

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: Scott & White	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		42,508	42,547	43,007	43,877	43,600	43,744	43,819	43,492	42,374	0	0	0	388,968
2 Average Monthly Member Months														43,219
Revenues:														
3 Medical Premiums		7,893,539	7,870,728	7,943,874	8,092,458	7,976,829	8,000,669	8,023,440	7,899,680	7,556,450	0	0	0	71,257,667
4 Delivery Supplemental Payments		701,148	710,254	673,830	710,253	637,407	625,266	546,348	552,419	525,102	0	0	0	5,682,027
5 Pharmacy Premiums		1,694,155	1,695,778	1,715,780	1,751,192	1,740,426	1,745,194	1,747,438	1,739,805	1,694,755	0	0	0	15,524,523
6 Investment Income		0	0	0	0	0	0	0	0	0	0	0	0	0
7 Health Insurance Providers Fee Reimbursement		1,240,131												1,240,131
8 Other Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
9 Total Gross Revenues		11,528,973	10,276,760	10,333,484	10,553,903	10,354,662	10,371,129	10,317,226	10,191,904	9,776,307	0	0	0	93,704,348
10 Health Insurance Providers Fee & Related Costs		1,218,428												1,218,428
11 Health Insurance Providers Fee (NAIP)														0
12 Premium Taxes		179,426	177,325	179,242	184,241	177,895	179,196	181,398	203,717	183,302				1,645,742
13 Maintenance Taxes		3,243	3,166	3,415	3,885	3,154	3,194	3,152	3,708	3,333				30,250
14 Net Revenues		10,127,875	10,096,269	10,150,826	10,365,777	10,173,614	10,188,739	10,132,676	9,984,479	9,589,673	0	0	0	90,809,928
Medical Expenses:														
15 Fee-For-Service		6,204,923	6,287,857	6,181,987	6,359,868	6,025,940	6,228,964	6,462,634	5,490,146	1,332,046	0	0	0	50,574,365
16 Capitated Services		52,285	52,333	52,899	53,969	53,628	53,805	53,897	53,495	52,120	0	0	0	478,431
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		56,536	56,588	57,199	58,356	57,988	58,180	58,279	57,844	56,357	0	0	0	517,327
19 IBNR Accrual - Medical		13,746	30,352	50,523	94,837	171,574	410,730	1,070,970	1,965,609	5,899,050	0	0	0	9,707,391
20 Total Medical Expenses		6,327,490	6,427,130	6,342,608	6,567,030	6,309,130	6,751,679	7,645,780	7,567,094	7,339,573	0	0	0	61,277,514
21 Prescription Expenses (excluding PBM Admin)		1,293,848	1,340,324	1,192,319	1,332,181	1,385,747	1,457,402	1,569,451	1,511,521	1,488,246	0	0	0	12,571,038
22 Total Medical and Prescription Expenses		7,621,338	7,767,454	7,534,927	7,899,211	7,694,877	8,209,081	9,215,231	9,078,615	8,827,819	0	0	0	73,848,552
23 Administrative Expenses		1,279,949	1,378,558	1,321,384	1,412,401	1,243,064	1,268,399	1,128,978	1,175,333	1,214,388	0	0	0	11,422,454
24 Total Expenses		8,901,287	9,146,012	8,856,311	9,311,612	8,937,941	9,477,480	10,344,209	10,253,948	10,042,206	0	0	0	85,271,006
25 Net Income Before Taxes		1,226,588	950,257	1,294,515	1,054,165	1,235,673	711,259	(211,533)	(269,469)	(452,533)	0	0	0	5,538,922
26 % Medical Exp to Net Revenues		62.5%	63.7%	62.5%	63.4%	62.0%	66.3%	75.5%	75.8%	76.5%	0.0%	0.0%	0.0%	67.5%
27 % Prescription Exp to Net Revenues		12.8%	13.3%	11.7%	12.9%	13.6%	14.3%	15.5%	15.1%	15.5%	0.0%	0.0%	0.0%	13.8%
28 % Total Medical and Prescription to Net Rev. (MLR)		75.3%	76.9%	74.2%	76.2%	75.6%	80.6%	90.9%	90.9%	92.1%	0.0%	0.0%	0.0%	81.3%
29 % Admin Exp to Net Revenues		12.6%	13.7%	13.0%	13.6%	12.2%	12.4%	11.1%	11.8%	12.7%	0.0%	0.0%	0.0%	12.6%
30 % Net Income to Net Revenues		12.1%	9.4%	12.8%	10.2%	12.1%	7.0%	-2.1%	-2.7%	-4.7%	0.0%	0.0%	0.0%	6.1%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		15.2%	16.4%	15.7%	16.4%	14.7%	15.0%	13.5%	14.3%	15.4%	0.0%	0.0%	0.0%	15.2%
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.