Charitable Contributions	5,105	2,410	7,515
General Administration	680,373	507,524	1,187,897
<b>Total Indirect Health Care Expenses</b>	<b>943,386</b>	<b>2,599,416</b>	<b>3,542,802</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments	1,209,481	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Ameritas Life Insurance Corp**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>14.5%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>14.5%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment			
Claim Processing			
Detection and Prevention of Fraud			
Customer Service			
Product Management and Marketing			
Underwriting			
Regulatory Compliance and Government			
Lobbying			
Provider Relations and Contracting			
Quality Assurance and Utilization Management			
Wellness and Health Education			
Research and Product Development			
Charitable Contributions			
General Administration		447,019	<b>447,019</b>
<b>Total Indirect Health Care Expenses</b>		<b>447,019</b>	<b>447,019</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments	77,720	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Bankers Life and Casualty Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>15.6%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>2.3%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>18.0%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	3,423	6,196	9,619
Claim Processing	73,254	132,616	205,870
Detection and Prevention of Fraud	15,325	27,744	43,069
Customer Service	40,099	72,597	112,696
Product Management and Marketing	313,357	567,293	880,650
Underwriting	51,083	92,480	143,563
Regulatory Compliance and Government	5,568	10,080	15,648
Lobbying	1,533	2,774	4,307
Provider Relations and Contracting	0	0	
Quality Assurance and Utilization Management	0	0	
Wellness and Health Education	409	740	1,149
Research and Product Development	11,289	20,438	31,727
Charitable Contributions	0	0	
General Administration	83,164	150,557	233,721
<b>Total Indirect Health Care Expenses</b>	<b>598,504</b>	<b>1,083,515</b>	<b>1,682,019</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments	1,711,622	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			



**2008 Administrative Spending: Blue Cross Blue Shield of Minnesota**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>8.9%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>8.6%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>16.4%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	10,916,686	7,204,751	18,121,437
Claim Processing	36,844,105	38,262,439	75,106,544
Detection and Prevention of Fraud	235,356	81,362	316,718
Customer Service	18,365,763	9,402,017	27,767,780
Product Management and Marketing	13,465,343	90,017,918	103,483,261
Underwriting	4,198,912	1,264,302	5,463,214
Regulatory Compliance and Government	469,344	351,353	820,697
Lobbying	13,758	43,159	56,917
Provider Relations and Contracting	17,227,576	12,568,870	29,796,446
Quality Assurance and Utilization Management	10,139,573	6,334,431	16,474,004
Wellness and Health Education	701,182	24,457,290	25,158,472
Research and Product Development	3,023,063	2,815,056	5,838,119
Charitable Contributions	0	311,108	311,108
General Administration	31,472,820	37,526,083	68,998,903
<b>Total Indirect Health Care Expenses</b>	<b>147,073,481</b>	<b>230,640,139</b>	<b>377,713,620</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	69,196,683	
Other Taxes and Assessments	74,242,336	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	55,842,000	55,842,000	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>	<b>55,842,000</b>	<b>55,842,000</b>	

**2008 Administrative Spending: Blue Plus**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>6.8%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>11.6%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>6.6%</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>12.1%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	1,338,312	788,123	2,126,435
Claim Processing	6,669,535	8,727,519	15,397,054
Detection and Prevention of Fraud	23,573	8,258	31,831
Customer Service	2,214,263	839,243	3,053,506
Product Management and Marketing	3,972,617	7,367,381	11,339,998
Underwriting	309,546	84,051	393,597
Regulatory Compliance and Government	56,198	177,636	233,834
Lobbying	3,206	11,086	14,292
Provider Relations and Contracting	1,505,803	663,241	2,169,044
Quality Assurance and Utilization Management	4,903,223	2,023,335	6,926,558
Wellness and Health Education	296,204	6,193,331	6,489,535
Research and Product Development	630,852	595,734	1,226,586
Charitable Contributions	0	52,157	52,157
General Administration	6,130,299	10,723,955	16,854,254
<b>Total Indirect Health Care Expenses</b>	<b>28,053,631</b>	<b>38,255,050</b>	<b>66,308,681</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	18,147,250	
Other Taxes and Assessments	13,784,347	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	0	0	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Combined Insurance Company of America**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>19.7%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>Not Applicable</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>19.7%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment			
Claim Processing			
Detection and Prevention of Fraud			
Customer Service			
Product Management and Marketing			
Underwriting			
Regulatory Compliance and Government			
Lobbying			
Provider Relations and Contracting			
Quality Assurance and Utilization Management			
Wellness and Health Education			
Research and Product Development			
Charitable Contributions			
General Administration		1,012,019	<b>1,012,019</b>
<b>Total Indirect Health Care Expenses</b>		<b>1,012,019</b>	<b>1,012,019</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments		

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Companion Life Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>8.8%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>8.5%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	12,650		12,650
Claim Processing	18,054		18,054
Detection and Prevention of Fraud			
Customer Service	7,929		7,929
Product Management and Marketing	15,878		15,878
Underwriting	13,712		13,712
Regulatory Compliance and Government	5,168		5,168
Lobbying			
Provider Relations and Contracting			
Quality Assurance and Utilization Management			
Wellness and Health Education			
Research and Product Development			
Charitable Contributions		12,416	12,416
General Administration		62,084	62,084
<b>Total Indirect Health Care Expenses</b>	<b>73,391</b>	<b>74,500</b>	<b>147,891</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments		

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Connecticut General Life Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>7.9%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>11.1%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>7.5%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	2,327,776	2,946,419	5,274,195
Claim Processing	4,031,543	5,102,989	9,134,532
Detection and Prevention of Fraud			
Customer Service	872,640	1,104,558	1,977,198
Product Management and Marketing	1,302,893	1,649,157	2,952,050
Underwriting			
Regulatory Compliance and Government	11,032	13,964	24,996
Lobbying			
Provider Relations and Contracting	430,252	544,599	974,851
Quality Assurance and Utilization Management	22,064	27,928	49,992
Wellness and Health Education			
Research and Product Development	55,161	69,820	124,981
Charitable Contributions			
General Administration	1,978,058	2,503,758	4,481,816
<b>Total Indirect Health Care Expenses</b>	<b>11,031,419</b>	<b>13,963,192</b>	<b>24,994,611</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments	522,791	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Delta Dental Plan of Minnesota**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>5.9%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>9.2%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	15,885	3,926,895	3,942,780
Claim Processing	15,885	7,521,961	7,537,846
Detection and Prevention of Fraud	0	639,776	639,776
Customer Service	566,688	9,091,185	9,657,873
Product Management and Marketing	4,311,108	7,861,163	12,172,271
Underwriting	0	1,053,106	1,053,106
Regulatory Compliance and Government	31,771	2,220,316	2,252,087
Lobbying	0	63,186	63,186
Provider Relations and Contracting	31,771	2,449,544	2,481,315
Quality Assurance and Utilization Management	0	1,497,468	1,497,468
Wellness and Health Education	15,884	737,730	753,614
Research and Product Development	550,802	752,297	1,303,099
Charitable Contributions	0	463,367	463,367
General Administration	127,083	7,490,844	7,617,927
<b>Total Indirect Health Care Expenses</b>	<b>5,666,877</b>	<b>45,768,838</b>	<b>51,435,715</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	18,106,881	
Other Taxes and Assessments	3,415	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	22,568	22,568	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>	<b>22,568</b>	<b>22,568</b>	

