

Form **990**
Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public
Information about Form 990 and its instructions is at www.irs.gov/form990

OMB No 1545-0047
2016
Open to Public Inspection

A For the 2016 calendar year, or tax year beginning 01-01-2016, and ending 12-31-2016

- B** Check if applicable:
 Address change
 Name change
 Initial return
 Final
 Return/terminated
 Amended return
 Application pending

C Name of organization
Medica Health Plans
% MARY QUIST
Doing business as
Number and street (or P.O. box if mail is not delivered to street address) Room/suite
401 CARLSON PARKWAY CP 330
City or town, state or province, country, and ZIP or foreign postal code
MINNETONKA, MN 55305
F Name and address of principal officer
DAVID TILFORD
401 CARLSON PARKWAY CP 330
MINNETONKA, MN 55305

D Employer identification number
41-1242261
E Telephone number
(952) 992-2058
G Gross receipts \$ 16,183,857,600

I Tax-exempt status 501(c)(3) 501(c) (4) ◀ (insert no) 4947(a)(1) or 527
J Website: WWW MEDICA COM

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
If "No," attach a list (see instructions)
H(c) Group exemption number ▶

K Form of organization Corporation Trust Association Other ▶

L Year of formation 1973 **M** State of legal domicile MN

Part I Summary

1 Briefly describe the organization's mission or most significant activities
See Schedule O

2 Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets

3 Number of voting members of the governing body (Part VI, line 1a)	5
4 Number of independent voting members of the governing body (Part VI, line 1b)	4
5 Total number of individuals employed in calendar year 2016 (Part V, line 2a)	1,773
6 Total number of volunteers (estimate if necessary)	0
7a Total unrelated business revenue from Part VIII, column (C), line 12	100,103,106
7b Net unrelated business taxable income from Form 990-T, line 34	726,463

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	0	0
9 Program service revenue (Part VIII, line 2g)	1,951,942,410	2,520,267,901
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	6,178,100	16,566,033
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,741,818	1,590,393
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,959,862,328	2,538,424,327
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	7,900,000	3,220,000
14 Benefits paid to or for members (Part IX, column (A), line 4)	1,537,555,991	2,296,968,554
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	143,929,227	150,323,269
16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b Total fundraising expenses (Part IX, column (D), line 25) ▶		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	222,278,463	275,256,665
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	1,911,663,681	2,725,768,488
19 Revenue less expenses Subtract line 18 from line 12	48,198,647	-187,344,161

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	896,765,075	803,328,154
21 Total liabilities (Part X, line 26)	392,762,666	485,977,778
22 Net assets or fund balances Subtract line 21 from line 20	504,002,409	317,350,376

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here
Signature of officer: ***** Date: 2017-11-15
MARK L BAIRD CFO Type or print name and title

Paid Preparer Use Only
Print/Type preparer's name: Monroe J Gierl Preparer's signature: Monroe J Gierl Date: 2017-11-15 Check if self-employed PTIN: P01413237
Firm's name: KPMG LLP Firm's EIN:
Firm's address: 4200 Wells Fargo Ctr 90 S 7th Minneapolis, MN 55402 Phone no: (612) 305-5000

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission
 MEDICA'S MISSION IS TO MEET OUR CUSTOMERS' NEEDS FOR HEALTH PLAN PRODUCTS AND SERVICES IN DOING SO, WE WORK WITH MEMBERS AND PROVIDERS TO MAKE HEALTH CARE ACCESSIBLE, AFFORDABLE AND A MEANS BY WHICH OUR MEMBERS IMPROVE THEIR HEALTH

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses \$ 2,256,563,275 including grants of \$) (Revenue \$ 2,193,032,367)
 See Additional Data

4b (Code) (Expenses \$ 40,228,320 including grants of \$) (Revenue \$ 29,734,007)
 See Additional Data

4c (Code) (Expenses \$ 176,959 including grants of \$) (Revenue \$ 382,323)
 See Additional Data

4d Other program services (Describe in Schedule O)
 (Expenses \$ 3,220,000 including grants of \$ 3,220,000) (Revenue \$ 197,269,832)

4e Total program service expenses ► 2,300,188,554

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1	No
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?	2	No
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> 🗑️	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> 🗑️	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> 🗑️	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> 🗑️	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> 🗑️	10	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> 🗑️	11a	Yes
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> 🗑️	11b	Yes
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> 🗑️	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> 🗑️	11d	Yes
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> 🗑️	11e	No
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> 🗑️	11f	Yes
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> 🗑️	12a	Yes
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> 🗑️	12b	Yes
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i> (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	No

Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	Yes	
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		No
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	Yes	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		No
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		No
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		No
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>		No
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		No
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		No
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		No
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		No
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		No
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		No
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		No
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		No
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		No
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	Yes	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		No
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	Yes	
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		No
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V []

Table with columns for question ID, question text, and Yes/No columns. Rows include 1a-1b, 2a-2b, 3a-3b, 4a-4b, 5a-5c, 6a-6b, 7a-7h, 8, 9a-9b, 10a-10b, 11a-11b, 12a-12b, 13a-13c, 14a-14b.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O See instructions

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a (5), 1b (4), 2, 3, 4, 5, 6, 7a, 7b, 8, 8a, 8b, 9.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

Section C. Disclosure

Table with 3 columns: Question, Yes, No. Rows include: 17 (MN), 18 (Own website, Another's website, Upon request, Other), 19, 20 (MARY QUIST 401 CARLSON PARKWAY CP330 MINNETONKA, MN 55305 (952) 992-2058).

