

HealthPartners, Inc. 2018 and 2017 HMO Financial Information
STATUTORY BASIS STATEMENTS OF ADMITTED ASSETS, LIABILITIES AND CAPITAL AND SURPLUS as of December 31, 2018 and 2017 (In Thousands)

	<u>2018</u>	<u>2017</u>
Assets		
Cash and Invested Assets	1,115,812	1,105,993
Accounts Receivable (including investment income receivable)	242,878	194,135
Other Assets	0	0
Total Assets	<u>1,358,690</u>	<u>1,300,128</u>

LIABILITIES AND CAPITAL AND SURPLUS

Liabilities		
Claims unpaid	141,472	130,060
Aggregate health policy reserves	26,464	23,760
Premiums received in advance	99,419	105,421
General expenses due and accrued	5,796	6,125
Borrowed money	123,905	78,745
Other liabilities	16,872	15,942
Total liabilities	<u>413,928</u>	<u>360,053</u>
Total capital and surplus	<u>944,762</u>	<u>940,075</u>
Total liabilities, capital and surplus	<u>1,358,690</u>	<u>1,300,128</u>

STATUTORY BASIS STATEMENTS OF REVENUE AND EXPENSES as of December 31, 2018 and 2017 (In Thousands)

	<u>2018</u>	<u>% of Revenue</u>	<u>2017</u>	<u>% of Revenue</u>
Total Revenue	1,950,314	100.00%	1,696,617	100.00%
EXPENSES				
Hospital/medical benefits	1,433,394	73.50%	1,321,254	77.87%
Other professional services	78,479	4.02%	70,809	4.17%
Prescription drugs	245,644	12.60%	235,283	13.87%
Net reinsurance recoveries	0	0.00%	(327)	(0.02%)
General administrative and claims adjustment expense	102,984	5.28%	91,375	5.39%
Taxes and assessments	45,098	2.31%	25,323	1.49%
Total underwriting deductions	<u>1,905,599</u>	<u>97.71%</u>	<u>1,743,717</u>	<u>102.77%</u>
NET UNDERWRITING GAINS (LOSS)	44,715	2.29%	(47,100)	(2.77%)
NET INVESTMENT GAINS	12,901	0.66%	10,749	0.63%
NET INCOME (LOSS)	<u>57,616</u>	<u>2.95%</u>	<u>(36,351)</u>	<u>(2.14%)</u>

Group Health Plan, Inc. 2018 and 2017 HMO Financial Information
STATUTORY BASIS STATEMENTS OF ADMITTED ASSETS, LIABILITIES AND CAPITAL AND SURPLUS as of December 31, 2018 and 2017 (In Thousands)

	<u>2018</u>	<u>2017</u>
Assets		
Cash and Invested Assets	465,415	535,627
Accounts Receivable (including investment income receivable)	252,432	157,384
Furniture and Equipment	18,875	29,233
Electronic Data Processing Equipment and Software	77,465	70,467
Other Assets	23,594	20,563
Total Assets	<u>837,781</u>	<u>813,274</u>

LIABILITIES AND CAPITAL AND SURPLUS

Liabilities		
Claims unpaid	40,283	29,813
Aggregate health policy reserves	37,485	15,290
Premiums received in advance	4,584	6,483
General expenses due and accrued	224,055	215,677
Borrowed money	36,425	33,333
Amounts due to parents, subsidiaries, and affiliates	170,156	155,549
Other liabilities	218,861	211,476
Total liabilities	<u>731,849</u>	<u>667,621</u>
Total capital and surplus	<u>105,932</u>	<u>163,653</u>
Total liabilities, capital and surplus	<u>837,781</u>	<u>831,274</u>

STATUTORY BASIS STATEMENTS OF REVENUE AND EXPENSES as of December 31, 2018 and 2017 (In Thousands)

	<u>2018</u>	<u>% of Revenue</u>	<u>2017</u>	<u>% of Revenue</u>
Total Revenue	1,554,868	100.00%	1,424,927	100.00%
EXPENSES				
Hospital/medical benefits	1,178,880	75.82%	1,024,177	71.87%
Other professional services	127,567	8.20%	118,926	8.35%
Prescription drugs	205,542	13.22%	181,280	12.72%
Net reinsurance recoveries	(30,964)	(1.99%)	(431)	(0.03%)
General administrative and claims adjustment expense	87,649	5.64%	74,959	5.26%
Taxes and assessments	13,608	0.88%	3,897	0.27%
Total underwriting deductions	<u>1,582,282</u>	<u>101.77%</u>	<u>1,402,808</u>	<u>98.44%</u>
NET UNDERWRITING GAINS (LOSS)	(27,414)	(1.77%)	22,119	1.56%
NET INVESTMENT GAINS	5,912	0.38%	5,048	0.35%
NET INCOME (LOSS)	<u>(21,502)</u>	<u>(1.39%)</u>	<u>27,167</u>	<u>1.91%</u>