**2008 Administrative Spending: Federated Mutual Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>11.7%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>11.7%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	98,578	29,333	127,911
Claim Processing	1,108,205	602,833	1,711,038
Detection and Prevention of Fraud	0	296	296
Customer Service	53,268	10,160	63,428
Product Management and Marketing	1,706,644	429,752	2,136,396
Underwriting	633,588	1,171,977	1,805,565
Regulatory Compliance and Government	31,492	6,263	37,755
Lobbying	0	0	
Provider Relations and Contracting	0	0	
Quality Assurance and Utilization Management	15,917	3,021	18,938
Wellness and Health Education	4,415	1,213	5,628
Research and Product Development	103,740	15,163	118,903
Charitable Contributions			
General Administration	1,907,851	539,480	2,447,331
<b>Total Indirect Health Care Expenses</b>	<b>5,663,698</b>	<b>2,809,491</b>	<b>8,473,189</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments	2,954,814	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	0	0	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: First Health Life & Health Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>6.1%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>12.0%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>6.1%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment			
Claim Processing			
Detection and Prevention of Fraud			
Customer Service			
Product Management and Marketing			
Underwriting			
Regulatory Compliance and Government			
Lobbying			
Provider Relations and Contracting			
Quality Assurance and Utilization Management			
Wellness and Health Education			
Research and Product Development			
Charitable Contributions			
General Administration	87,307	815,372	902,679
<b>Total Indirect Health Care Expenses</b>	<b>87,307</b>	<b>815,372</b>	<b>902,679</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments	91,270	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			



**2008 Administrative Spending: FirstSolutions**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>5.9%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>4.1%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>6.2%</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	2,554	17,956	20,510
Claim Processing	554,639	257,789	812,428
Detection and Prevention of Fraud	1,400	25,448	26,848
Customer Service	300,858	29,609	330,467
Product Management and Marketing	237,496	549,219	786,715
Underwriting	0	19,826	19,826
Regulatory Compliance and Government	136,436	312,395	448,831
Lobbying	0	2,729	2,729
Provider Relations and Contracting	287,982	116,995	404,977
Quality Assurance and Utilization Management	208,778	174,780	383,558
Wellness and Health Education	644,649	152,538	797,187
Research and Product Development	0	0	
Charitable Contributions	0	21,821	21,821
General Administration	1,863,513	650,528	2,514,041
<b>Total Indirect Health Care Expenses</b>	<b>4,238,305</b>	<b>2,331,633</b>	<b>6,569,938</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	656,375	
Other Taxes and Assessments	401,170	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	691,466	691,466	
Capital Acquisitions	105,769	105,769	
Other Capital Costs			
<b>Total Capital Expenditures</b>	<b>797,235</b>	<b>797,235</b>	

**2008 Administrative Spending: Great-West Life & Annuity Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>7.9%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>7.9%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	4,482	87,184	91,666
Claim Processing	0	438,421	438,421
Detection and Prevention of Fraud	0	0	
Customer Service	7,821	167,099	174,920
Product Management and Marketing	4,192	285,984	290,176
Underwriting	76,228	0	76,228
Regulatory Compliance and Government	1,939	3,508	5,447
Lobbying	0	0	
Provider Relations and Contracting	1,051	21,444	22,495
Quality Assurance and Utilization Management	8,239	91,880	100,119
Wellness and Health Education	525	7,365	7,890
Research and Product Development	0	0	
Charitable Contributions	0	0	
General Administration	0	0	
<b>Total Indirect Health Care Expenses</b>	<b>104,477</b>	<b>1,102,885</b>	<b>1,207,362</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments	25,132	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Guarantee Trust Life Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>22.2%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>22.3%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>21.7%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	18,486	13,561	32,047
Claim Processing	241,788	1,456,120	1,697,908
Detection and Prevention of Fraud	0	0	
Customer Service	930,088	507,015	1,437,103
Product Management and Marketing	103,909	117,248	221,157
Underwriting	71,761	19,389	91,150
Regulatory Compliance and Government	78,437	21,320	99,757
Lobbying	0	1,607	1,607
Provider Relations and Contracting	0		
Quality Assurance and Utilization Management	0		
Wellness and Health Education	0		
Research and Product Development	0		
Charitable Contributions	0	1,815	1,815
General Administration	383,430	224,554	607,984
<b>Total Indirect Health Care Expenses</b>	<b>1,827,899</b>	<b>2,362,629</b>	<b>4,190,528</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments		

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Guardian Life Insurance Company of America**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>4.5%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>6.3%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	38,446	48,162	86,608
Claim Processing	21,967	32,555	54,522
Detection and Prevention of Fraud	1,172	448	1,620
Customer Service	21,304	9,778	31,082
Product Management and Marketing	57,004	393,419	450,423
Underwriting	0	0	
Regulatory Compliance and Government	4,555	6,942	11,497
Lobbying	0	0	
Provider Relations and Contracting	0	0	
Quality Assurance and Utilization Management	0	12,160	12,160
Wellness and Health Education	0	0	
Research and Product Development	0	0	
Charitable Contributions	0	0	
General Administration	34,727	50,836	85,563
<b>Total Indirect Health Care Expenses</b>	<b>179,175</b>	<b>554,300</b>	<b>733,475</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	5	
Other Taxes and Assessments		

