

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: **FirstCare Health Plans / SHA**
 State Fiscal Year: **2016** Program: **STAR**
 Submission Date: **6/30/2016** Service Area: **M-RSA West**
 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		53,991	54,205	54,368	55,063	55,127	55,073	55,191	54,372	53,181	0	0	0	490,571
2 Average Monthly Member Months														54,508
Revenues:														
3 Medical Premiums		11,834,294	11,817,193	11,756,000	11,869,112	11,841,327	11,824,606	11,860,347	11,569,416	11,080,999	0	0	0	105,453,294
4 Delivery Supplemental Payments		1,175,894	935,588	1,009,282	1,054,139	1,118,221	1,124,629	1,207,935	1,185,506	1,204,730	0	0	0	10,015,924
5 Pharmacy Premiums		1,932,600	1,942,493	1,947,697	1,976,957	1,981,691	1,976,874	1,980,057	1,953,828	1,920,093	0	0	0	17,612,290
6 Investment Income		3,969	21,953	14,997	3,448	29,779	13,051	14,018	17,577	13,846				132,639
7 Health Insurance Providers Fee Reimbursement														0
8 Other Revenue														0
9 Total Gross Revenues		14,946,757	14,717,227	14,727,976	14,903,656	14,971,018	14,939,160	15,062,357	14,726,327	14,219,668	0	0	0	133,214,147
10 Health Insurance Providers Fee & Related Costs														0
11 Health Insurance Providers Fee (NAIP)														0
12 Premium Taxes		261,171	256,839	257,149	260,426	261,144	260,879	263,018	257,075	248,274				2,325,973
13 Maintenance Taxes		4,906	4,906	4,906	4,906	4,906	4,906	4,906	4,906	4,906				44,151
14 Net Revenues		14,680,681	14,455,482	14,465,921	14,638,325	14,704,969	14,673,375	14,794,433	14,464,346	13,966,489	0	0	0	130,844,021
Medical Expenses:														
15 Fee-For-Service		12,096,690	10,599,274	10,962,133	10,923,499	12,172,367	11,761,919	10,669,042	8,909,056	5,255,170	0	0	0	93,349,150
16 Capitated Services		42,113	42,280	42,407	42,949	42,999	42,957	43,049	42,410	41,481	0	0	0	382,645
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		6,343	84,834	120,266	113,440	110,648	117,700	122,921	121,250	118,594	0	0	0	915,996
19 IBNR Accrual - Medical		58,191	77,588	252,160	196,957	262,609	853,481	1,309,432	1,745,909	5,674,205	0	0	0	10,430,532
20 Total Medical Expenses		12,203,337	10,803,976	11,376,966	11,276,845	12,588,623	12,776,057	12,144,444	10,818,625	11,089,450	0	0	0	105,078,323
21 Prescription Expenses (excluding PBM Admin)		1,644,759	1,715,012	1,604,323	1,692,637	1,788,228	1,999,007	1,949,097	1,809,947	2,110,063	0	0	0	16,313,074
22 Total Medical and Prescription Expenses		13,848,096	12,518,988	12,981,289	12,969,482	14,376,851	14,775,064	14,093,541	12,628,572	13,199,513	0	0	0	121,391,397
23 Administrative Expenses		1,248,723	1,249,123	1,224,223	1,259,746	1,202,290	1,268,397	1,328,519	1,445,584	1,148,147				11,374,752
24 Total Expenses		15,096,819	13,768,111	14,205,512	14,229,227	15,579,142	16,043,461	15,422,060	14,074,156	14,347,660	0	0	0	132,766,148
25 Net Income Before Taxes		(416,138)	687,371	260,409	409,098	(874,173)	(1,370,086)	(627,627)	390,190	(381,171)	0	0	0	(1,922,127)
26 % Medical Exp to Net Revenues		83.1%	74.7%	78.6%	77.0%	85.6%	87.1%	82.1%	74.8%	79.4%	0.0%	0.0%	0.0%	80.3%
27 % Prescription Exp to Net Revenues		11.2%	11.9%	11.1%	11.6%	12.2%	13.6%	13.2%	12.5%	15.1%	0.0%	0.0%	0.0%	12.5%
28 % Total Medical and Prescription to Net Rev. (MLR)		94.3%	86.6%	89.7%	88.6%	97.8%	100.7%	95.3%	87.3%	94.5%	0.0%	0.0%	0.0%	92.8%
29 % Admin Exp to Net Revenues		8.5%	8.6%	8.5%	8.6%	8.2%	8.6%	9.0%	10.0%	8.2%	0.0%	0.0%	0.0%	8.7%
30 % Net Income to Net Revenues		-2.8%	4.8%	1.8%	2.8%	-5.9%	-9.3%	-4.2%	2.7%	-2.7%	0.0%	0.0%	0.0%	-1.5%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		9.8%	10.0%	9.8%	9.9%	9.4%	10.0%	10.4%	11.6%	9.5%	0.0%	0.0%	0.0%	10.0%
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.