

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:

- **Dental Premiums** – Capitation payments paid to DMOs (Dental Maintenance Organization) 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 DMOs for premiums applicable to the reported period.
- **Maintenance Taxes** – Maintenance taxes incurred by DMOs for premiums applicable to the reported period.

Dental Expenses:

- **Fee for Service** – Non-capitated payments for services rendered to the members.
- **Net Reinsurance Cost** – Total reinsurance premiums paid by the DMO net of reinsurance recoveries.
- **IBNR Accrual** – Incurred But Not Reported (IBNR) accrual dental expenses are an estimate of the expected dental expenses incurred, but not paid, based on claims lag schedules and completion factors.

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

Quality Challenge Award – Amount awarded to the DMO 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: **DentaQuest USA Insurance Co**
 State Fiscal Year: **2016** Program: **CHIP Dental**
 Submission Date: **6/30/2016** Service Area: **Statewide**
 Submission Type: **Quarterly** Rptg Period End Date: **5/31/2016**

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		197,444	199,014	198,542	201,012	201,116	203,599	212,120	216,190	218,421	0	0	0	1,847,458
2 Average Monthly Member Months														205,273
Revenues:														
3 Dental Premiums		4,689,362	4,728,354	4,716,150	4,774,578	4,777,865	4,836,255	5,037,352	5,133,190	5,186,787	0	0	0	43,879,893
4 Investment Income														0
5 Health Insurer Fee Reimbursement		1,508,118												1,508,118
6 Other Revenue														0
7 Total Gross Revenues		6,197,480	4,728,354	4,716,150	4,774,578	4,777,865	4,836,255	5,037,352	5,133,190	5,186,787	0	0	0	45,388,011
8 Health Insurance Providers Fee & Related Costs		1,481,725												1,481,725
9 Premium Taxes		108,456	82,746	82,533	83,555	83,613	84,634	88,154	89,831	90,769	0	0	0	794,290
10 Maintenance Taxes		6,911	6,965	6,949	7,035	7,039	7,126	7,424	7,567	7,645	0	0	0	64,661
11 Net Revenues		4,600,389	4,638,642	4,626,668	4,683,987	4,687,213	4,744,495	4,941,774	5,035,793	5,088,373	0	0	0	43,047,335
Dental Expenses:														
12 Fee-For-Service		3,758,247	4,092,166	3,700,554	3,930,176	3,823,800	4,241,919	5,053,379	4,344,105	2,865,172	0	0	0	35,809,518
13 Net Reinsurance Cost		0	0	0	0	0	0	0	0	0	0	0	0	0
14 IBNR Accrual		635	1,407	2,301	3,901	8,454	19,646	80,283	162,589	1,339,905	0	0	0	1,619,123
15 Other Dental Expenses		28,403	28,403	28,403	28,403	28,403	28,403	28,403	28,403	28,403	0	0	0	255,627
16 Total Dental Expenses		3,787,285	4,121,976	3,731,258	3,962,480	3,860,657	4,289,968	5,162,065	4,535,097	4,233,480	0	0	0	37,684,268
17 Administrative Expenses		176,159	202,446	165,409	202,247	158,578	182,406	191,605	215,133	200,152				1,694,135
18 Total Expenses		3,963,444	4,324,422	3,896,667	4,164,727	4,019,235	4,472,374	5,353,670	4,750,230	4,433,632	0	0	0	39,378,401
19 Net Income Before Taxes		636,945	314,220	730,001	519,260	667,978	272,121	(411,896)	285,563	654,741	0	0	0	3,668,934
20 % Dental Exp to Net Revenues		82.3%	88.9%	80.6%	84.6%	82.4%	90.4%	104.5%	90.1%	83.2%	0.0%	0.0%	0.0%	87.5%
21 % Admin Exp to Net Revenues		3.8%	4.4%	3.6%	4.3%	3.4%	3.8%	3.9%	4.3%	3.9%	0.0%	0.0%	0.0%	3.9%
22 % Net Income to Net Revenues		13.8%	6.8%	15.8%	11.1%	14.3%	5.7%	-8.3%	5.7%	12.9%	0.0%	0.0%	0.0%	8.5%
Post-income items:														
23 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.