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: HCC Life Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>7.1%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>Not Applicable</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	125,183	38,323	163,506
Claim Processing	28,547	8,739	37,286
Detection and Prevention of Fraud	0	0	
Customer Service	0	0	
Product Management and Marketing	107,852	33,018	140,870
Underwriting	210,170	64,341	274,511
Regulatory Compliance and Government	0	0	
Lobbying	0	0	
Provider Relations and Contracting	0	0	
Quality Assurance and Utilization Management	0	0	
Wellness and Health Education	0	0	
Research and Product Development	0	0	
Charitable Contributions	0	0	
General Administration	255,756	78,297	334,053
<b>Total Indirect Health Care Expenses</b>	<b>727,508</b>	<b>222,718</b>	<b>950,226</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	0	
Other Taxes and Assessments	643,708	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: HealthPartners**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>7.3%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>7.9%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>5.4%</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>6.3%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	6,452,010	2,503,960	8,955,970
Claim Processing	16,975,314	3,171,293	20,146,607
Detection and Prevention of Fraud	520,242	145,254	665,496
Customer Service	9,583,531	170,666	9,754,197
Product Management and Marketing	17,697,021	11,089,068	28,786,089
Underwriting	4,101,169	265,944	4,367,113
Regulatory Compliance and Government	1,463,652	1,514,615	2,978,267
Lobbying	269,000	0	269,000
Provider Relations and Contracting	3,369,680	214,876	3,584,556
Quality Assurance and Utilization Management	24,640,203	9,505,628	34,145,831
Wellness and Health Education	1,832,545	4,399,391	6,231,936
Research and Product Development	1,337,860	69,712	1,407,572
Charitable Contributions	0	3,166,711	3,166,711
General Administration	47,999,686	44,531,792	92,531,478
<b>Total Indirect Health Care Expenses</b>	<b>136,241,913</b>	<b>80,748,910</b>	<b>216,990,823</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	21,622,444	
Other Taxes and Assessments	79,790,000	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	13,175,519	13,378,902	
Capital Acquisitions	14,817,540	15,166,931	
Other Capital Costs			
<b>Total Capital Expenditures</b>	<b>27,993,059</b>	<b>28,545,833</b>	

**2008 Administrative Spending: Humana Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>12.3%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>12.3%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>12.3%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	780,085	9,750,776	10,530,861
Claim Processing	73,884	923,529	997,413
Detection and Prevention of Fraud			
Customer Service	83,359	1,041,961	1,125,320
Product Management and Marketing	1,291,653	16,145,189	17,436,842
Underwriting	11,058	138,216	149,274
Regulatory Compliance and Government	361,267	4,515,704	4,876,971
Lobbying			
Provider Relations and Contracting	156,590	1,957,321	2,113,911
Quality Assurance and Utilization Management			
Wellness and Health Education			
Research and Product Development	75,941	949,238	1,025,179
Charitable Contributions			
General Administration	29,755	371,929	401,684
<b>Total Indirect Health Care Expenses</b>	<b>2,863,592</b>	<b>35,793,863</b>	<b>38,657,455</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	3,005,738	
Other Taxes and Assessments		

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: HumanaDental Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>35.7%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>35.7%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	27,853	234,984	262,837
Claim Processing	27,657	233,332	260,989
Detection and Prevention of Fraud			
Customer Service	1,565	13,206	14,771
Product Management and Marketing	31,874	268,908	300,782
Underwriting	0	0	
Regulatory Compliance and Government	4,569	38,550	43,119
Lobbying			
Provider Relations and Contracting	2,581	21,773	24,354
Quality Assurance and Utilization Management			
Wellness and Health Education			
Research and Product Development	0	0	
Charitable Contributions			
General Administration	609	5,136	5,745
<b>Total Indirect Health Care Expenses</b>	<b>96,708</b>	<b>815,889</b>	<b>912,597</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments	90,541	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			



**2008 Administrative Spending: Itasca Medical Care**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>9.7%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>Not Applicable</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>9.7%</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	63,383	100,948	164,331
Claim Processing	240,856	383,604	624,460
Detection and Prevention of Fraud			
Customer Service	126,767	201,896	328,663
Product Management and Marketing			
Underwriting			
Regulatory Compliance and Government	63,383	100,948	164,331
Lobbying			
Provider Relations and Contracting		367,570	367,570
Quality Assurance and Utilization Management	595,803	948,913	1,544,716
Wellness and Health Education			
Research and Product Development			
Charitable Contributions			
General Administration	177,473	282,655	460,128
<b>Total Indirect Health Care Expenses</b>	<b>1,267,665</b>	<b>2,386,534</b>	<b>3,654,199</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	85,980	
Other Taxes and Assessments		

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: John Alden Life Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>18.7%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>18.8%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>0.0%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	12,883	10,346	23,229
Claim Processing	31,941	47,273	79,214
Detection and Prevention of Fraud	0	0	
Customer Service	27,274	12,325	39,599
Product Management and Marketing	164,102	133,103	297,205
Underwriting	62,625	25,590	88,215
Regulatory Compliance and Government	20,686	17,735	38,421
Lobbying	0	0	
Provider Relations and Contracting	0	0	
Quality Assurance and Utilization Management	0	161	161
Wellness and Health Education	0	0	
Research and Product Development	6,591	1,526	8,117
Charitable Contributions	0	757	757
General Administration	53,908	380,035	433,943
<b>Total Indirect Health Care Expenses</b>	<b>380,010</b>	<b>628,851</b>	<b>1,008,861</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	734	
Other Taxes and Assessments	139,669	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	0	0	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Lincoln National Life Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>4.4%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>4.4%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment			
Claim Processing			
Detection and Prevention of Fraud			
Customer Service			
Product Management and Marketing			
Underwriting			
Regulatory Compliance and Government			
Lobbying			
Provider Relations and Contracting			
Quality Assurance and Utilization Management			
Wellness and Health Education			
Research and Product Development			
Charitable Contributions			
General Administration		219,176	<b>219,176</b>
<b>Total Indirect Health Care Expenses</b>		<b>219,176</b>	<b>219,176</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments		

