

Part A. Five Year Trend of Administrative Costs  
Per member per month (PMPM)

Definition: General administrative expenses are expenses an insurer incurs to run its Oregon business.  
General Administrative expenses are **not directly related to paying claims**.

| EXPENSE   | 2004          |                   | 2005          |                   | 2006          |                   | 2007          |                   | 2008          |                   | Current Filing Period |                   |
|---|---------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|-----------------------|-------------------|
|   | Claim Related | Non-claim Related | Claim Related         | Non-claim Related |
| 1. Salaries, Wages, Employment Taxes & Other Benefits                                 |               |                   |               |                   |               |                   |               |                   |               |                   |                       |                   |
| 2. Commissions  |               |                   |               |                   |               |                   |               |                   |               |                   |                       |                   |
| 3. Cost Depreciation: equipment, software, furniture, etc.                            |               |                   |               |                   |               |                   |               |                   |               |                   |                       |                   |
| 4. Rent (Occupancy)   |               |                   |               |                   |               |                   |               |                   |               |                   |                       |                   |
| 5. Marketing & Advertising  |               |                   |               |                   |               |                   |               |                   |               |                   |                       |                   |
| 6. General Office Expenses: sundries, supplies, telephone, printing, postage, etc.    |               |                   |               |                   |               |                   |               |                   |               |                   |                       |                   |
| 7. Third Party Administration Expenses or Fees or Other Group Service Expense or Fees |               |                   |               |                   |               |                   |               |                   |               |                   |                       |                   |
| 8. Legal Fees and Expenses & Other Professional or Consulting Fees                    |               |                   |               |                   |               |                   |               |                   |               |                   |                       |                   |
| 9. Other Taxes, Licenses and Fees   |               |                   |               |                   |               |                   |               |                   |               |                   |                       |                   |
| 10. Traveling Expenses  |               |                   |               |                   |               |                   |               |                   |               |                   |                       |                   |
| <b>Total Expenses Incurred</b>  |               |                   |               |                   |               |                   |               |                   |               |                   |                       |                   |
| <b>Less Expenses unpaid December 31, current year</b>                                 |               |                   |               |                   |               |                   |               |                   |               |                   |                       |                   |
| <b>Add Expenses unpaid December 31, prior year</b>                                    |               |                   |               |                   |               |                   |               |                   |               |                   |                       |                   |
| <b>TOTAL Expenses Paid</b>  |               |                   |               |                   |               |                   |               |                   |               |                   |                       |                   |

Part B. Explanation of the basis for any proposed premium rate increase or decrease related to changes in the administrative expenses:

Part C. Explanation of how administrative expenses are allocated for the filed line of business:

Part D. General Comments: