

TERMS USED IN FINANCIAL STATISTICAL REPORTS (FSRs)

Total Member Months - Number of members enrolled in each month. YTD is the sum of the individual month's membership.

Revenues:

- **Dental Premiums** – Capitation payments paid to DMOs (Dental Maintenance Organization) by HHSC.
- **Investment Income** – All interest and dividend income resulting from investment of funds received.
- **Other Revenue** – Any and all income generated from other sources.
- **Premium Taxes** – Premium taxes incurred by DMOs for premiums applicable to the reported period.
- **Maintenance Taxes** – Maintenance taxes incurred by DMOs for premiums applicable to the reported period.

Dental Expenses:

- **Fee for Service** – Non-capitated payments for services rendered to the members.
- **Net Reinsurance Cost** – Total reinsurance premiums paid by the DMO net of reinsurance recoveries.
- **IBNR Accrual** – Incurred But Not Reported (IBNR) accrual dental expenses are an estimate of the expected dental expenses incurred, but not paid, based on claims lag schedules and completion factors.

Administrative Expenses – includes those expenses that are directly or indirectly in support of the Texas Medicaid/CHIP Dental operations of the DMO. Administrative expenses include Salaries, Wages and other benefits, Payroll taxes, Utilities and Maintenance, Auditing and other consulting expenses etc.

Performance Assessment – Amount of at-risk premium recouped by HHSC for failure to meet the performance expectation for which the DMO is at risk.

Quality Challenge Award – Amount awarded to the DMO for superior clinical quality, service delivery, access to care or member satisfaction.

Liquidated Damages - Amount assessed by HHSC as penalty for non-compliance with contract requirements.

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name: **MCNA Insurance**
 State Fiscal Year: **2016** Program: **CHIP Dental**
 Submission Date: **6/24/2016** Service Area: **Statewide**
 Submission Type: **Quarterly** Rptg Period End Date: **5/31/2016**

Part 1: **Summary Income Statement**

HHSC Managed Care contract costs	Incurred Months:	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	YTD
1 Member Months		151,608	152,745	151,595	151,598	149,626	149,253	152,173	151,638	150,609	0	0	0	1,360,845
2 Average Monthly Member Months														151,205
Revenues:														
3 Dental Premiums		3,607,923	3,635,654	3,607,284	3,607,936	3,562,075	3,552,756	3,623,477	3,609,653	3,586,064	0	0	0	32,392,822
4 Investment Income		298	353	448	526	575	524	416	738	850				4,726
5 Health Insurer Fee Reimbursement														0
6 Other Revenue														0
7 Total Gross Revenues		3,608,221	3,636,007	3,607,732	3,608,462	3,562,650	3,553,280	3,623,893	3,610,391	3,586,914	0	0	0	32,397,548
8 Health Insurance Providers Fee & Related Costs														0
9 Premium Taxes		63,139	63,624	63,127	63,139	62,336	62,173	63,411	63,169	62,756				566,874
10 Maintenance Taxes		1,795	1,805	1,785	1,783	1,770	2,125	1,989	1,993	2,015				17,059
11 Net Revenues		3,543,288	3,570,578	3,542,819	3,543,540	3,498,544	3,488,982	3,558,493	3,545,229	3,522,143	0	0	0	31,813,616
Dental Expenses:														
12 Fee-For-Service		2,618,289	2,817,127	2,578,660	2,734,942	2,655,012	2,906,510	3,319,641	2,634,730	725,994	0	0	0	22,990,904
13 Net Reinsurance Cost		17,865	17,947	17,763	17,772	17,484	17,402	17,808	15,067	15,236	0	0	0	154,344
14 IBNR Accrual		25	290	342	966	1,977	12,531	57,087	168,145	1,605,958	0	0	0	1,847,320
15 Other Dental Expenses		12,856	12,856	12,856	12,856	12,856	12,856	12,855	12,855	12,856	0	0	0	115,701
16 Total Dental Expenses		2,649,035	2,848,220	2,609,621	2,766,536	2,687,329	2,949,299	3,407,391	2,830,797	2,360,044	0	0	0	25,108,269
17 Administrative Expenses		385,580	383,307	381,181	396,968	371,983	395,712	392,058	399,842	403,618				3,510,248
18 Total Expenses		3,034,615	3,231,527	2,990,802	3,163,504	3,059,312	3,345,011	3,799,449	3,230,639	2,763,662	0	0	0	28,618,521
19 Net Income Before Taxes		508,673	339,051	552,017	380,036	439,232	143,971	(240,956)	314,590	758,481	0	0	0	3,195,095
20 % Dental Exp to Net Revenues		74.8%	79.8%	73.7%	78.1%	76.8%	84.5%	95.8%	79.8%	67.0%	0.0%	0.0%	0.0%	78.9%
21 % Admin Exp to Net Revenues		10.9%	10.7%	10.8%	11.2%	10.6%	11.3%	11.0%	11.3%	11.5%	0.0%	0.0%	0.0%	11.0%
22 % Net Income to Net Revenues		14.4%	9.5%	15.6%	10.7%	12.6%	4.1%	-6.8%	8.9%	21.5%	0.0%	0.0%	0.0%	10.0%
Post-income items:														
23 Performance Assessment														

Note: Except where stated otherwise, reporting is on an incurred basis (that is, reported in the period corresponding to dates of service, rather than to date paid). All prior quarters' data must be updated to reflect the most recent revised IBNR estimates.