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Medica Health Plans**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>6.5%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>5.2%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>6.6%</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>9.8%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	1,165,684	5,563,297	6,728,981
Claim Processing	1,283,900	9,792,223	11,076,123
Detection and Prevention of Fraud	91,941	51,685	143,626
Customer Service	3,213,605	2,240,267	5,453,872
Product Management and Marketing	3,174,006	2,950,642	6,124,648
Underwriting	244,178	137,266	381,444
Regulatory Compliance and Government	631,746	582,008	1,213,754
Lobbying	15,149	8,516	23,665
Provider Relations and Contracting	977,155	827,023	1,804,178
Quality Assurance and Utilization Management	1,105,114	2,522,201	3,627,315
Wellness and Health Education	419,464	235,805	655,269
Research and Product Development	288,992	905,787	1,194,779
Charitable Contributions	0	0	
General Administration	10,750,959	15,632,634	26,383,593
<b>Total Indirect Health Care Expenses</b>	<b>23,361,893</b>	<b>41,449,354</b>	<b>64,811,247</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	0	
Other Taxes and Assessments	15,283,861	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	0	0	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Medica Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>11.0%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>11.1%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>10.0%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	2,403,368	9,820,635	12,224,003
Claim Processing	2,647,102	17,140,683	19,787,785
Detection and Prevention of Fraud	189,560	106,563	296,123
Customer Service	6,625,701	4,473,135	11,098,836
Product Management and Marketing	6,544,058	39,462,782	46,006,840
Underwriting	503,437	283,011	786,448
Regulatory Compliance and Government	1,302,513	1,166,663	2,469,176
Lobbying	31,234	17,558	48,792
Provider Relations and Contracting	2,014,664	1,611,790	3,626,454
Quality Assurance and Utilization Management	2,278,486	1,783,646	4,062,132
Wellness and Health Education	864,837	486,175	1,351,012
Research and Product Development	595,834	1,617,688	2,213,522
Charitable Contributions	0	0	
General Administration	22,165,962	12,967,584	35,133,546
<b>Total Indirect Health Care Expenses</b>	<b>48,166,756</b>	<b>90,937,913</b>	<b>139,104,669</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	0	
Other Taxes and Assessments	55,512,150	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	0	0	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Medica Self Insured**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>4.8%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>Not Applicable</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	1,328,843	7,155,862	8,484,705
Claim Processing	1,463,606	12,666,954	14,130,560
Detection and Prevention of Fraud	104,810	58,920	163,730
Customer Service	2,314,124	1,867,245	4,181,369
Product Management and Marketing	3,618,268	4,078,957	7,697,225
Underwriting	278,355	156,479	434,834
Regulatory Compliance and Government	720,171	701,092	1,421,263
Lobbying	17,269	9,708	26,977
Provider Relations and Contracting	1,113,926	988,832	2,102,758
Quality Assurance and Utilization Management	1,259,795	1,088,651	2,348,446
Wellness and Health Education	478,176	268,810	746,986
Research and Product Development	329,442	1,155,832	1,485,274
Charitable Contributions	0	0	
General Administration	12,228,061	7,256,118	19,484,179
<b>Total Indirect Health Care Expenses</b>	<b>25,254,846</b>	<b>37,453,460</b>	<b>62,708,306</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	0	
Other Taxes and Assessments	0	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	0	0	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Metropolitan HealthPlan (MHP)**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>19.7%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>Not Applicable</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>18.9%</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>22.5%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	449,118	739,781	1,188,899
Claim Processing	3,500,662	5,088,187	8,588,849
Detection and Prevention of Fraud	258,813	66,544	325,357
Customer Service	1,677,642	608,659	2,286,301
Product Management and Marketing	818,704	996,190	1,814,894
Underwriting	0	0	
Regulatory Compliance and Government	1,560,153	1,348,576	2,908,729
Lobbying	0	0	
Provider Relations and Contracting	1,270,396	206,193	1,476,589
Quality Assurance and Utilization Management	5,027,391	2,292,745	7,320,136
Wellness and Health Education	211,880	199,616	411,496
Research and Product Development	38,381	3,023	41,404
Charitable Contributions	0	259,142	259,142
General Administration	665,612	4,801,744	5,467,356
<b>Total Indirect Health Care Expenses</b>	<b>15,478,752</b>	<b>16,610,400</b>	<b>32,089,152</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	1,071,727	
Other Taxes and Assessments	506,494	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions	432,435		
Other Capital Costs			
<b>Total Capital Expenditures</b>	<b>432,435</b>		

**2008 Administrative Spending: Metropolitan Life Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>8.8%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>11.7%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	185,603	48,845	234,448
Claim Processing	88,178	524,579	612,757
Detection and Prevention of Fraud	2,451	0	2,451
Customer Service	98,838	181,364	280,202
Product Management and Marketing	950,206	1,510,602	2,460,808
Underwriting	25,520	6,572	32,092
Regulatory Compliance and Government	3,551	19,420	22,971
Lobbying	0	0	
Provider Relations and Contracting	23,936	36,213	60,149
Quality Assurance and Utilization Management	4,808	6,687	11,495
Wellness and Health Education	61	4	65
Research and Product Development	0	0	
Charitable Contributions	0	0	
General Administration	49,490	1,549,991	1,599,481
<b>Total Indirect Health Care Expenses</b>	<b>1,432,642</b>	<b>3,884,277</b>	<b>5,316,919</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments	368,487	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			



