

## 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:**

- **Premiums** – Capitation payments paid to MCOs (Managed Care Organization) by HHSC.
- **Delivery Supplemental Payments** – A one-time per pregnancy supplemental payment made by HHSC to STAR, CHIP MCOs.
- **Pharmacy Premiums** - Pharmacy capitation payments paid to MCOs 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 MCOs for premiums applicable to the reported period.
- **Maintenance Taxes** – Maintenance taxes incurred by MCOs for premiums applicable to the reported period.

### **Medical Expenses:**

- **Fee for Service** – Non-capitated payments for services rendered to the members.
- **Capitated Services** – Includes PCPs and Hospitals capitation payments which are amounts paid to providers that do not pay claims to other providers from the capitation payments and also the capitation paid to subcontractors in which the capitation is the funding source for paying claims for healthcare services performed in each Texas service area.
- **Net Reinsurance Cost** – Total reinsurance premiums paid by the MCO net of reinsurance recoveries.
- **IBNR Accrual** – Incurred But Not Reported (IBNR) accrual medical expenses are an estimate of the expected healthcare expenses incurred, but not paid, based on claims lag schedules and completion factors, as well as any counts of services rendered but not billed, e.g., pre-authorized hospital days.

**Administrative Expenses** – includes those expenses that are directly or indirectly in support of the Texas Medicaid/CHIP operations of the MCO. 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 MCO is at risk.

**Quality Challenge Award** – Amount awarded to the MCO 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:	<b>Superior / Bankers / Centene</b>	Program:	<b>CHIP</b>
State Fiscal Year:	<b>2016</b>	Service Area:	<b>El Paso</b>
Submission Date:	<b>6/30/2016</b>	Rptg Period End Date:	<b>5/31/2016</b>
Submission Type:	<b>Quarterly</b>		

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		4,337	4,317	4,245	4,185	4,096	4,148	4,356	4,361	4,293	0	0	0	<b>38,338</b>
2 <b>Average Monthly Member Months</b>														<b>4,260</b>
<b>Revenues:</b>														
3 Medical Premiums		420,745	421,259	409,958	406,434	401,650	407,390	423,454	420,419	407,949	0	0	0	3,719,258
4 Delivery Supplemental Payments		0	0	9,300	6,200	0	0	0	0	3,100	0	0	0	18,600
5 Pharmacy Premiums		106,941	106,525	104,579	103,260	101,216	102,591	107,727	107,850	105,917	0	0	0	946,606
6 Investment Income		2,791	2,563	2,973	2,997	2,758	1,531	2,646	3,276	3,653				25,186
7 Health Insurance Providers Fee Reimbursement		186,215												186,215
8 Other Revenue		0	0	0	0	0	0	0	0	0				0
9 Total Gross Revenues		716,691	530,347	526,810	518,891	505,624	511,512	533,827	531,545	520,619	0	0	0	4,895,865
10 Health Insurance Providers Fee & Related Costs		182,956												182,956
11 Premium Taxes		12,493	9,236	9,167	9,028	8,800	8,925	9,296	9,245	9,047				85,237
12 Maintenance Taxes		304	302	297	293	287	290	305	305	301				2,684
13 <b>Net Revenues</b>		<b>520,938</b>	<b>520,809</b>	<b>517,346</b>	<b>509,570</b>	<b>496,537</b>	<b>502,297</b>	<b>524,226</b>	<b>521,995</b>	<b>511,272</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,624,990</b>
<b>Medical Expenses:</b>														
14 Fee-For-Service		261,661	232,892	214,011	252,083	194,873	253,784	258,453	210,046	108,720	0	0	0	1,986,523
15 Capitated Services		31,346	31,120	30,738	30,216	29,082	29,421	31,013	31,152	30,859	0	0	0	274,946
16 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
17 Net Reinsurance Cost		390	389	382	377	164	166	174	174	172	0	0	0	2,388
18 IBNR Accrual - Medical		54	263	373	570	1,844	2,236	10,419	22,266	113,354	0	0	0	151,379
19 Total Medical Expenses		293,451	264,663	245,504	283,245	225,963	285,607	300,059	263,638	253,105	0	0	0	2,415,235
20 Prescription Expenses (excluding PBM Admin)		89,428	101,555	91,565	98,682	96,789	126,171	126,141	108,554	117,737	0	0	0	956,622
21 <b>Total Medical and Prescription Expenses</b>		<b>382,879</b>	<b>366,218</b>	<b>337,069</b>	<b>381,927</b>	<b>322,752</b>	<b>411,778</b>	<b>426,200</b>	<b>372,192</b>	<b>370,842</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,371,857</b>
22 <b>Administrative Expenses</b>		<b>41,680</b>	<b>37,174</b>	<b>36,143</b>	<b>38,032</b>	<b>35,146</b>	<b>32,698</b>	<b>37,508</b>	<b>37,546</b>	<b>37,698</b>				<b>333,623</b>
23 <b>Total Expenses</b>		<b>424,559</b>	<b>403,392</b>	<b>373,212</b>	<b>419,959</b>	<b>357,898</b>	<b>444,476</b>	<b>463,707</b>	<b>409,738</b>	<b>408,539</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,705,480</b>
24 <b>Net Income Before Taxes</b>		<b>96,379</b>	<b>117,417</b>	<b>144,134</b>	<b>89,611</b>	<b>138,639</b>	<b>57,821</b>	<b>60,519</b>	<b>112,257</b>	<b>102,733</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>919,510</b>
25 % Medical Exp to Net Revenues		56.3%	50.8%	47.5%	55.6%	45.5%	56.9%	57.2%	50.5%	49.5%	0.0%	0.0%	0.0%	52.2%
26 % Prescription Exp to Net Revenues		17.2%	19.5%	17.7%	19.4%	19.5%	25.1%	24.1%	20.8%	23.0%	0.0%	0.0%	0.0%	20.7%
27 % Total Medical and Prescription to Net Rev. (MLR)		73.5%	70.3%	65.2%	75.0%	65.0%	82.0%	81.3%	71.3%	72.5%	0.0%	0.0%	0.0%	72.9%
28 % Admin Exp to Net Revenues		8.0%	7.1%	7.0%	7.5%	7.1%	6.5%	7.2%	7.2%	7.4%	0.0%	0.0%	0.0%	7.2%
29 <b>% Net Income to Net Revenues</b>		<b>18.5%</b>	<b>22.5%</b>	<b>27.9%</b>	<b>17.6%</b>	<b>27.9%</b>	<b>11.5%</b>	<b>11.5%</b>	<b>21.5%</b>	<b>20.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>19.9%</b>
30 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		10.1%	9.0%	8.8%	9.4%	8.9%	8.2%	9.0%	9.1%	9.3%	0.0%	0.0%	0.0%	9.1%
<b>Post-income items:</b>														
31 Performance Assessment														0

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.