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) David Tilford President/CEO	40 0 0 0	X		X				2,247,460	0	37,954
(2) John Buck Chair	15 0 0 0	X		X				106,250	0	0
(3) Esther Tomljanovich Vice Chair- Through June 2016	6 0 0 0	X						66,000	0	0
(4) Peter Kelly Director	10 0 0 0	X						67,000	0	0
(5) John Stanoch Vice Chair -Start June 2016	10 0 0 0	X		X				68,250	0	0
(6) Earl Stratton Director -Through June 2016	10 0 0 0	X						70,250	0	0
(7) Mark L Baird SVP & CFO, Treasurer	40 0 0 0			X				990,763	0	45,182
(8) James P Jacobson SVP & Gen Counsel, Secretary	40 0 0 0			X				595,877	0	46,153
(9) Glenn E Andis SVP Government Programs	40 0 0 0				X			766,143	0	47,478
(10) Dannette M Coleman SVP Ind & Fam Business	40 0 0 0				X			612,659	0	42,849
(11) Jana L Johnson SVP Hlth & Prov Services	40 0 0 0				X			674,121	0	46,843
(12) Debby S Knutson SVP HR	40 0 0 0				X			574,593	0	29,180
(13) Robert Longendyke SVP & CMO	40 0 0 0				X			603,527	0	45,672
(14) John W Naylor SVP Commercial Markets	40 0 0 0				X			836,003	0	67,080
(15) Alan Spiro MD SVP & CMO	40 0 0 0				X			527,660	0	31,295
(16) Timothy D Thull SVP & CIO	40 0 0 0				X			661,794	0	45,845
(17) Geoffrey J Bartsh VP & GM SPP	40 0 0 0					X		567,551	0	67,826

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Andrew E Davis GM & VP CHA	40 0 0 0					X		581,300	0	42,862
(19) Mary P Quist VP Fin & Corp Controller	40 0 0 0					X		505,694	0	44,230
(20) Scott R Reid VP Comm Prod & Ops	40 0 0 0					X		476,274	0	45,835
(21) Richard H Sykora VP/GM Com Fin & Undwrtn	40 0 0 0					X		508,930	0	42,967
1b Sub-Total ▶										
1c Total from continuation sheets to Part VII, Section A ▶										
1d Total (add lines 1b and 1c) ▶								12,108,099	0	729,251

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶ 360

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		No
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	Yes	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
United Health Care Services Inc, 9900 Bren Dr E MN008-T380 Minnetonka, MN 55343	Claims Processing	105,657,827
Dahl Consulting Inc, 418 County Road D E St Paul, MN 55117	Temp Services	10,502,191
Löffler Companies Inc, 1101 East 78th Street Suite 200 Bloomington, MN 55420	Printing	1,330,876
Change HealthCare Solutions LLC, 3055 Lebanon Pike Ste 1000 Nashville, TN 37214	Issues claim pymnts	697,985
Atomic Data LLC, 250 Marquette Ave Suite 225 Minneapolis, MN 55401	Technology Services	635,658

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶ 30

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f \$ _____					
	h Total. Add lines 1a-1f		0			
Program Service Revenue		Business Code				
	2a Medicaid Revenue	524114	2,193,032,367	2,193,032,367		
	b Group & Individual Premiums	524114	129,583,379	29,734,007	99,849,372	
	c Medicare Revenue	524114	382,323	382,323		
	d Intercompany Admin Fees	561000	197,269,832	197,269,832		
	e _____					
	f All other program service revenue					
g Total. Add lines 2a-2f		2,520,267,901				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		10,981,886		10,981,886	
	4 Income from investment of tax-exempt bond proceeds		0			
	5 Royalties		0			
	6a Gross rents	(i) Real				
		5,435,820				
		b Less rental expenses	4,099,161			
		c Rental income or (loss)	1,336,659	0		
	d Net rental income or (loss)		1,336,659		1,336,659	
	7a Gross amount from sales of assets other than inventory	(i) Securities				
		13,646,918,259				
		b Less cost or other basis and sales expenses	13,641,334,112			
		c Gain or (loss)	5,584,147			
	d Net gain or (loss)		5,584,147		5,584,147	
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a		0		
		b Less direct expenses		0		
c Net income or (loss) from fundraising events			0			
9a Gross income from gaming activities See Part IV, line 19	a		0			
	b Less direct expenses		0			
	c Net income or (loss) from gaming activities		0			
10a Gross sales of inventory, less returns and allowances	a		0			
	b Less cost of goods sold		0			
	c Net income or (loss) from sales of inventory		0			
Miscellaneous Revenue	Business Code					
11a Medica Tax Partnership - Dental Revenue	900099	253,734		253,734		
b _____						
c _____						
d All other revenue						
e Total. Add lines 11a-11d		253,734				
12 Total revenue. See Instructions		2,538,424,327	2,420,418,529	100,103,106	17,902,692	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21	3,220,000	3,220,000		
2 Grants and other assistance to domestic individuals See Part IV, line 22	0			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, line 15 and 16	0			
4 Benefits paid to or for members	2,296,968,554	2,296,968,554		
5 Compensation of current officers, directors, trustees, and key employees	9,382,848		9,382,848	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	110,539,259		110,539,259	
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)	10,503,394		10,503,394	
9 Other employee benefits	11,250,056		11,250,056	
10 Payroll taxes	8,647,712		8,647,712	
11 Fees for services (non-employees)				
a Management	0			
b Legal	2,097,702		2,097,702	
c Accounting	373,853		373,853	
d Lobbying	515,516		515,516	
e Professional fundraising services See Part IV, line 17	0			
f Investment management fees	1,332,999		1,332,999	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	50,988,096		50,988,096	
12 Advertising and promotion	7,232,315		7,232,315	
13 Office expenses	4,506,778		4,506,778	
14 Information technology	35,163,264		35,163,264	
15 Royalties	0			
16 Occupancy	4,799,527		4,799,527	
17 Travel	624,619		624,619	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	524,818		524,818	
20 Interest	186,846		186,846	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	24,286,100		24,286,100	
23 Insurance	1,647,963		1,647,963	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Reinsurance	98,907,025		98,907,025	
b Premium Taxes	28,965,537		28,965,537	
c Printing & Publication	8,892,271		8,892,271	
d Other	4,211,436		4,211,436	
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	2,725,768,488	2,300,188,554	425,579,934	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part IX