**2008 Administrative Spending: Mutual of Omaha Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>13.6%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>36.8%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>13.4%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	3,694	3,464	7,158
Claim Processing	122,878	218,703	341,581
Detection and Prevention of Fraud	3,096	1,389	4,485
Customer Service	28,135	14,992	43,127
Product Management and Marketing	23,105	827,925	851,030
Underwriting	858	197	1,055
Regulatory Compliance and Government	148	10,763	10,911
Lobbying			
Provider Relations and Contracting		1	1
Quality Assurance and Utilization Management		1	1
Wellness and Health Education			
Research and Product Development	300	94	394
Charitable Contributions			
General Administration	89,211	56,995	146,206
<b>Total Indirect Health Care Expenses</b>	<b>271,425</b>	<b>1,134,524</b>	<b>1,405,949</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	885,551	
Other Taxes and Assessments	280,510	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Pan-American Life**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>1.5%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>8.8%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment			
Claim Processing			
Detection and Prevention of Fraud			
Customer Service			
Product Management and Marketing			
Underwriting			
Regulatory Compliance and Government			
Lobbying			
Provider Relations and Contracting			
Quality Assurance and Utilization Management			
Wellness and Health Education			
Research and Product Development			
Charitable Contributions			
General Administration	17,415	32,509	<b>49,924</b>
<b>Total Indirect Health Care Expenses</b>	<b>17,415</b>	<b>32,509</b>	<b>49,924</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments	68,280	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Pennsylvania Life Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>13.4%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>100.0%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>9.2%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	65,024	190,656	255,680
Claim Processing	280,006	514,607	794,613
Detection and Prevention of Fraud	214	249	463
Customer Service	40,897	442,402	483,299
Product Management and Marketing	141,407	89,469	230,876
Underwriting	0	0	
Regulatory Compliance and Government	5,957	14,540	20,497
Lobbying	0	0	
Provider Relations and Contracting	46,345	103,771	150,116
Quality Assurance and Utilization Management	59,994	143,567	203,561
Wellness and Health Education	0	0	
Research and Product Development	1,515	1,763	3,278
Charitable Contributions	0	0	
General Administration	180,831	400,028	580,859
<b>Total Indirect Health Care Expenses</b>	<b>822,190</b>	<b>1,901,052</b>	<b>2,723,242</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments	19,634	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Physicians Mutual Ins. Co. & Physicians Life Ins. Co.**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>21.4%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>42.4%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>16.9%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	22,859	27,737	50,596
Claim Processing	59,410	106,997	166,407
Detection and Prevention of Fraud	3,412	5,375	8,787
Customer Service	23,186	20,132	43,318
Product Management and Marketing	227,308	280,000	507,308
Underwriting	17,842	11,926	29,768
Regulatory Compliance and Government	6,426	10,050	16,476
Lobbying	0	0	
Provider Relations and Contracting	14,626	17,786	32,412
Quality Assurance and Utilization Management	50,196	101,090	151,286
Wellness and Health Education	0	0	
Research and Product Development	14,375	19,608	33,983
Charitable Contributions	0	0	
General Administration	158,430	287,974	446,404
<b>Total Indirect Health Care Expenses</b>	<b>598,070</b>	<b>888,675</b>	<b>1,486,745</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments	316,795	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: PreferredOne Community Health Plan**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>11.3%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>11.3%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	419,888	285,806	705,694
Claim Processing	679,987	462,848	1,142,835
Detection and Prevention of Fraud	98,327	66,928	165,255
Customer Service	619,764	421,856	1,041,620
Product Management and Marketing	1,443,121	6,322,903	7,766,024
Underwriting	526,207	358,175	884,382
Regulatory Compliance and Government	335,254	228,198	563,452
Lobbying	11,090	7,549	18,639
Provider Relations and Contracting	482,341	328,316	810,657
Quality Assurance and Utilization Management	381,908	259,954	641,862
Wellness and Health Education	121,747	1,265,144	1,386,891
Research and Product Development	235,378	160,215	395,593
Charitable Contributions	0	0	
General Administration	840,767	1,040,746	1,881,513
<b>Total Indirect Health Care Expenses</b>	<b>6,195,779</b>	<b>11,208,638</b>	<b>17,404,417</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	1,583,584	
Other Taxes and Assessments	4,788,764	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: PreferredOne Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>14.1%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>18.9%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	45,293	30,829	76,122
Claim Processing	73,349	49,927	123,276
Detection and Prevention of Fraud	10,606	7,219	17,825
Customer Service	66,853	45,505	112,358
Product Management and Marketing	155,667	991,398	1,147,065
Underwriting	56,761	38,636	95,397
Regulatory Compliance and Government	36,163	24,615	60,778
Lobbying	1,196	814	2,010
Provider Relations and Contracting	52,029	35,415	87,444
Quality Assurance and Utilization Management	41,196	28,041	69,237
Wellness and Health Education	13,133	91,354	104,487
Research and Product Development	25,390	17,282	42,672
Charitable Contributions	0	0	
General Administration	90,692	133,311	224,003
<b>Total Indirect Health Care Expenses</b>	<b>668,328</b>	<b>1,494,346</b>	<b>2,162,674</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	377,898	
Other Taxes and Assessments	445,626	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: PrimeWest Health System**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>15.0%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>Not Applicable</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>15.0%</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	234,141	535,517	769,658
Claim Processing	1,552,129	4,769,775	6,321,904
Detection and Prevention of Fraud	205,815	167,438	373,253
Customer Service	259,400	202,511	461,911
Product Management and Marketing	0	0	
Underwriting	0	0	
Regulatory Compliance and Government	1,283,482	1,136,419	2,419,901
Lobbying	0	40,798	40,798
Provider Relations and Contracting	783,652	405,885	1,189,537
Quality Assurance and Utilization Management	1,926,434	2,513,150	4,439,584
Wellness and Health Education	175,689	185,381	361,070
Research and Product Development	133,913	209,619	343,532
Charitable Contributions	0	537,136	537,136
General Administration	367,550	1,830,394	2,197,944
<b>Total Indirect Health Care Expenses</b>	<b>6,922,205</b>	<b>12,534,023</b>	<b>19,456,228</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	580,100	
Other Taxes and Assessments		

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions	1,111,832	1,111,832	
Other Capital Costs	11,590	11,590	
<b>Total Capital Expenditures</b>	<b>1,123,422</b>	<b>1,123,422</b>	

**2008 Administrative Spending: Principal Life Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>5.5%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>28.6%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	196,354	84,152	280,506
Claim Processing	1,106,823	474,353	1,581,176
Detection and Prevention of Fraud	0	0	
Customer Service	25,560	10,954	36,514
Product Management and Marketing	194,133	83,200	277,333
Underwriting	0	0	
Regulatory Compliance and Government	23,400	10,028	33,428
Lobbying	0	0	
Provider Relations and Contracting	72,789	31,195	103,984
Quality Assurance and Utilization Management	84,691	36,296	120,987
Wellness and Health Education	0	0	
Research and Product Development	30,209	12,947	43,156
Charitable Contributions	0	0	
General Administration	547,493	234,640	782,133
<b>Total Indirect Health Care Expenses</b>	<b>2,281,452</b>	<b>977,765</b>	<b>3,259,217</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	596,578	
Other Taxes and Assessments	1,819,536	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	0	0	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>			



