

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:	Travis / Austin
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		8,377	8,360	8,309	8,330	8,313	8,473	8,917	9,117	9,115	0	0	0	77,311
2 Average Monthly Member Months														8,590
Revenues:														
3 Medical Premiums		1,137,221	1,130,531	1,110,772	1,120,067	1,125,048	1,152,073	1,214,836	1,228,294	1,191,495	0	0	0	10,410,337
4 Delivery Supplemental Payments		6,200	3,100	0	0	6,200	3,100	3,100	3,100	3,100	0	0	0	27,900
5 Pharmacy Premiums		200,789	200,465	199,526	199,424	198,743	202,784	213,630	218,655	219,206	0	0	0	1,853,222
6 Investment Income		5,393	4,963	5,817	5,960	5,597	3,127	5,416	6,849	7,755				50,877
7 Health Insurance Providers Fee Reimbursement		473,019												473,019
8 Other Revenue		0	0	0	0	0	0	0	0	0				0
9 Total Gross Revenues		1,822,622	1,339,059	1,316,115	1,325,451	1,335,588	1,361,084	1,436,982	1,456,898	1,421,556	0	0	0	12,815,355
10 Health Insurance Providers Fee & Related Costs		464,741												464,741
11 Premium Taxes		31,802	23,347	22,930	23,091	23,275	23,764	25,052	25,376	24,742				223,378
12 Maintenance Taxes		586	585	582	583	582	593	624	638	638				5,412
13 Net Revenues		1,325,493	1,315,127	1,292,603	1,301,777	1,311,731	1,336,727	1,411,305	1,430,884	1,396,176	0	0	0	12,121,824
Medical Expenses:														
14 Fee-For-Service		804,454	855,829	726,776	792,974	883,214	998,227	1,040,653	862,456	469,823	0	0	0	7,434,405
15 Capitated Services		67,275	67,334	67,106	67,127	66,273	67,188	70,409	72,346	73,550	0	0	0	618,607
16 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
17 Net Reinsurance Cost		754	752	748	750	333	339	357	365	365	0	0	0	4,761
18 IBNR Accrual - Medical		246	899	1,202	1,786	8,728	9,168	43,609	82,779	456,428	0	0	0	604,845
19 Total Medical Expenses		872,729	924,814	795,832	862,636	958,547	1,074,922	1,155,028	1,017,946	1,000,165	0	0	0	8,662,619
20 Prescription Expenses (excluding PBM Admin)		184,183	185,275	198,072	170,438	187,699	200,436	206,722	198,694	194,211	0	0	0	1,725,731
21 Total Medical and Prescription Expenses		1,056,912	1,110,089	993,904	1,033,074	1,146,246	1,275,358	1,361,750	1,216,640	1,194,376	0	0	0	10,388,350
22 Administrative Expenses		105,996	93,859	90,295	97,149	92,837	87,006	100,965	102,909	102,934				873,948
23 Total Expenses		1,162,908	1,203,948	1,084,199	1,130,222	1,239,084	1,362,364	1,462,715	1,319,549	1,297,310	0	0	0	11,262,299
24 Net Income Before Taxes		162,585	111,179	208,404	171,555	72,647	(25,637)	(51,410)	111,335	98,866	0	0	0	859,525
25 % Medical Exp to Net Revenues		65.8%	70.3%	61.6%	66.3%	73.1%	80.4%	81.8%	71.1%	71.6%	0.0%	0.0%	0.0%	71.5%
26 % Prescription Exp to Net Revenues		13.9%	14.1%	15.3%	13.1%	14.3%	15.0%	14.6%	13.9%	13.9%	0.0%	0.0%	0.0%	14.2%
27 % Total Medical and Prescription to Net Rev. (MLR)		79.7%	84.4%	76.9%	79.4%	87.4%	95.4%	96.5%	85.0%	85.5%	0.0%	0.0%	0.0%	85.7%
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		12.3%	8.5%	16.1%	13.2%	5.5%	-1.9%	-3.6%	7.8%	7.1%	0.0%	0.0%	0.0%	7.1%
30 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		9.4%	8.4%	8.3%	8.8%	8.3%	7.7%	8.4%	8.5%	8.7%	0.0%	0.0%	0.0%	8.5%
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.