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	7,122,848	1	28,395,441
	2 Savings and temporary cash investments	294,310,693	2	161,954,916
	3 Pledges and grants receivable, net	0	3	0
	4 Accounts receivable, net	78,911,787	4	141,446,432
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	0	5	0
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L	0	6	0
	7 Notes and loans receivable, net	0	7	0
	8 Inventories for sale or use	0	8	0
	9 Prepaid expenses and deferred charges	0	9	0
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	119,205,748		
	b Less accumulated depreciation	30,939,882		
	11 Investments—publicly traded securities	323,516,795	11	237,463,007
	12 Investments—other securities See Part IV, line 11	67,917,188	12	67,677,405
	13 Investments—program-related See Part IV, line 11	0	13	0
	14 Intangible assets	0	14	0
	15 Other assets See Part IV, line 11	33,719,405	15	78,125,087
16 Total assets. Add lines 1 through 15 (must equal line 34)	896,765,075	16	803,328,154	
Liabilities	17 Accounts payable and accrued expenses	245,217,267	17	336,961,958
	18 Grants payable	0	18	0
	19 Deferred revenue	147,545,399	19	149,015,820
	20 Tax-exempt bond liabilities	0	20	0
	21 Escrow or custodial account liability Complete Part IV of Schedule D	0	21	0
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	0	25	0
	26 Total liabilities. Add lines 17 through 25	392,762,666	26	485,977,778
Net Assets or Fund Balances	27 Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. Unrestricted net assets	504,002,409	27	317,350,376
	28 Temporarily restricted net assets	0	28	0
	29 Permanently restricted net assets	0	29	0
	30 Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34. Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	504,002,409	33	317,350,376
	34 Total liabilities and net assets/fund balances	896,765,075	34	803,328,154

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	2,538,424,327
2	Total expenses (must equal Part IX, column (A), line 25)	2	2,725,768,488
3	Revenue less expenses Subtract line 2 from line 1	3	-187,344,161
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	504,002,409
5	Net unrealized gains (losses) on investments	5	4,959,887
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-4,267,759
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	317,350,376

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
<p>1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____</p> <p>If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O</p>			
<p>2a Were the organization's financial statements compiled or reviewed by an independent accountant?</p> <p>If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both</p> <p><input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis</p>	2a		No
<p>b Were the organization's financial statements audited by an independent accountant?</p> <p>If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both</p> <p><input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input checked="" type="checkbox"/> Both consolidated and separate basis</p>	2b	Yes	
<p>c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?</p> <p>If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O</p>	2c	Yes	
<p>3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?</p>	3a		No
<p>b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits</p>	3b		

Additional Data

Software ID:

Software Version:

EIN: 41-1242261

Name: Medica Health Plans

Form 990 (2016)

Form 990, Part III, Line 4a:

See Schedule O

Form 990, Part III, Line 4b:

IN 2016 MHP PROVIDED FULLY INSURED COMMERCIAL HMO HEALTH INSURANCE COVERAGE TO GROUPS AND INDIVIDUALS IN MINNESOTA AS OF 12/31/2016, THE ENROLLMENT IN MHP FULLY INSURED MINNESOTA GROUP PLANS WAS 6,454, WHICH WAS APPROXIMATELY 1.9% OF MHP'S TOTAL 2016 ENROLLMENT

Form 990, Part III, Line 4c:

IN 2016, MHP PARTICIPATED IN MINNESOTA SENIOR HEALTH OPTIONS (MSHO), A MEDICARE-RELATED PRODUCT, IN MINNESOTA ENROLLMENT IN THAT PRODUCT WAS 11,270 OR 3.2% OF MHP'S TOTAL ENROLLMENT. MSHO IS A PRODUCT FOR PEOPLE AGE 65 AND OLDER AND ELIGIBLE FOR BOTH MEDICARE AND MEDICAID.

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2016

Open to Public Inspection

Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Department of the Treasury Internal Revenue Service

Table with 2 columns: Name of the organization (Medica Health Plans) and Employer identification number (41-1242261)

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 3 columns: Question number, (a) Donor advised funds, (b) Funds and other accounts. Includes questions 1-4 and 5-6 regarding donor advisement.