**2008 Administrative Spending: Pyramid Life Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>11.3%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>100.0%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>11.1%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	23,717	65,177	88,894
Claim Processing	29,912	82,201	112,113
Detection and Prevention of Fraud	21,152	58,129	79,281
Customer Service	24,216	66,547	90,763
Product Management and Marketing	38,095	104,688	142,783
Underwriting	0	0	
Regulatory Compliance and Government	2,264	6,222	8,486
Lobbying	0	0	
Provider Relations and Contracting	14,297	39,290	53,587
Quality Assurance and Utilization Management	12,234	33,621	45,855
Wellness and Health Education	9,858	27,090	36,948
Research and Product Development	5,090	13,987	19,077
Charitable Contributions	0	0	
General Administration	117,489	322,874	440,363
<b>Total Indirect Health Care Expenses</b>	<b>298,324</b>	<b>819,826</b>	<b>1,118,150</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments	5,923	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: ReliaStar Life Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>9.9%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>29.4%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>100.0%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	62,304	24,619	86,923
Claim Processing	95,844	30,723	126,567
Detection and Prevention of Fraud	0	0	
Customer Service	31,793	18,382	50,175
Product Management and Marketing	299,986	144,989	444,975
Underwriting	67,336	15,816	83,152
Regulatory Compliance and Government	14,138	3,192	17,330
Lobbying	0	0	
Provider Relations and Contracting	59,379	36,985	96,364
Quality Assurance and Utilization Management	110,254	105,885	216,139
Wellness and Health Education	0	0	
Research and Product Development	12,634	1,757	14,391
Charitable Contributions	0	0	
General Administration	505,527	644,451	1,149,978
<b>Total Indirect Health Care Expenses</b>	<b>1,259,195</b>	<b>1,026,799</b>	<b>2,285,994</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	0	
Other Taxes and Assessments	652,656	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: RxAmerica, LLC**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>8.5%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>Not Applicable</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>8.5%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment			
Claim Processing			
Detection and Prevention of Fraud			
Customer Service			
Product Management and Marketing			
Underwriting			
Regulatory Compliance and Government			
Lobbying			
Provider Relations and Contracting			
Quality Assurance and Utilization Management			
Wellness and Health Education			
Research and Product Development			
Charitable Contributions			
General Administration	567,856		<b>567,856</b>
<b>Total Indirect Health Care Expenses</b>	<b>567,856</b>		<b>567,856</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	0	
Other Taxes and Assessments	0	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	0	0	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Security Life Insurance Company of America**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>19.3%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>19.3%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment			
Claim Processing			
Detection and Prevention of Fraud			
Customer Service			
Product Management and Marketing	64,514	110,526	<b>175,040</b>
Underwriting	23,491	40,245	<b>63,736</b>
Regulatory Compliance and Government	4,669	8,000	<b>12,669</b>
Lobbying			
Provider Relations and Contracting			
Quality Assurance and Utilization Management	11,548	19,784	<b>31,332</b>
Wellness and Health Education			
Research and Product Development			
Charitable Contributions			
General Administration	158,502	271,546	<b>430,048</b>
<b>Total Indirect Health Care Expenses</b>	<b>262,724</b>	<b>450,101</b>	<b>712,825</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments		

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: SilverScript Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>4.6%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>Not Applicable</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>4.6%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	RE	412	412
Claim Processing	RE	RE	
Detection and Prevention of Fraud	RE	RE	
Customer Service	37,545	5,126	42,671
Product Management and Marketing	RE	RE	
Underwriting	RE	RE	
Regulatory Compliance and Government	RE	RE	
Lobbying	0	0	
Provider Relations and Contracting	RE	RE	
Quality Assurance and Utilization Management	RE	RE	
Wellness and Health Education	0	0	
Research and Product Development	0	0	
Charitable Contributions	0	0	
General Administration	RE	338,823	338,823
<b>Total Indirect Health Care Expenses</b>	<b>37,545</b>	<b>344,361</b>	<b>381,906</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	0	
Other Taxes and Assessments	1,362	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	0	0	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: South Country Health Alliance**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>9.5%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>Not Applicable</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>9.5%</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	56,401	651,057	707,458
Claim Processing		6,122,807	6,122,807
Detection and Prevention of Fraud	110,864	23,268	134,132
Customer Service	319,607	1,747,291	2,066,898
Product Management and Marketing	846,375	1,360,316	2,206,691
Underwriting		0	
Regulatory Compliance and Government	48,359	11,038	59,397
Lobbying		73,724	73,724
Provider Relations and Contracting	289,349	1,170,835	1,460,184
Quality Assurance and Utilization Management	505,602	500,548	1,006,150
Wellness and Health Education	73,910	225,512	299,422
Research and Product Development		0	
Charitable Contributions		0	
General Administration	1,033,999	2,306,702	3,340,701
<b>Total Indirect Health Care Expenses</b>	<b>3,284,466</b>	<b>14,193,098</b>	<b>17,477,564</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	0	
Other Taxes and Assessments	0	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	160,581	160,581	
Other Capital Costs			
<b>Total Capital Expenditures</b>	<b>160,581</b>	<b>160,581</b>	

**2008 Administrative Spending: State Farm Mutual Automobile Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>14.9%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>11.5%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>22.8%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	167,880	18,846	186,726
Claim Processing	370,438	658,556	1,028,994
Detection and Prevention of Fraud	19,497	34,661	54,158
Customer Service	48,966	28	48,994
Product Management and Marketing	88,138	1,373,775	1,461,913
Underwriting	9,793	5,300	15,093
Regulatory Compliance and Government	97,931	36,014	133,945
Lobbying	0	18,929	18,929
Provider Relations and Contracting	20,986	12	20,998
Quality Assurance and Utilization Management	48,966	15,545	64,511
Wellness and Health Education	6,996	4	7,000
Research and Product Development	69,951	15,557	85,508
Charitable Contributions	0	104	104
General Administration	139,901	80,101	220,002
<b>Total Indirect Health Care Expenses</b>	<b>1,089,443</b>	<b>2,257,432</b>	<b>3,346,875</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	20	
Other Taxes and Assessments	939,052	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Sterling Life Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>13.8%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>Not Applicable</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>13.8%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	10,953	8,683	19,636
Claim Processing	19,855	7,531	27,386
Detection and Prevention of Fraud	0	0	
Customer Service	14,765	714	15,479
Product Management and Marketing	30,141	72,131	102,272
Underwriting	0	0	
Regulatory Compliance and Government	2,852	2,714	5,566
Lobbying	0	1,059	1,059
Provider Relations and Contracting	12,440	5,574	18,014
Quality Assurance and Utilization Management	5,868	2,224	8,092
Wellness and Health Education	509	2,475	2,984
Research and Product Development	4,818	44,503	49,321
Charitable Contributions	0	16	16
General Administration	101,945	212,484	314,429
<b>Total Indirect Health Care Expenses</b>	<b>204,146</b>	<b>360,108</b>	<b>564,254</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	0	
Other Taxes and Assessments	6,271	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	0	0	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>			



**2008 Administrative Spending: Sun Life Assurance Company of Canada**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>15.5%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>Not Applicable</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	14,535	765	15,300
Claim Processing	23,058	5,620	28,678
Detection and Prevention of Fraud	0	0	
Customer Service	19,380	1,020	20,400
Product Management and Marketing	17,320	912	18,232
Underwriting	47,670	8,042	55,712
Regulatory Compliance and Government	969	51	1,020
Lobbying	0	0	
Provider Relations and Contracting	0	0	
Quality Assurance and Utilization Management	0	0	
Wellness and Health Education	0	0	
Research and Product Development	4,330	228	4,558
Charitable Contributions	0	0	
General Administration	326,132	33,740	359,872
<b>Total Indirect Health Care Expenses</b>	<b>453,394</b>	<b>50,378</b>	<b>503,772</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments		

