

## 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>STAR</b>
State Fiscal Year:	<b>2016</b>	Service Area:	<b>Hidalgo</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		158,760	159,201	159,487	159,015	159,031	158,900	158,181	157,245	155,809	0	0	0	1,425,629
2 <b>Average Monthly Member Months</b>														<b>158,403</b>
<b>Revenues:</b>														
3 Medical Premiums		25,819,791	25,876,143	25,845,751	25,694,289	25,707,369	25,729,363	25,665,971	25,541,216	25,235,171	0	0	0	231,115,064
4 Delivery Supplemental Payments		1,837,963	1,616,316	1,739,075	1,872,063	1,691,335	1,541,297	1,548,118	1,490,148	1,438,999	0	0	0	14,775,314
5 Pharmacy Premiums		8,293,332	8,318,428	8,330,980	8,295,773	8,303,389	8,296,395	8,255,963	8,206,813	8,134,059	0	0	0	74,435,132
6 Investment Income		0	0	0	0	0	0	0	0	0	0	0	0	0
7 Health Insurance Providers Fee Reimbursement		12,406,296												12,406,296
8 Other Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
9 Total Gross Revenues		48,357,382	35,810,887	35,915,806	35,862,125	35,702,093	35,567,055	35,470,052	35,238,177	34,808,229	0	0	0	332,731,806
10 Health Insurance Providers Fee & Related Costs		12,189,185												12,189,185
11 Health Insurance Providers Fee (NAIP)		18,784	18,837	18,871	18,815	18,817	18,801	18,716	18,605	18,435				168,680
12 Premium Taxes		846,254	626,691	628,527	627,587	624,787	622,423	620,726	616,668	609,144				5,822,807
13 Maintenance Taxes		14,380	14,324	14,366	14,345	14,281	14,227	14,188	14,095	13,923				128,130
14 <b>Net Revenues</b>		<b>35,288,778</b>	<b>35,151,035</b>	<b>35,254,043</b>	<b>35,201,378</b>	<b>35,044,209</b>	<b>34,911,604</b>	<b>34,816,422</b>	<b>34,588,808</b>	<b>34,166,726</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>314,423,003</b>
<b>Medical Expenses:</b>														
15 Fee-For-Service		22,994,820	22,107,815	22,638,643	22,523,052	21,729,743	22,048,081	21,475,947	19,901,053	11,093,441	0	0	0	186,512,595
16 Capitated Services		1,469,175	1,473,256	1,475,902	1,471,534	1,383,929	1,382,789	1,376,532	1,368,387	1,355,890	0	0	0	12,757,395
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		14,288	14,328	14,354	14,311	6,361	6,356	6,327	6,290	6,232	0	0	0	88,848
19 IBNR Accrual - Medical		275,668	55,553	248,929	632,400	317,951	871,145	1,422,467	3,438,961	10,649,493	0	0	0	17,912,467
20 Total Medical Expenses		24,753,951	23,650,952	24,377,828	24,641,298	23,437,984	24,308,371	24,281,273	24,714,591	23,105,057	0	0	0	217,271,305
21 Prescription Expenses (excluding PBM Admin)		7,691,387	7,308,326	7,118,909	7,383,534	7,756,800	8,228,102	7,629,718	7,583,999	7,060,689	0	0	0	67,761,465
22 <b>Total Medical and Prescription Expenses</b>		<b>32,445,338</b>	<b>30,959,278</b>	<b>31,496,737</b>	<b>32,024,832</b>	<b>31,194,784</b>	<b>32,536,473</b>	<b>31,910,991</b>	<b>32,298,590</b>	<b>30,165,746</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>285,032,770</b>
23 <b>Administrative Expenses</b>		<b>3,256,784</b>	<b>3,578,025</b>	<b>3,532,858</b>	<b>3,776,422</b>	<b>3,534,087</b>	<b>3,268,253</b>	<b>3,593,629</b>	<b>3,618,120</b>	<b>3,706,382</b>				<b>31,864,559</b>
24 <b>Total Expenses</b>		<b>35,702,122</b>	<b>34,537,303</b>	<b>35,029,595</b>	<b>35,801,254</b>	<b>34,728,871</b>	<b>35,804,726</b>	<b>35,504,620</b>	<b>35,916,709</b>	<b>33,872,128</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>316,897,328</b>
25 <b>Net Income Before Taxes</b>		<b>(413,344)</b>	<b>613,732</b>	<b>224,448</b>	<b>(599,876)</b>	<b>315,338</b>	<b>(893,122)</b>	<b>(688,198)</b>	<b>(1,327,901)</b>	<b>294,598</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,474,325)</b>
26 % Medical Exp to Net Revenues		70.1%	67.3%	69.1%	70.0%	66.9%	69.6%	69.7%	71.5%	67.6%	0.0%	0.0%	0.0%	69.1%
27 % Prescription Exp to Net Revenues		21.8%	20.8%	20.2%	21.0%	22.1%	23.6%	21.9%	21.9%	20.7%	0.0%	0.0%	0.0%	21.6%
28 % Total Medical and Prescription to Net Rev. (MLR)		91.9%	88.1%	89.3%	91.0%	89.0%	93.2%	91.7%	93.4%	88.3%	0.0%	0.0%	0.0%	90.7%
29 % Admin Exp to Net Revenues		9.2%	10.2%	10.0%	10.7%	10.1%	9.4%	10.3%	10.5%	10.8%	0.0%	0.0%	0.0%	10.1%
30 <b>% Net Income to Net Revenues</b>		<b>-1.2%</b>	<b>1.7%</b>	<b>0.6%</b>	<b>-1.7%</b>	<b>0.9%</b>	<b>-2.6%</b>	<b>-2.0%</b>	<b>-3.8%</b>	<b>0.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-0.8%</b>
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		12.1%	13.3%	13.1%	14.0%	13.2%	12.3%	13.5%	13.7%	14.2%	0.0%	0.0%	0.0%	13.3%
<b>Post-income items:</b>														
32 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.