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Table with 3 columns: Question number, Description, and Held at the End of the Year (2a-2d). Includes questions 1-9 regarding conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Table with 3 columns: Question number, Description, and Amount. Includes questions 1a-1b and 2a-2b regarding art and historical treasures.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)
- a** Public exhibition
 - b** Scholarly research
 - c** Preservation for future generations
 - d** Loan or exchange programs
 - e** Other
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII
- 5** During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b** If "Yes," explain the arrangement in Part XIII and complete the following table
- | | Amount |
|--|--------|
| c Beginning balance | |
| d Additions during the year | |
| e Distributions during the year | |
| f Ending balance | |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b** If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a)Current year	(b)Prior year	(c)Two years back	(d)Three years back	(e)Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as
- a** Board designated or quasi-endowment ▶
 - b** Permanent endowment ▶
 - c** Temporarily restricted endowment ▶
- The percentages on lines 2a, 2b, and 2c should equal 100%
- 3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by
- | | | |
|--|------------|-----------|
| (i) unrelated organizations | Yes | No |
| 3a(i) | | |
| (ii) related organizations | Yes | No |
| 3a(ii) | | |
| b If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R? | Yes | No |
| 3b | | |
- 4** Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		18,775,799		18,775,799
b Buildings		67,842,702	7,115,813	60,726,889
c Leasehold improvements		16,752,991	11,766,025	4,986,966
d Equipment		15,834,256	12,058,044	3,776,212
e Other				
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) . . . ▶				88,265,866

Part VII Investments—Other Securities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other _____ (A) PRUDENTIAL INVESTMENT	67,677,405	C
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 12)	67,677,405	

Part VIII Investments—Program Related. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 13)		

Part IX Other Assets. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
(1) INVESTMENT INCOME	1,274,892
(2) REINSURANCE RECOVERIES	1,619,865
(3) REINSURANCE RECEIVABLES	8,755,069
(4) UNINSURED PLANS RECEIVABLE	6,000,000
(5) FEDERAL INCOME TAX RECOVERABLE	82,572
(6) INTERCOMPANY RECEIVABLES	34,674,478
(7) GENERAL EXPENSE RECEIVABLE	25,718,211
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15)	78,125,087

Part X Other Liabilities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	0
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25)	0

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	2,345,335,967
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12			
a	Net unrealized gains (losses) on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII)	2d	8,851,371	
e	Add lines 2a through 2d		2e	8,851,371
3	Subtract line 2e from line 1		3	2,336,484,596
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	1,332,999	
b	Other (Describe in Part XIII)	4b	200,606,732	
c	Add lines 4a and 4b		4c	201,939,731
5	Total revenue Add lines 3 and 4c . (This must equal Form 990, Part I, line 12)		5	2,538,424,327

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	2,535,186,887
2	Amounts included on line 1 but not on Form 990, Part IX, line 25			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII)	2d	11,358,130	
e	Add lines 2a through 2d		2e	11,358,130
3	Subtract line 2e from line 1		3	2,523,828,757
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	1,332,999	
b	Other (Describe in Part XIII)	4b	200,606,732	
c	Add lines 4a and 4b		4c	201,939,731
5	Total expenses Add lines 3 and 4c . (This must equal Form 990, Part I, line 18)		5	2,725,768,488

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Return Reference	Explanation
See Additional Data Table	

Additional Data

Software ID:

Software Version:

EIN: 41-1242261

Name: Medica Health Plans

Supplemental Information

Return Reference	Explanation
Sch D Part X Line 2	The Company is generally exempt from federal income taxes under section 501(c)(4) of The Internal Revenue Code. The Company realized a federal and state income tax benefit on unrelated business activities of Approximately \$84,000 in 2016, and the Company realized a federal and state income tax expense on Unrelated business activities of approximately \$431,000 in 2015

Supplemental Information

Return Reference	Explanation
Sch D Part XI Line 2d	OTHER ADJUSTMENTS STATUTORY GROSS UP FOR RENTAL INCOME \$ 4,404,538 DENTAL EXPENSES (MEDICA TAX PARTNERSHIP K-1) \$ 4,200,113 FEDERAL TAXES BENEFIT \$ 246,720 TOTAL TO SCHEDULE D, PART XI, LINE 2D \$ 8,851,371

Supplemental Information

Return Reference	Explanation
Sch D Part XI Line 4b	OTHER ADJUSTMENTS MN HEALTH INFO EXCHANGE K-1 INTERCOMPANY ADMIN FEES RECLASSIFIED FROM EXPENSE \$197,269,832 INTEREST EXPENSE RECLASSIFIED AS EXPENSE \$ 186,846 DEPRECIATION ON REAL ESTATE RECLASSIFIED AS EXPENSE \$ 3,150,054 TOTAL TO SCHEDULE D, PART XI, LINE 4B \$200,606,732

Supplemental Information

Return Reference	Explanation
Sch D Part XII Line 2d	OTHER ADJUSTMENTS STATUTORY GROSS UP FOR DEPRECIATION EXPENSE \$ 2,753,479 STATUTORY GROSS UP FOR RENTAL INCOME \$ 4,404,538 DENTAL EXPENSES (MEDICA TAX PARTNERSHIP K-1), RECLASSIFIED AS REVENUE \$ 4,200,113 TOTAL TO SCHEDULE D, PART XII, LINE 2D \$11,358,130

Supplemental Information

Return Reference	Explanation
Sch D Part XII Line 4b	OTHER ADJUSTMENTS INTEREST EXPENSE RECLASSIFIED AS REVENUE \$ 186,846 DEPRECIATION ON REAL ESTATE RECLASSIFIED AS EXPENSE \$ 3,150,054 INTERCOMPANY ADMIN FEES RECLASSIFIED AS REVENUE \$197,269,832 TOTAL TO SCHEDULE D, PART XII, LINE 4B \$200,606,732

Schedule I (Form 990)

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

OMB No 1545-0047

2016

Open to Public Inspection

Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.

