

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:	Amerigroup / Wellpoint	Program:	STAR
State Fiscal Year:	2016	Service Area:	Bexar/San Antonio
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		10,310	10,376	10,304	10,030	9,906	9,921	9,878	9,927	9,694	0	0	0	90,346
2 Average Monthly Member Months														10,038
Revenues:														
3 Medical Premiums		1,595,356	1,603,692	1,580,845	1,539,758	1,521,863	1,543,281	1,555,926	1,558,048	1,505,719	0	0	0	14,004,488
4 Delivery Supplemental Payments		156,796	114,330	133,930	153,530	133,930	120,864	97,997	111,064	97,998	0	0	0	1,120,439
5 Pharmacy Premiums		336,675	339,018	334,952	324,282	320,568	322,600	321,022	323,763	316,726	0	0	0	2,939,606
6 Investment Income		18,742	15,722	14,630	17,323	13,784	13,983	15,869	14,192	14,004				138,249
7 Health Insurance Providers Fee Reimbursement		0												0
8 Other Revenue		0	0	0	0	0	0	0	0	0				0
9 Total Gross Revenues		2,107,569	2,072,762	2,064,357	2,034,893	1,990,145	2,000,728	1,990,814	2,007,067	1,934,447	0	0	0	18,202,782
10 Health Insurance Providers Fee & Related Costs		0												0
11 Health Insurance Providers Fee (NAIP)		0	0	0	0	0	0	0	0	0				0
12 Premium Taxes		32,617	35,998	35,870	35,307	34,586	34,768	34,562	34,875	33,608				312,192
13 Maintenance Taxes		670	674	670	652	644	645	642	645	630				5,872
14 Net Revenues		2,074,282	2,036,089	2,027,817	1,998,934	1,954,915	1,965,315	1,955,610	1,971,546	1,900,209	0	0	0	17,884,718
Medical Expenses:														
15 Fee-For-Service		1,287,527	1,230,554	1,298,937	1,395,665	1,283,840	1,302,252	1,206,162	966,143	492,024	0	0	0	10,463,106
16 Capitated Services		11,767	11,856	11,765	11,442	11,314	11,341	11,302	11,444	11,336	0	0	0	103,568
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		351	353	350	341	337	337	336	338	330	0	0	0	3,072
19 IBNR Accrual - Medical		(3,944)	(2,743)	(2,838)	(1,341)	2,553	17,686	539,421	319,210	1,006,805	0	0	0	1,874,809
20 Total Medical Expenses		1,295,701	1,240,020	1,308,214	1,406,107	1,298,044	1,331,617	1,757,221	1,297,135	1,510,495	0	0	0	12,444,554
21 Prescription Expenses (excluding PBM Admin)		310,478	338,509	312,718	296,714	338,513	330,438	347,770	291,087	326,151	0	0	0	2,892,378
22 Total Medical and Prescription Expenses		1,606,179	1,578,529	1,620,932	1,702,821	1,636,557	1,662,055	2,104,991	1,588,222	1,836,646	0	0	0	15,336,932
23 Administrative Expenses		156,607	147,418	141,519	179,299	142,064	140,734	151,837	149,305	140,105				1,348,888
24 Total Expenses		1,762,786	1,725,947	1,762,451	1,882,120	1,778,621	1,802,788	2,256,829	1,737,526	1,976,751	0	0	0	16,685,819
25 Net Income Before Taxes		311,496	310,142	265,366	116,814	176,294	162,527	(301,219)	234,020	(76,542)	0	0	0	1,198,899
26 % Medical Exp to Net Revenues		62.5%	60.9%	64.5%	70.3%	66.4%	67.8%	89.9%	65.8%	79.5%	0.0%	0.0%	0.0%	69.6%
27 % Prescription Exp to Net Revenues		15.0%	16.6%	15.4%	14.8%	17.3%	16.8%	17.8%	14.8%	17.2%	0.0%	0.0%	0.0%	16.2%
28 % Total Medical and Prescription to Net Rev. (MLR)		77.4%	77.5%	79.9%	85.2%	83.7%	84.6%	107.6%	80.6%	96.7%	0.0%	0.0%	0.0%	85.8%
29 % Admin Exp to Net Revenues		7.5%	7.2%	7.0%	9.0%	7.3%	7.2%	7.8%	7.6%	7.4%	0.0%	0.0%	0.0%	7.5%
30 % Net Income to Net Revenues		15.0%	15.2%	13.1%	5.8%	9.0%	8.3%	-15.4%	11.9%	-4.0%	0.0%	0.0%	0.0%	6.7%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		9.0%	8.7%	8.4%	10.7%	8.7%	8.6%	9.3%	9.1%	8.8%	0.0%	0.0%	0.0%	9.0%

Post-income items:
32 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.