<u>Quartz</u> Minnesota Supplement Report #1A

REALLOCATION OF EXPENSES AND INVESTMENT INCOME For the Year Ending December 31, 2021 Public Information, Minnesota Statutes § 62D.08

For Dental: Please use "Explanations" tab to clarify any overlap reporting of Dental in other columns.

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		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Line	Direct Non-Claim Expenses	Total	Non MN	Total MN	Commercial	Medicare	Medicare	Medicare	Medicare	MSHO	SNBC MA	SNBC	PMAP	MSC+	MNCare	Dental	Other	Admin
			products	products		Advantage	Cost	Supplement	Part D		only	Integrated					l	Services
1	Employee benefit expenses	0		0	0	0												
2	Sales expenses	524,800		524,800	282,885	241,916												
3	General business/office expense	37,867		37,867	0	37,867												
4	State premium taxes and assessments	518,784		518,784	509,748	9,036												
5	Consulting and professional fees	50,548		50,548	1,038	49,510												
6	Outsourced services	93,209		93,209	0	93,209												
7	Other expenses	0		0	0	0												
8	Total Direct Expenses	1,225,208	0	1,225,208	793,670	431,538	0	0	0	0	0	0	0	0	0	0	0	0
										-								
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

		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	Total MN	Commercial	Medicare	Medicare	Medicare	Medicare	MSHO	SNBC MA	SNBC	PMAP	MSC+	MNCare	Dental	Other	Admin
			products	products		Advantage	Cost	Supplement	Part D		only	Integrated						Services
9	Employee benefit expenses	804,279		804,279	8,306	795,973												
10	Sales expenses	94,870		94,870	980	93,890												
11	General business/office expense	145,803		145,803	1,506	144,298												
12	State premium taxes and assessments	3,631		3,631	38	3,594												
13	Consulting and professional fees	69,485		69,485	718	68,767												
14	Outsourced services	108,286		108,286	1,118	107,167												
15	Other expenses	1,930		1,930	20	1,910												
16	Total Indirect Expenses	1,228,284	0	1,228,284	12,685	1,215,599	0	0	0	0	0	0	0	0	0	0	0	0

		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	Total MN	Commercial	Medicare	Medicare	Medicare	Medicare	MSHO	SNBC MA	SNBC	PMAP	MSC+	MNCare	Dental	Other	Admin
			products	products		Advantage	Cost	Supplement	Part D		only	Integrated						Services
17	Employee benefit expenses	804,279	0	804,279	8,306	795,973	0	0	0	0	0	0	0	0	0	0	0	0
18	Sales expenses	619,670	0	619,670	283,864	335,806	0	0	0	0	0	0	0	0	0	0	0	0
19	General business/office expense	183,670	0	183,670	1,506	182,164	0	0	0	0	0	0	0	0	0	0	0	0
20	State premium taxes and assessments	522,416	0	522,416	509,786	12,630	0	0	0	0	0	0	0	0	0	0	0	0
21	Consulting and professional fees	120,033	0	120,033	1,755	118,277	0	0	0	0	0	0	0	0	0	0	0	0
22	Outsourced services	201,494	0	201,494	1,118	200,376	0	0	0	0	0	0	0	0	0	0	0	0
23	Other expenses	1,930	0	1,930	20	1,910	0	0	0	0	0	0	0	0	0	0	0	0
24	Total Non-Claim Expenses = Sum of Lines 17 to 23	2,453,492	0	2,453,492	806,355	1,647,137	0	0	0	0	0	0	0	0	0	0	0	0
25	Claims Adjustment Expenses	1,106,057		1,106,057	363,512	742,544												
26	Revenues (Supp Report #1, Line 8)	38,818,073		38,818,073	10,548,855	28,269,218												
27	Incurred Claims (Supp Report #1, Line 18 + Line 22)	35,308,541		35,308,541	8,947,835	26,360,706												
28	Net Investment Gain/(Loss) (Allocated)	84,392		84,392	0	84,392												
29	Aggregate Write Ins for Other Income or (Expenses)	-8,080		-8,080	-7,419	-661												
30	Federal and Foreign Income Taxes Incurred	0		0														
31	Net Income = Lines 26+28+29-24-25-27-30	26,295	0	26,295	423,733	-397,438	0	0	0	0	0	0	0		0	0	0	0

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

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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.