South Country Health Alliance Minnesota Supplement Report #IA REALLOCATION OF EXPENSES AND INVESTMENT INCOME For the Year Ending December 31, 2022 Public Information, Minnesota Statutes § 62D.08

3 Total MN products

Direct Non-Claim Expenses

Public Information, Minnesota Statutes § 62D.08

4 5 6 7 8 9 10 11 12 13 14 15 16 17

Commercial Medicare Advantage Medicare Cost Supplement D SNBC MA only Integrated D MSHO SNBC MA ONLY

1	Employee benefit expenses	-	J	-														
2	Sales expenses	71,816		71,816						6,451	3,492	3,277	53,805	1,486	3,305			
3	General business/office expense	253,616		253,616						13,240	16,444	4,772	192,530	10,270	16,360			
4	State premium taxes and assessments	-		-														
5	Consulting and professional fees	207,790		207,790						103,895	-	103,895						1
6	Outsourced services	931,309		931,309						94,276	51,397	33,351	666,314	27,361	58,610			
7	Other expenses	-		-														1
8	Total Direct Expenses	1,464,531	-	1,464,531	-	-	-	-	-	217,862	71,333	145,295	912,649	39,117	78,275	-	-	-
	•						•							•				
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Line	Reallocated Indirect 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
9	Employee benefit expenses	6,893,547		6,893,547						1,404,412	688,189	276,952	3,827,339	364,465	332,190			1
10	Sales expenses																	+
	Sales expenses	163,505		163,505						33,311	16,323	6,569	90,778	8,645	7,879			
11	General business/office expense	163,505 1,967,808		163,505 1,967,808						33,311 400,934	16,323 196,462	6,569 79,064	90,778 1,092,471	8,645 104,045	7,879 94,832			+
11											-							
11 12 13	General business/office expense										-							
	General business/office expense State premium taxes and assessments	1,967,808		1,967,808						400,934	196,462	79,064	1,092,471	104,045	94,832			
13	General business/office expense State premium taxes and assessments Consulting and professional fees	1,967,808		1,967,808						400,934	196,462	79,064	1,092,471	104,045	94,832			

		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	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
17	Employee benefit expenses	6,893,547	-	6,893,547	-	-	-	-	-	1,404,412	688,189	276,952	3,827,339	364,465	332,190	-	-	-
18	Sales expenses	235,321	-	235,321	-	-	-	-	-	39,762	19,815	9,846	144,583	10,131	11,184	-	-	-
19	General business/office expense	2,221,424	-	2,221,424	-	-	-	-	-	414,174	212,906	83,836	1,285,001	114,315	111,192	-	-	-
20	State premium taxes and assessments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Consulting and professional fees	2,630,682	-	2,630,682	-	-	-	-	-	597,510	241,880	201,237	1,345,201	128,099	116,755	-	-	-
22	Outsourced services	931,309	-	931,309	-	-	-	-	-	94,276	51,397	33,351	666,314	27,361	58,610	-	-	-
23	Other expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Total Non-Claim Expenses = Sum of Lines 17 to 23	12,912,283	-	12,912,283	-	-	-	-	-	2,550,134	1,214,187	605,222	7,268,438	644,371	629,931	-	-	-
25	Claims Adjustment Expenses	6,619,346		6,619,346						637,292	465,824	175,164	4,677,398	247,470	416,198			
26	Revenues (Supp Report #1, Line 8)	277,611,361		277,611,361						56,557,646	27,714,222	11,153,266	154,131,115	14,677,450	13,377,662			
27	Incurred Claims (Supp Report #1, Line 18 + Line 22)	241,494,500		241,494,500						50,074,231	24,431,943	11,128,854	131,069,661	11,359,702	13,430,109			
28	Net Investment Gain/(Loss) (Allocated)	1,035,486		1,035,486						356,709	402,736			276,041				
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	17,620,718	-	17,620,718	-	-	-	-	-	3,652,698	2,005,004	(755,974)	11,115,618	2,701,948	(1,098,576)	-	-	-

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

applement Report #1a

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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.