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Time Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>24.0%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>24.0%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	108,727	140,849	249,576
Claim Processing	379,630	348,372	728,002
Detection and Prevention of Fraud	0	0	
Customer Service	296,640	136,061	432,701
Product Management and Marketing	1,316,470	1,557,653	2,874,123
Underwriting	844,972	395,759	1,240,731
Regulatory Compliance and Government	209,172	392,922	602,094
Lobbying	0	0	
Provider Relations and Contracting	0	0	
Quality Assurance and Utilization Management	0	1,596	1,596
Wellness and Health Education	0	0	
Research and Product Development	59,378	18,579	77,957
Charitable Contributions	0	6,276	6,276
General Administration	446,464	3,611,343	4,057,807
<b>Total Indirect Health Care Expenses</b>	<b>3,661,453</b>	<b>6,609,410</b>	<b>10,270,863</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	9,961	
Other Taxes and Assessments	1,561,307	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	0	0	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: UCare Minnesota**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>6.0%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>Not Applicable</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>5.9%</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>6.0%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	1,555,150	2,661,286	4,216,436
Claim Processing	5,320,268	6,682,651	12,002,919
Detection and Prevention of Fraud	159,698	88,397	248,095
Customer Service	2,515,688	1,305,542	3,821,230
Product Management and Marketing	4,141,459	9,005,271	13,146,730
Underwriting			
Regulatory Compliance and Government	1,411,665	710,833	2,122,498
Lobbying	40,351	43,000	83,351
Provider Relations and Contracting	3,110,961	5,053,727	8,164,688
Quality Assurance and Utilization Management	6,932,051	7,081,298	14,013,349
Wellness and Health Education	956,654	1,505,510	2,462,164
Research and Product Development	166,015	144,254	310,269
Charitable Contributions	0	102,850	102,850
General Administration	3,943,645	4,054,296	7,997,941
<b>Total Indirect Health Care Expenses</b>	<b>30,253,605</b>	<b>38,438,915</b>	<b>68,692,520</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	5,439,364	
Other Taxes and Assessments	4,227,725	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions	1,701,929	1,701,929	
Other Capital Costs			
<b>Total Capital Expenditures</b>	<b>1,701,929</b>	<b>1,701,929</b>	

**2008 Administrative Spending: UniCare Life & Health Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>11.2%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>3.1%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>11.4%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	657,080	791,774	1,448,854
Claim Processing	1,799,809	1,514,206	3,314,015
Detection and Prevention of Fraud	9,487	9,938	19,425
Customer Service	675,015	802,801	1,477,816
Product Management and Marketing	3,081,804	4,919,311	8,001,115
Underwriting	312,175	131,007	443,182
Regulatory Compliance and Government	175,607	246,581	422,188
Lobbying	29,350	73,651	103,001
Provider Relations and Contracting	451,465	271,452	722,917
Quality Assurance and Utilization Management	816,319	874,479	1,690,798
Wellness and Health Education	4,230	2,287	6,517
Research and Product Development	83,282	132,939	216,221
Charitable Contributions	0	1,059	1,059
General Administration	761,971	797,153	1,559,124
<b>Total Indirect Health Care Expenses</b>	<b>8,857,594</b>	<b>10,568,638</b>	<b>19,426,232</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	0	
Other Taxes and Assessments	458,918	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	0	0	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: Union Security Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>15.4%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>15.4%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>Not Applicable</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	1,533	1,353	2,886
Claim Processing	361,390	289,019	650,409
Detection and Prevention of Fraud	0	16,788	16,788
Customer Service	174,340	49,875	224,215
Product Management and Marketing	878,432	877,623	1,756,055
Underwriting	287,761	52,199	339,960
Regulatory Compliance and Government	59,188	11,104	70,292
Lobbying	0	0	
Provider Relations and Contracting	0	0	
Quality Assurance and Utilization Management	0	14	14
Wellness and Health Education	0	0	
Research and Product Development	33,524	27,282	60,806
Charitable Contributions	0	81	81
General Administration	151,007	114,757	265,764
<b>Total Indirect Health Care Expenses</b>	<b>1,947,175</b>	<b>1,440,095</b>	<b>3,387,270</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	0	
Other Taxes and Assessments	497,428	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	0	0	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: United HealthCare Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>6.1%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>22.0%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>15.7%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b>Indirect Expense Category</b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment		2,052,664	2,052,664
Claim Processing		5,241,376	5,241,376
Detection and Prevention of Fraud		181,882	181,882
Customer Service		4,235,243	4,235,243
Product Management and Marketing		1,351,120	1,351,120
Underwriting		285,814	285,814
Regulatory Compliance and Government		103,932	103,932
Lobbying		0	
Provider Relations and Contracting		3,377,801	3,377,801
Quality Assurance and Utilization Management		4,676,955	4,676,955
Wellness and Health Education		0	
Research and Product Development		233,848	233,848
Charitable Contributions		25,983	25,983
General Administration		1,247,188	1,247,188
<b>Total Indirect Health Care Expenses</b>		<b>23,013,806</b>	<b>23,013,806</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	0	
Other Taxes and Assessments	2,251,567	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic	0	0	
Capital Acquisitions	0	0	
Other Capital Costs	0	0	
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: United World Life Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>25.1%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>Not Applicable</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>25.1%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	2,841	2,593	5,434
Claim Processing	49,488	130,097	179,585
Detection and Prevention of Fraud	3,613	215	3,828
Customer Service	22,255	8,707	30,962
Product Management and Marketing	206,995	1,233,282	1,440,277
Underwriting	36,864	12,262	49,126
Regulatory Compliance and Government	17,108	15,691	32,799
Lobbying			
Provider Relations and Contracting			
Quality Assurance and Utilization Management			
Wellness and Health Education			
Research and Product Development	3,826	1,440	5,266
Charitable Contributions			
General Administration	49,539	11,185	60,724
<b>Total Indirect Health Care Expenses</b>	<b>392,529</b>	<b>1,415,472</b>	<b>1,808,001</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	155,496	
Other Taxes and Assessments	174,544	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

