Hennepin Health Minnesota Supplement Report #1A REALLOCATION OF EXPENSES AND INVESTMENT INCOME For the Year Ending December 31, 2022 Sublic Information, Minnesota Statutes § 62D.08

Public Information	Minnesota Statutes	6 62D 0

		1		3	4	3	0	,		9	10	- 11	12	15	14	15	10	1/
Line	Direct Non-Claim Expenses	Total	Non MN products	Total MN products	Commercial	Medicare Advantage	Medicare Cost	Medicare Supplement	Medicare Part D	MSHO	SNBC MA only	SNBC Integrated	PMAP	MSC+	MNCare	Dental	Other	Admin Services Only
1	Employee benefit expenses	-		-													1	
2	Sales expenses	-		-							-						1	
3	General business/office expense	-		-													1	
4	State premium taxes and assessments	7,165,582		7,165,582							872,360		6,057,524		235,698		1	
5	Consulting and professional fees	249,704		249,704							21,814		212,256		15,634		1	
6	Outsourced services	-		-							-						1	
7	Other expenses	6,831		6,831							6,831						1	
8	Total Direct Expenses	7,422,117	-	7,422,117	-	-	-	-	-	-	901,005	-	6,269,780	-	251,332	-	-	-
Line	Reallocated Indirect Non-Claim Expenses	1 Total	Non MN products	3 Total MN products	4 Commercial	5 Medicare Advantage	6 Medicare Cost	7 Medicare Supplement	8 Medicare Part D	9 MSHO	10 SNBC MA only	11 SNBC Integrated	12 PMAP	13 MSC+	14 MNCare	15 Dental	16 Other	17 Admin Services Only
9	Employee benefit expenses	7,119,962		7,119,962							859,945		6,027,673		232,344		1	
10	Sales expenses	466,356		466,356							56,326		394,812		15,218		1	
11	General business/office expense	1,296,390		1,296,390							156,577		1,097,508		42,305		1	
12	State premium taxes and assessments	-		-							-		-		-		1	
13	Consulting and professional fees	1,162,316		1,162,316							140,384		984,002		37,930		1	
14	Outsourced services	2,675,740		2,675,740							323,174		2,265,249		87,317	ı J	1	
15	Other expenses	45,280		45,280							5,469		38,333		1,478		ı	
16	Total Indirect Expenses	12,766,044	-	12,766,044	-	-	-	-	-	-	1,541,875	-	10,807,577	-	416,592	-	-	-

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Line	Direct plus Indirect Non-Claim Expenses	NAIC Total	Non MN products		Commercial	Medicare Advantage	Medicare Cost	Medicare Supplement	Medicare Part	MSHO	SNBC MA only	SNBC Integrated	PMAP	MSC+	MNCare	Dental	Other	Admin Services Only
17	Employee benefit expenses	7,119,962		- 7,119,962		Automore		Jupalement			859,945	IIICEIOICE	6,027,673		232,344			
18	Sales expenses	466,356		- 466,356							56,326		394,812		15,218			
19	General business/office expense	1,296,390		- 1,296,390							156,577		1,097,508		42,305			
20	State premium taxes and assessments	7,165,582		- 7,165,582							872,360		6,057,524		235,698			
21	Consulting and professional fees	1,412,020		- 1,412,020							162,198		1,196,258		53,564			
22	Outsourced services	2,675,740		- 2,675,740							323,174		2,265,249		87,317			
23	Other expenses	52,111		- 52,111							12,300		38,333		1,478			
24	Total Non-Claim Expenses = Sum of Lines 17 to 23	20,188,161		- 20,188,161							2,442,880		17,077,357		667,924			
25	Claims Adjustment Expenses	19,399,566		19,399,566							1,646,572		16,763,718		989,276			
26	Revenues (Supp Report #1, Line 8)	444,349,536		444,349,536							54,274,854		375,561,931		14,512,751			
	Incurred Claims (Supp Report #1, Line 18 + Line 22)	381,387,202		381,387,202							46,463,504		322,239,490		12,684,208			
28	Net Investment Gain/(Loss) (Allocated)	(5,564,858)		(5,564,858)							(677,483)		(4,704,330)		(183,045)			
29	Aggregate Write Ins for Other Income or (Expenses)	-		-														
30	Federal and Foreign Income Taxes Incurred	-		-														
31	Net Income = Lines 26+28+29-24-25-27-30	17,809,749		- 17,809,749							3,044,415		14,777,036		(11,702)			

Please use the space below to explain any discrepancies between what is reported in Supplement Report #1 and	l Sı

applement Report #1a

DRAFT

These categorized administrative expenses should roll up into the general administrative expenses reported on line 21 on Minnesota Supplement Report #1, as well as the underwriting and investment exhibit part 3 – analysis of expenses, of the NAIC health blank. The categories are broken down as follows:

Employee benefit expenses: salaries, wages and benefits

Sales expenses: commissions, marketing and advertising; cost of sales-related materials, postage, telephone and printing materials

General business and office type expenses: rent; non-sales related postage, express and telephone; non-sales related printing and office supplies; taxes (excluding state premium taxes and assessments), licenses and fees; traveling expenses; insurance, except on real estate; collection and bank service charges; group service and administration fees; real estate expenses; real estate taxes; equipment; occupancy, depreciation and amortization; cost of depreciation of ECP equipment and software

State premium taxes and assessments

Consulting and professional fees: legal fees and expenses; certifications and accreditation fees; auditing, actuarial and other consulting fees; board, bureaus and association fees

Outsourced services: ECP; claims and other services

Other expenses: investment expenses not included elsewhere; aggregate write-ins for expenses; reimbursements by uninsured plans; reimbursements from fiscal intermediaries.

Indirect expenses must be allocated by dollars of premium income, or premium-equivalent for ASO business. Investment gain must be allocated by the prior five years of net income.