

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:	M-RSA Central
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		22,063	22,297	22,204	21,930	22,038	22,119	22,007	21,567	21,190	0	0	0	197,415
2 Average Monthly Member Months														21,935
Revenues:														
3 Medical Premiums		2,900,579	2,926,490	2,887,750	2,847,414	2,854,650	2,872,463	2,863,044	2,795,037	2,721,471	0	0	0	25,668,898
4 Delivery Supplemental Payments		248,892	212,469	206,398	227,645	239,786	173,010	233,716	185,151	197,293	0	0	0	1,924,360
5 Pharmacy Premiums		661,215	669,452	665,494	658,466	662,896	666,250	664,028	652,241	642,339	0	0	0	5,942,381
6 Investment Income		31,690	29,022	27,398	32,366	26,504	26,131	29,443	25,863	25,860				254,277
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		3,842,376	3,837,433	3,787,040	3,765,891	3,783,836	3,737,854	3,790,231	3,658,292	3,586,963	0	0	0	33,789,916
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		62,750	66,647	65,794	65,337	65,753	64,955	65,814	63,568	62,319				582,936
13 Maintenance Taxes		1,434	1,449	1,443	1,425	1,432	1,438	1,430	1,402	1,377				12,832
14 Net Revenues		3,778,192	3,769,337	3,719,803	3,699,129	3,716,650	3,671,461	3,722,987	3,593,323	3,523,266	0	0	0	33,194,148
Medical Expenses:														
15 Fee-For-Service		2,739,294	3,009,581	2,450,176	2,610,068	3,140,980	2,857,413	2,545,420	2,437,772	1,161,703	0	0	0	22,952,406
16 Capitated Services		25,201	25,467	25,370	25,056	25,189	25,277	25,173	24,924	24,760	0	0	0	226,417
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		750	758	755	746	749	752	748	733	720	0	0	0	6,712
19 IBNR Accrual - Medical		(17,970)	(18,271)	(12,183)	(3,456)	16,019	53,749	424,487	344,387	1,538,704	0	0	0	2,325,466
20 Total Medical Expenses		2,747,275	3,017,535	2,464,118	2,632,414	3,182,937	2,937,191	2,995,828	2,807,816	2,725,887	0	0	0	25,511,001
21 Prescription Expenses (excluding PBM Admin)		647,603	657,916	601,263	630,768	701,469	718,246	759,129	707,382	711,452	0	0	0	6,135,229
22 Total Medical and Prescription Expenses		3,394,878	3,675,451	3,065,381	3,263,182	3,884,406	3,655,437	3,754,957	3,515,198	3,437,339	0	0	0	31,646,230
23 Administrative Expenses		285,515	272,924	259,615	331,821	270,105	262,925	289,077	272,139	259,791	0	0	0	2,503,911
24 Total Expenses		3,680,393	3,948,375	3,324,996	3,595,002	4,154,511	3,918,362	4,044,034	3,787,337	3,697,131	0	0	0	34,150,141
25 Net Income Before Taxes		97,799	(179,038)	394,807	104,127	(437,861)	(246,901)	(321,047)	(194,014)	(173,865)	0	0	0	(955,993)
26 % Medical Exp to Net Revenues		72.7%	80.1%	66.2%	71.2%	85.6%	80.0%	80.5%	78.1%	77.4%	0.0%	0.0%	0.0%	76.9%
27 % Prescription Exp to Net Revenues		17.1%	17.5%	16.2%	17.1%	18.9%	19.6%	20.4%	19.7%	20.2%	0.0%	0.0%	0.0%	18.5%
28 % Total Medical and Prescription to Net Rev. (MLR)		89.9%	97.5%	82.4%	88.2%	104.5%	99.6%	100.9%	97.8%	97.6%	0.0%	0.0%	0.0%	95.3%
29 % Admin Exp to Net Revenues		7.6%	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		2.6%	-4.7%	10.6%	2.8%	-11.8%	-6.7%	-8.6%	-5.4%	-4.9%	0.0%	0.0%	0.0%	-2.9%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		9.2%	8.8%	8.5%	10.9%	8.8%	8.7%	9.5%	9.3%	9.0%	0.0%	0.0%	0.0%	9.2%
Post-income items:														
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.