Attach to Form 990.

Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

Department of the Treasury Internal Revenue Service

Name of the organization Medica Health Plans

Employer identification number

41-1242261

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance...
2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000

Table with 8 columns: (a) Name and address of organization or government, (b) EIN, (c) IRC section if applicable, (d) Amount of cash grant, (e) Amount of non-cash assistance, (f) Method of valuation, (g) Description of non-cash assistance, (h) Purpose of grant or assistance. Includes rows for INSTITUTE FOR CLINICAL SYSTEMS IMPROVEMENT and MEDICA FOUNDATION.

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table.
3 Enter total number of other organizations listed in the line 1 table.

Part III Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on Form 990, Part IV, line 22

Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

Part IV Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference	Explanation
Sch I Part I Line 2	MEDICA HEALTH PLANS (MHP) DONATES TO 501(C)(3) ORGANIZATIONS MHP HAS MEETINGS TO MONITOR THE WORK BEING DONE TO SUPPORT THE MISSION OF THE GRANT RECIPIENTS

Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

OMB No 1545-0047

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
▶ Attach to Form 990.

2015
Open to Public Inspection

▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization Medica Health Plans	Employer identification number 41-1242261
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Part I Questions Regarding Compensation

	Yes	No								
<p>1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.</p> <table border="0"> <tr> <td><input type="checkbox"/> First-class or charter travel</td> <td><input type="checkbox"/> Housing allowance or residence for personal use</td> </tr> <tr> <td><input type="checkbox"/> Travel for companions</td> <td><input type="checkbox"/> Payments for business use of personal residence</td> </tr> <tr> <td><input type="checkbox"/> Tax indemnification and gross-up payments</td> <td><input type="checkbox"/> Health or social club dues or initiation fees</td> </tr> <tr> <td><input type="checkbox"/> Discretionary spending account</td> <td><input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</td> </tr> </table>	<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use	<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence	<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees	<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use									
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence									
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees									
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)									
b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.	1b									
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	2									
<p>3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.</p> <table border="0"> <tr> <td><input type="checkbox"/> Compensation committee</td> <td><input type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input type="checkbox"/> Independent compensation consultant</td> <td><input type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input type="checkbox"/> Form 990 of other organizations</td> <td><input type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>	<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract	<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study	<input type="checkbox"/> Form 990 of other organizations	<input type="checkbox"/> Approval by the board or compensation committee				
<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract									
<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study									
<input type="checkbox"/> Form 990 of other organizations	<input type="checkbox"/> Approval by the board or compensation committee									
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:										
a Receive a severance payment or change-of-control payment?	4a	No								
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes								
c Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.	4c	No								
Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.										
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:										
a The organization?	5a	No								
b Any related organization? If "Yes," on line 5a or 5b, describe in Part III.	5b	No								
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:										
a The organization?	6a	Yes								
b Any related organization? If "Yes," on line 6a or 6b, describe in Part III.	6b	Yes								
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III.	7	No								
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.	8	No								
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9									

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column(B) reported as deferred on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
See Additional Data Table							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Return Reference	Explanation
Sch J Part I Line 4b	THE FOLLOWING RECEIVED PAYMENTS FROM A NON-QUALIFIED RETIREMENT PLAN DAVID TILFORD \$ 180,409 GLENN E ANDIS \$ 51,983 JANA L JOHNSON \$ 42,975 MARK L BAIRD \$ 71,051 ROBERT LONGENDYKE \$ 36,549 JAMES P JACOBSON \$ 35,483 DEBBY S KNUTSON \$ 31,616 RICHARD H SYKORA \$ 25,719 TIMOTHY D THULL \$ 41,034 DANNETTE M COLEMAN \$ 37,126 GEOFFREY J BARTSH \$ 3,141 JOHN W NAYLOR \$ 28,259 MARY P QUIST \$ 25,371 SCOTT R REID \$ 22,949
Sch J Part I Line 6a & 6b	MANAGEMENT INCENTIVE COMPENSATION INCLUDES COMPONENTS RELATED TO THE ORGANIZATIONS and related organizations OPERATING EARNINGS
Sch J Part II	SCHEDULE J, PART II, COLUMN (F), COMPENSATION IN COLUMN (B) REPORTED AS DEFERRED IN PRIOR FORM 990 COLUMN (F) INCLUDES AMOUNTS VESTED IN THE CURRENT YEAR, WHICH WERE PREVIOUSLY REPORTED IN COLUMN (C) OF PRIOR YEARS' 990'S, AS RETIREMENT AND DEFERRED COMPENSATION

