

Exhibit 1. Administrative Costs By Function And Sector Of The US Health Care System

Function/ Component	Health Plans	Hospitals	Nursing Homes	Physicians	Firms	Consumers/ Individuals
Transaction – Related	Claims Processing	Admitting, Billing	Admitting, Billing	Billing	Tracking Employee Hires/Terminati ons	Submitting Claims
Benefits Management	Statistical Analyses, Quality Assistance, Plan Design	Management Information Systems	Management Information Systems	Management Information Systems	Internal Analyses	Tracking Expenses Eligible For Reimbursement
Selling And Marketing	Underwriting Risk/Premiums, Advertising	Strategic Planning, Advertising	Strategic Planning	Advertising	Flexible Benefit Programs	Search Costs
Regulatory/ Compliance	Premium Taxes, Reserve Requirements	Waste Management	Discharge Planning	Licensing	Filing Summary Plan Descriptions, COBRA Obligations	Mandated Benefit Laws
Quality Improvement/ Prevention	Care Coordination/ Nurse Call Lines	CMS Hospital Quality Reporting Program	Nursing Home Quality Initiative	CMS Physician Quality Reporting System (PQRI)	ACA Credible Plan Information	Patient Surveys

a COBRA is the Consolidated Omnibus Budget Reconciliation Act of 1985, which includes provisions for continuation of coverage when an employee leaves a firm.