

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: **Parkland Health Plan / Dallas Cnty Hosp Distr**
 State Fiscal Year: **2016** Program: **CHIP**
 Submission Date: **06/30/2016** Service Area: **Dallas**
 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		25,281	25,495	25,433	25,568	25,368	25,294	26,057	25,968	26,120	0	0	0	230,584
2 Average Monthly Member Months														25,620
Revenues:														
3 Medical Premiums		3,561,672	3,572,299	3,524,482	3,517,232	3,460,226	3,447,568	3,546,704	3,444,557	3,466,038	0	0	0	31,540,778
4 Delivery Supplemental Payments		34,100	9,300	21,700	24,800	6,200	0	0	0	0	0	0	0	96,100
5 Pharmacy Premiums		745,890	753,883	754,759	760,945	757,230	754,251	777,838	782,653	787,203	0	0	0	6,874,652
6 Investment Income		36,981	(5,601)	(23,573)	(10,547)	86,730	11,237	25,223	8,584	(5,124)				123,910
7 Health Insurance Providers Fee Reimbursement		0	0	0	0	0	0	0	0	0	0	0	0	0
8 Other Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
9 Total Gross Revenues		4,378,643	4,329,881	4,277,368	4,292,430	4,310,386	4,213,056	4,349,765	4,235,794	4,248,117	0	0	0	38,635,440
10 Health Insurance Providers Fee & Related Costs														0
11 Premium Taxes		77,430	76,061	76,007	76,045	73,535	74,066	62,960	75,767	77,678				669,548
12 Maintenance Taxes		5,035	0	0	5,067	0	0	5,110						15,212
13 Net Revenues		4,296,178	4,253,820	4,201,361	4,211,318	4,236,851	4,138,990	4,281,695	4,160,027	4,170,439	0	0	0	37,950,680
Medical Expenses:														
14 Fee-For-Service		3,512,411	3,350,079	3,162,406	3,313,805	3,207,188	3,045,769	3,408,564	2,945,466	1,070,441	0	0	0	27,016,129
15 Capitated Services		39,005	39,388	39,662	40,300	39,789	39,884	41,161	41,767	41,912	0	0	0	362,868
16 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
17 Net Reinsurance Cost		0	0	0	0	0	0	0	0	0	0	0	0	0
18 IBNR Accrual - Medical		15,556	21,007	26,519	32,615	52,614	91,478	208,394	529,360	2,166,323	0	0	0	3,143,866
19 Total Medical Expenses		3,566,972	3,410,474	3,228,587	3,386,720	3,299,591	3,177,131	3,658,119	3,516,593	3,278,676	0	0	0	30,522,863
20 Prescription Expenses (excluding PBM Admin)		745,368	711,331	679,721	700,056	723,638	759,477	707,120	642,572	691,335	0	0	0	6,360,617
21 Total Medical and Prescription Expenses		4,312,340	4,121,805	3,908,308	4,086,776	4,023,229	3,936,608	4,365,239	4,159,165	3,970,011	0	0	0	36,883,480
22 Administrative Expenses		431,103	431,992	465,664	434,791	427,686	447,746	441,464	433,335	448,844				3,962,625
23 Total Expenses		4,743,443	4,553,797	4,373,972	4,521,567	4,450,915	4,384,354	4,806,703	4,592,500	4,418,855	0	0	0	40,846,106
24 Net Income Before Taxes		(447,265)	(299,977)	(172,611)	(310,249)	(214,064)	(245,364)	(525,008)	(432,473)	(248,416)	0	0	0	(2,895,426)
25 % Medical Exp to Net Revenues		83.0%	80.2%	76.8%	80.4%	77.9%	76.8%	85.4%	84.5%	78.6%	0.0%	0.0%	0.0%	80.4%
26 % Prescription Exp to Net Revenues		17.3%	16.7%	16.2%	16.6%	17.1%	18.3%	16.5%	15.4%	16.6%	0.0%	0.0%	0.0%	16.8%
27 % Total Medical and Prescription to Net Rev. (MLR)		100.4%	96.9%	93.0%	97.0%	95.0%	95.1%	102.0%	100.0%	95.2%	0.0%	0.0%	0.0%	97.2%
28 % Admin Exp to Net Revenues		10.0%	10.2%	11.1%	10.3%	10.1%	10.8%	10.3%	10.4%	10.8%	0.0%	0.0%	0.0%	10.4%
29 % Net Income to Net Revenues		-10.4%	-7.1%	-4.1%	-7.4%	-5.1%	-5.9%	-12.3%	-10.4%	-6.0%	0.0%	0.0%	0.0%	-7.6%
30 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		12.1%	12.3%	13.5%	12.6%	12.3%	13.2%	12.6%	12.8%	13.3%	0.0%	0.0%	0.0%	12.8%

Post-income items:

31 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.