Additional Data

Software ID:
Software Version:
EIN: 41-1242261
Name: Medica Health Plans

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1Glenn E Andis SVP Government Programs	(i)	335,089	352,317	78,737	20,538	28,822	815,503	51,983
	(ii)	-----	-----	-----	0	-	-	0
4Mark L Baird SVP & CFO, Treasurer	(i)	408,519	484,906	97,338	20,538	26,743	1,038,044	71,051
	(ii)	-----	-----	-----	0	-	-	0
2Geoffrey J Bartsh VP & GM SPP	(i)	250,747	292,722	24,082	44,167	25,311	637,029	3,141
	(ii)	-----	-----	-----	0	-	-	0
3Dannette M Coleman SVP Ind & Fam Business	(i)	303,020	250,876	58,763	20,538	24,090	657,287	37,126
	(ii)	-----	-----	-----	0	-	-	0
4Andrew E Davis GM & VP CHA	(i)	314,670	246,062	20,568	42,862	1,792	625,954	0
	(ii)	-----	-----	-----	0	-	-	0
5James P Jacobson SVP & Gen Counsel, Secretary	(i)	288,344	248,737	58,796	19,213	28,707	643,797	35,483
	(ii)	-----	-----	-----	0	-	-	0
6Jana L Johnson SVP Hlth & Prov Services	(i)	293,896	312,715	67,510	20,538	28,086	722,745	42,975
	(ii)	-----	-----	-----	0	-	-	0
7Debby S Knutson SVP HR	(i)	280,787	236,330	57,476	19,213	11,676	605,482	31,616
	(ii)	-----	-----	-----	0	-	-	0
8Robert Longendyke SVP & CMO	(i)	291,710	249,582	62,235	20,538	26,890	650,955	36,549
	(ii)	-----	-----	-----	0	-	-	0
9John W Naylor SVP Commercial Markets	(i)	387,172	397,370	51,461	44,159	24,955	905,117	28,259
	(ii)	-----	-----	-----	0	-	-	0
10Mary P Quist VP Fin & Corp Controller	(i)	256,402	201,798	47,494	20,538	25,360	551,592	25,371
	(ii)	-----	-----	-----	0	-	-	0
11Scott R Reid VP Comm Prod & Ops	(i)	251,615	180,335	44,324	20,538	26,940	523,752	22,949
	(ii)	-----	-----	-----	0	-	-	0
12Alan Spiro MDSVP & CMO	(i)	168,952	120,684	238,024	22,718	9,338	559,716	0
	(ii)	-----	-----	-----	0	-	-	0
13Richard H Sykora VP/GM Com Fin & Undwrtng	(i)	246,879	212,601	49,450	20,538	24,052	553,520	25,719
	(ii)	-----	-----	-----	0	-	-	0
14Timothy D Thull SVP & CIO	(i)	311,068	287,767	62,959	20,538	27,117	709,449	41,034
	(ii)	-----	-----	-----	0	-	-	0
15David Tilford President/CEO	(i)	803,372	1,232,635	211,453	20,538	19,635	2,287,633	180,409
	(ii)	-----	-----	-----	0	-	-	0

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No 1545-0047

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

2016

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
Medica Health Plans

Employer identification number

41-1242261

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990 Part I Line 1	MEDICA'S MISSION IS TO MEET OUR CUSTOMERS' NEEDS FOR HEALTH PLAN PRODUCTS AND SERVICES IN DOING SO, MEDICA WORKS WITH ITS MEMBERS AND PROVIDERS TO MAKE HEALTH CARE ACCESSIBLE, AFFORDABLE AND A MEANS BY WHICH ITS MEMBERS IMPROVE THEIR HEALTH

