

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:	Superior / Bankers / Centene	Program:	CHIP
State Fiscal Year:	2016	Service Area:	Lubbock
Submission Date:	6/30/2016	Rptg Period End Date:	5/31/2016
Submission Type:	Quarterly		

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		4,260	4,277	4,265	4,298	4,302	4,312	4,488	4,524	4,514	0	0	0	39,240
2 Average Monthly Member Months														4,360
Revenues:														
3 Medical Premiums		382,681	383,085	378,772	383,950	387,440	389,532	407,380	414,241	407,193	0	0	0	3,534,274
4 Delivery Supplemental Payments		0	0	0	0	0	0	0	3,100	0	0	0	0	3,100
5 Pharmacy Premiums		132,860	133,531	133,197	134,091	134,250	134,673	140,247	141,254	141,030	0	0	0	1,225,133
6 Investment Income		2,742	2,536	2,986	3,086	2,896	1,591	2,726	3,398	3,841				25,803
7 Health Insurance Providers Fee Reimbursement		182,266												182,266
8 Other Revenue		0	0	0	0	0	0	0	0	0				0
9 Total Gross Revenues		700,549	519,152	514,955	521,127	524,586	525,796	550,353	561,993	552,064	0	0	0	4,970,576
10 Health Insurance Providers Fee & Related Costs		179,076												179,076
11 Premium Taxes		12,212	9,041	8,959	9,066	9,130	9,174	9,583	9,775	9,594				86,534
12 Maintenance Taxes		298	299	299	301	301	302	314	317	316				2,747
13 Net Revenues		508,963	509,812	505,697	511,760	515,155	516,321	540,455	551,901	542,154	0	0	0	4,702,218
Medical Expenses:														
14 Fee-For-Service		254,537	227,754	219,500	237,559	269,982	463,329	263,081	294,551	148,751	0	0	0	2,379,044
15 Capitated Services		24,602	24,717	24,730	24,894	24,445	24,469	25,421	25,552	25,636	0	0	0	224,467
16 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
17 Net Reinsurance Cost		383	385	384	387	172	172	180	181	181	0	0	0	2,425
18 IBNR Accrual - Medical		75	245	350	427	3,702	3,332	17,269	26,694	155,108	0	0	0	207,202
19 Total Medical Expenses		279,597	253,101	244,964	263,267	298,301	491,303	305,950	346,978	329,676	0	0	0	2,813,137
20 Prescription Expenses (excluding PBM Admin)		117,658	123,658	118,339	109,047	107,437	132,736	133,382	102,824	105,920	0	0	0	1,051,001
21 Total Medical and Prescription Expenses		397,255	376,759	363,303	372,314	405,738	624,039	439,332	449,802	435,596	0	0	0	3,864,138
22 Administrative Expenses		40,741	36,389	35,330	38,196	36,464	33,611	38,669	39,697	39,974				339,070
23 Total Expenses		437,996	413,148	398,633	410,510	442,202	657,650	478,001	489,499	475,570	0	0	0	4,203,209
24 Net Income Before Taxes		70,967	96,664	107,064	101,250	72,953	(141,329)	62,454	62,402	66,584	0	0	0	499,009
25 % Medical Exp to Net Revenues		54.9%	49.6%	48.4%	51.4%	57.9%	95.2%	56.6%	62.9%	60.8%	0.0%	0.0%	0.0%	59.8%
26 % Prescription Exp to Net Revenues		23.1%	24.3%	23.4%	21.3%	20.9%	25.7%	24.7%	18.6%	19.5%	0.0%	0.0%	0.0%	22.4%
27 % Total Medical and Prescription to Net Rev. (MLR)		78.1%	73.9%	71.8%	72.8%	78.8%	120.9%	81.3%	81.5%	80.3%	0.0%	0.0%	0.0%	82.2%
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 % Net Income to Net Revenues		13.9%	19.0%	21.2%	19.8%	14.2%	-27.4%	11.6%	11.3%	12.3%	0.0%	0.0%	0.0%	10.6%
30 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		10.8%	9.7%	9.5%	10.1%	9.6%	8.8%	9.7%	9.7%	10.0%	0.0%	0.0%	0.0%	9.8%
Post-income items:														
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.