**2008 Administrative Spending: WellCare Prescription Insurance, Inc.**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>11.8%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>Not Applicable</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>11.8%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment			
Claim Processing			
Detection and Prevention of Fraud			
Customer Service			
Product Management and Marketing			
Underwriting			
Regulatory Compliance and Government			
Lobbying			
Provider Relations and Contracting			
Quality Assurance and Utilization Management			
Wellness and Health Education			
Research and Product Development			
Charitable Contributions			
General Administration	10,382	987,880	<b>998,262</b>
<b>Total Indirect Health Care Expenses</b>	<b>10,382</b>	<b>987,880</b>	<b>998,262</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax		
Other Taxes and Assessments		

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			



**2008 Administrative Spending: World Insurance Company**

<b>Total Administrative Spending as percent of Total Carrier Spending<sup>1</sup>:</b>	<b>17.6%</b>
<b>Commercial Administrative Spending as percent of Commercial Spending:</b>	<b>16.9%</b>
<b>MN Public Programs Administrative Spending as percent of MN Public Programs Spending:</b>	<b>Not Applicable</b>
<b>Medicare Administrative Spending as percent of Medicare Spending (includes Medicare Advantage, Part D, and Medicare Supplement):</b>	<b>22.1%</b>

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

<b>Indirect Health Care Expenses (Medical and Dental)</b>			<b>Calendar Year 2008</b>
<b><u>Indirect Expense Category</u></b>	<b>Salaries and Benefits</b>	<b>Other Expense</b>	<b>Total Indirect Health Care Expense (by category)</b>
Billing and Enrollment	241,564	161,916	403,480
Claim Processing	308,912	207,057	515,969
Detection and Prevention of Fraud			
Customer Service	81,451	12,661	94,112
Product Management and Marketing	93,683	7,500	101,183
Underwriting	50,084	88,864	138,948
Regulatory Compliance and Government	112,177	75,190	187,367
Lobbying			
Provider Relations and Contracting			
Quality Assurance and Utilization Management			
Wellness and Health Education			
Research and Product Development			
Charitable Contributions	84	56	140
General Administration	191,541	170,320	361,861
<b>Total Indirect Health Care Expenses</b>	<b>1,079,496</b>	<b>723,564</b>	<b>1,803,060</b>

<b>Taxes and Assessments</b>		<b>Calendar Year 2008</b>
MinnesotaCare Tax	0	
Other Taxes and Assessments	263,167	

<b>Capital Costs</b>			<b>Calendar Year 2008</b>
	<b>2008 Incurred</b>	<b>2008 Payments</b>	
Capital Costs on Behalf of a Hospital or Clinic			
Capital Acquisitions			
Other Capital Costs			
<b>Total Capital Expenditures</b>			

## Appendix A: Definitions



### Definitions for the 2008 MDH Health Plan Financial & Statistical Report (HPFSR)

<b>Billing and Enrollment Expenses</b>	These are 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. Traditional expense categories that your company might allocate <i>in whole or in part</i> to billing and enrollment expenses include finance and information systems.
<b>Claim Processing Expenses</b>	These are 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. Traditional expense categories that your company might allocate <i>in whole or in part</i> to claims processing expenses include information systems and legal.
<b>Customer Service Expenses</b>	These are all costs associated with individual, group, or provider support relating to membership, open enrollment, grievance resolution, claim problems, and specialized phone services and equipment. Traditional expense categories which your company might allocate <i>in whole or in part</i> to customer service expenses include information systems, finance, legal, and sales and marketing.
<b>Detection and Prevention Of Fraud</b>	These are all carrier costs relating to detection and prevention of fraud.

<p><b>Product Management and Marketing Expenses</b></p>	<p>These are 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. Traditional expense categories that your company might allocate <i>in whole or in part</i> to product management and marketing expenses include information systems, underwriting, legal, finance, actuarial, public relations, and network management.</p>
<p><b>Underwriting</b></p>	<p>These are all carrier costs relating to underwriting.</p>
<p><b>Regulatory Compliance and Government Relations Expenses</b></p>	<p>These are 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. Traditional expense categories that your company might allocate <i>in whole or in part</i> to regulatory compliance and government relations expenses include information systems, finance, actuarial, sales and marketing, underwriting, contract, legal, utilization management, quality assurance, and compliance.</p>
<p><b>Lobbying</b></p>	<p>These are all carrier costs relating to lobbying.</p>
<p><b>Provider Relations and Contracting Expenses</b></p>	<p>These are 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. Traditional expense categories that your company might allocate <i>in whole or in part</i> to provider relations and contracting expenses include finance, legal, accounting, actuarial, and information systems.</p>

<p><b>Quality Assurance and Utilization Management Expenses</b></p>	<p>These are 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. Traditional expense categories that your company might allocate <i>in whole or in part</i> to quality assurance and utilization management expenses include information systems and legal.</p>
<p><b>Wellness and Health Education Expenses</b></p>	<p>These are all costs associated with wellness and health promotion, disease prevention, member education and materials, provider education, and outreach services. Traditional expense categories that your company might allocate <i>in whole or in part</i> to wellness and health education expenses include marketing, medical services, and printing.</p>
<p><b>Research and Product Development Expenses</b></p>	<p>These are 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. Traditional expense categories that your company might allocate <i>in whole or in part</i> to research and product development expenses include actuarial, information systems, marketing, finance, underwriting, and wellness programs.</p>
<p><b>Charitable Contributions Expenses</b></p>	<p>These are all costs related to contributions made for charitable purposes.</p>
<p><b>General Administration Expenses</b></p>	<p>These are all costs not outlined or allocated to the other categories. Traditional expense categories that your company might allocate <i>in whole or in part</i> to general administration expenses include human resources, facility maintenance, payroll, general accounting, finance, executive, internal audit, treasury, actuarial, finance, information systems, office management and occupancy 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.</p>

<b>Total Indirect Health Care Expenses</b>	This grand total should be <b>equal</b> to the sum across columns (product categories) for the indirect expenses line in section 7.
<b>MinnesotaCare Tax Expenses</b>	These are 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.
<b>Other Taxes and Assessments Expenses</b>	These are 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.
<b>Capital Costs on Behalf of a Hospital or Clinic</b>	These are all expenditures for capital that are incurred and/or paid on behalf of a hospital or clinic (or part of a partnership, joint venture, integration, or affiliation agreement). Report payments made during the calendar year (including lease payments) along with any costs incurred during the year.
<b>Capital Acquisitions</b>	These are all expenditures for the acquisition of capital assets. Report payments made during the calendar year (including lease payments) along with any costs incurred during the year.
<b>Other Capital Costs</b>	These are expenditures 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.
<b>Total Capital Expenditures</b>	This is the total of all the payments or incurred capital expenditures listed.