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990 Part III Line 4a	<p>Medica Health Plans (MHP) in 2016 provided HMO coverage to enrollees in the State Of Minnesota's Medical Assistance, minnesotacare, and Special Needs Basic Care programs Medical Assistance is Minnesota's Medicaid Program Minnesotacare is a publicly subsidized Health care program for residents who do not have access to affordable health care coverage Special Needs Basic Care (SNBC) provides coverage for individuals ages 18-64 that are on Medical Assistance and have been certified with physical, developmental or mental disabilities A total of 329,474 Medica members - 94.9 % of MHP's total enrollment - were in Minnesota state programs as of 12/31/ 2016 There were 270,429 Prepaid Medical Assistance Program (Medicaid) members, 44,003 Minnesotacare members, and 15,042 Special Needs Basic Care members In the NCQA 2016 Health Insurance Plan Ratings, Medica's Medicaid HMO was one of the Highest-rated Medicaid plan in Minnesota and among the 45 highest-rated Medicaid plans in the United States Medica Health Plans' Minnesota Medicaid HMO currently holds an accreditation Status of Accredited from NCQA State of Minnesota Health Care Programs Minnesota requires state-licensed hmos to be nonprofit and to participate in State of Minnesota Health Care Programs Minnesota Health Care Programs cover people who cannot get or afford Health insurance elsewhere and helps them pay some or all-medical bills According to the Minnesota Department of Human Services, coverage is available for qualifying individuals who Meet rules about income, assets and other factors These programs focus on pregnant women, families and children, adults with disabilities, Children with disabilities, people 65 or older, adults without children, and low-income adults Unable to find affordable care Coverage is also available for people who meet eligibility rules For nursing home care, home care, for children who have a disability and for employed persons with disabilities The State of Minnesota sets or negotiates rates when it contracts with the state's nonprofit Hmos, paying a fixed sum per enrollee MHP bears the risk for costs above the predetermined Rate -In 2016 Medica Health Plans medical loss ratio for State of Minnesota health programs was 100.6% -The administrative cost ratio was approximately 6.4% including premium taxes</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990 Part III Line 4d	<p>Medica Health Plans Intercompany Administrative Agreements MHP has management agreements with related entities to provide administrative services MHP is reimbursed for these services monthly In 2016, MHP was reimbursed for \$ \$197,269,832 in intercompany administrative expenses, reported as revenue on the 990 Contributions by Medica On Behalf of Members Beyond Contracted Services In 2016 MHP spent approximately \$3.5 million to provide additional, beyond-contract support on behalf of the following categories of Minnesota state health care programs PMAP Families and Children, PMAP Adults without Children, MSC+, MNCare Families and Children, MNCare Adults without Children, MSHO, SNBC Programs included My Health Rewards (MHR) Program, Value of Waived Family Deductibles, MSC+ Elderly Waiver for non-eligible members, Non-Medicare Part D Pharmacy Copayments, and Non-Medicare Value of Cost-Sharing Waived Copays Other Community Benefits MHP provided other community benefits with a wide range of programs and initiatives to promote public and individual health, reduce disparities in access to care, improve health care system performance, and help provide financial assistance to access care Collaborative Efforts MHP donates funding, employee time and other resources in support of more than two dozen collaborative efforts with local, state, regional and national organizations Examples include Minnesota Community Measurement, which promotes community-based, evidence-based care, and quality comparisons of provider groups and clinics, Institute for Clinical Systems Improvement, which provides evidence-graded guidelines and assessments, Minnesota Health Information Exchange, which connects doctors, hospitals and clinics statewide Medica annually helps fund a number of collaborative education and training seminars and conferences Health and Wellness Programs Providing Community Benefit Medica undertakes a variety of initiatives to make health care more affordable, available and effective Examples include -Improvements in rates of annual screenings among members for diseases such as cancers, heart disease and diabetes, pre and post-birth maternity care, immunizations, and child and teen checkups -Reductions in medically unnecessary ER visits and in-patient hospital admissions -Tying provider reimbursement to improvements in care outcomes, quality and efficiency -Increased participation in exercise and nutrition programs Asthma, Diabetes and Weight-Loss Camps for Children Medica funds medically supervised summer camps so children can learn how to better manage chronic conditions My Health Rewards from Medica includes an array of online tools and resources that make it easy for Medica members to assess their health status, and to customize and follow personalized programs for a healthier lifestyle and diet In 2016, the core My Health Rewards from Medica program was provided at no additional charge to fully insured groups Fit Choices by Medica provided</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990 Part III Line 4d	<p>Medica members with (a) a \$20 monthly membership credit for exercising at a participating health club twelve or more days per month and (b) the opportunity for personal coaching and a personalized nutrition and fitness plan. In 2016, Fit Choices by Medica was available at no cost to MHPs fully insured and MinnesotaCare members. Health and Wellness Coaching Medica's health and wellness coaching program is a self-directed program offering a wide variety of tools and resources to help members make changes to improve their health. Health coaching support includes private, confidential access to trained health coaches. There was no cost to Medica members to participate in the health and wellness coaching program. Medical and Mental Health Disease Management and Patient Support Medica in 2016 offered a portfolio of disease management programs for physical and mental health, tobacco cessation, healthy pregnancy, common chronic medical diseases, and rare and complex diseases. These programs provide education and resources that help support the members' ability to manage chronic conditions. The goals are to improve health and quality of life, reduce complications through early intervention and monitoring, promote medical care and compliance with the patient's physician-recommended medical treatment regimen, and to improve satisfaction with health care services. Medica's disease management programs were provided at no additional charge to fully insured groups, and to Minnesota state health care program enrollees served by Medica. There is no cost to eligible Medica members.</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990 Part VI Line 6	MEMBERS EXIST WITHIN MEDICA HEALTH PLANS AS MEMBERS COVERED UNDER REGULATED INSURANCE PLANS

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990 Part VI Line 7a	THE MEMBERSHIP OF MEDICA HEALTH PLANS ELECTS THE CONSUMER BOARD MEMBERS

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990 Part VI Line 11b	MEDICA'S TAX ADVISORS COMPLETE THE RETURN, MEDICA'S CONTROLLER AND FINANCE MANAGER REVIEW THE RETURN BEFORE IT IS SIGNED BY THE CFO A COPY WILL BE PROVIDED TO THE BOARD OF DIRECTORS PRIOR TO FILING WITH THE IRS

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990 Part VI Line 12c	ANNUALLY ALL EMPLOYEES OF MEDICA HEALTH PLANS AND DIRECTORS OF ALL MEDICA ENTITIES COMPLETE A CONFLICT OF INTEREST DISCLOSURE AND ARE REQUIRED TO REVIEW THE CONFLICT POLICY ALL POTENTIAL CONFLICTS ARE REVIEWED BY LEGAL/COMPLIANCE

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990 Part VI Line 15a	THE BOARD'S PERSONNEL AND COMPENSATION COMMITTEE REVIEWS AND OBTAINS THE BOARD'S APPROVAL OF THE TOTAL COMPENSATION FOR THE PRESIDENT/CEO AND REVIEWS AND APPROVES THE TOTAL COMPENSATION RECOMMENDATIONS MADE BY THE CFO FOR THE EXECUTIVE AND SENIOR VICE PRESIDENTS, REVIEWS ALL OFFICER COMPENSATION AND PERFORMANCE GOALS APPROVED BY THE CEO ANNUALLY THE PERSONNEL AND COMPENSATION COMMITTEE ALSO REVIEWS AND RECOMMENDS TO THE BOARD, OFFICER AND NON-OFFICER COMPENSATION GUIDELINES FOR THE COMPANY AND ITS SUBSIDIARIES PERIODICALLY REVIEWING MARKET DATA TO ASSESS THE COMPANY'S COMPETITIVE POSITION PROCESS OUTSIDE THE CHARTER THE PERSONNEL AND COMPENSATION COMMITTEE WORKS WITH AN OUTSIDE CONSULTANT IN REVIEWING MARKET COMPETITIVE DATA THAT AIDS IN SETTING THE COMPENSATION FOR THE OFFICERS AND KEY EMPLOYEES

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990 Part VI Line 19	MEDICA DOES NOT CONSIDER ITS CONFLICT OF INTEREST POLICY TO BE A CONFIDENTIAL OR PROPRIETARY DOCUMENT THEREFORE, MEDICA WOULD MAKE THIS POLICY AVAILABLE TO ANYONE WHO REQUESTS IT CERTAIN MEDICA ENTITIES ARE REQUIRED TO FILE ANNUAL FINANCIAL STATEMENTS WITH THE REGULATORS MEDICA CONSIDERS FINANCIAL STATEMENTS THAT ARE FILED WITH THE REGULATORS TO BE PUBLIC DOCUMENTS ARTICLES AND BYLAWS, CONFLICT OF INTEREST POLICY, AND FORM 990S ARE AVAILABLE UPON REQUEST

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990 Part VII Line	CERTAIN INDIVIDUALS REPORTED ON FORM 990, PART VII SPLIT THEIR TIME BETWEEN SEVERAL OF THE MEDICA ENTITIES (MEDICA HEALTH PLANS, MEDICA HEALTH PLANS WI, MEDICA FOUNDATION, MEDICA RESEARCH INSTITUTE, MEDICA INSURANCE COMPANY, MEDICA SELF-INSURED, MEDICA AFFILIATED SERVICES, AND MEDICA HEALTH MANAGEMENT) THE AVERAGE HOURS PER WEEK REPORTED IN PART VII ARE THE TOTAL HOURS PER WEEK FOR ALL MEDICA ORGANIZATIONS

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990 Part XI Line 9	CHANGES IN NET ASSETS CHANGE IN VALUE OF NONADMITTED ASSETS \$(1,761,000) STAT GROSS UP FOR DEPRECIATION \$(2,753,479) Federal Tax Benefit \$ 246,720 TOTAL TO FORM 990, PART XI, LINE 9 \$(4,267,759)

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2016

**Open to Public
Inspection**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

▶ Attach to Form 990.

▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization
Medica Health Plans

Employer identification number

41-1242261

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) MEDICA FOUNDATION 401 CARLSON PARKWAY MINNETONKA, MN 55305 41-1812461	FOUNDATION	MN	501(C)(3)	509(A)(3)II	MH COMPANY		No
(2) MEDICA HEALTH PLANS OF WISCONSIN 401 CARLSON PARKWAY MINNETONKA, MN 55305 41-1843804	HEALTH CVRGE	MN	501(C)(4)	N/A	MH COMPANY		No
(3) MEDICA HOLDING COMPANY 401 CARLSON PARKWAY MINNETONKA, MN 55305 01-0571840	Holding Co	MN	501(C)(4)	N/A	NA		No
(4) MEDICA RESEARCH INSTITUTE 401 CARLSON PARKWAY MINNETONKA, MN 55305 27-0600894	RESEARCH FDTN	MN	501(C)(3)	509(A)(3)I	MH COMPANY		No

Part III Identification of Related Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV Identification of Related Organizations Taxable as a Corporation or Trust Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512(b) (13) controlled entity?	
								Yes	No
(1) MEDICA INSURANCE COMPANY 401 CARLSON PARKWAY MINNETONKA, MN 55305 41-1490988	HEALTH INSURANCE	MN	MEDICA AFF	C Corp	0	0	0 %		No
(2) MEDICA SELF-INSURED 401 CARLSON PARKWAY MINNETONKA, MN 55305 41-1479417	THIRD PARTY ADMIN	MN	MEDICA AFF	C Corp	0	0	0 %		No
(3) MEDICA AFFILIATED SERVICES 401 CARLSON PARKWAY MINNETONKA, MN 55305 41-1716415	HOLDING COMPANY	MN	MH COMPANY	C Corp	0	0	0 %		No
(4) MEDICA HEALTH MANAGEMENT 401 CARLSON PARKWAY MINNETONKA, MN 55305 20-8005519	HEALTH MGMT	MN	MEDICA AFF	C Corp	0	0	0 %		No

Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		No
b Gift, grant, or capital contribution to related organization(s)	Yes	
c Gift, grant, or capital contribution from related organization(s)		No
d Loans or loan guarantees to or for related organization(s)	Yes	
e Loans or loan guarantees by related organization(s)		No
f Dividends from related organization(s)		No
g Sale of assets to related organization(s)		No
h Purchase of assets from related organization(s)		No
i Exchange of assets with related organization(s)		No
j Lease of facilities, equipment, or other assets to related organization(s)		No
k Lease of facilities, equipment, or other assets from related organization(s)		No
l Performance of services or membership or fundraising solicitations for related organization(s)		No
m Performance of services or membership or fundraising solicitations by related organization(s)		No
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	Yes	
o Sharing of paid employees with related organization(s)	Yes	
p Reimbursement paid to related organization(s) for expenses		No
q Reimbursement paid by related organization(s) for expenses	Yes	
r Other transfer of cash or property to related organization(s)		No
s Other transfer of cash or property from related organization(s)		No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) Medica Health Plans of Wisconsin	d	33,250,000	BOOK
(2) Medica Health Plans of Wisconsin	n	18,365,546	BOOK
(3) Medica Health Plans of Wisconsin	o	14,854,455	BOOK
(4) Medica Health Plans of Wisconsin	q	17,363,250	BOOK

Part VII **Supplemental Information**

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference**Explanation**