

## 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:	<b>Superior / Bankers / Centene</b>	Program:	<b>STAR</b>
State Fiscal Year:	<b>2016</b>	Service Area:	<b>M-RSA Northeast</b>
Submission Date:	<b>6/30/2016</b>	Rptg Period End Date:	<b>5/31/2016</b>
Submission Type:	<b>Quarterly</b>		

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		108,386	109,141	109,815	111,157	111,189	110,971	110,380	109,606	109,121	0	0	0	<b>989,766</b>
2 <b>Average Monthly Member Months</b>														<b>109,974</b>
<b>Revenues:</b>														
3 Medical Premiums		17,017,394	17,114,646	17,159,328	17,380,391	17,335,633	17,331,186	17,296,237	17,180,694	17,035,546	0	0	0	154,851,055
4 Delivery Supplemental Payments		1,905,721	1,735,060	1,905,721	1,725,579	1,700,295	1,671,852	1,766,664	1,608,644	1,772,984	0	0	0	15,792,520
5 Pharmacy Premiums		4,235,290	4,270,407	4,294,741	4,346,555	4,351,508	4,342,499	4,313,985	4,284,887	4,266,093	0	0	0	38,705,965
6 Investment Income		0	0	0	0	0	0	0	0	0	0	0	0	0
7 Health Insurance Providers Fee Reimbursement		8,167,047												8,167,047
8 Other Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
9 Total Gross Revenues		31,325,452	23,120,113	23,359,790	23,452,525	23,387,436	23,345,537	23,376,886	23,074,225	23,074,623	0	0	0	217,516,587
10 Health Insurance Providers Fee & Related Costs		8,024,124												8,024,124
11 Health Insurance Providers Fee (NAIP)		0	0	0	0	0	0	0	0	0	0	0	0	0
12 Premium Taxes		548,195	404,602	408,796	410,419	409,280	408,547	409,096	403,799	403,806				3,806,540
13 Maintenance Taxes		9,263	9,248	9,344	9,381	9,355	9,338	9,351	9,230	9,230				83,740
14 <b>Net Revenues</b>		<b>22,743,870</b>	<b>22,706,263</b>	<b>22,941,650</b>	<b>23,032,725</b>	<b>22,968,801</b>	<b>22,927,652</b>	<b>22,958,440</b>	<b>22,661,196</b>	<b>22,661,587</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>205,602,183</b>
<b>Medical Expenses:</b>														
15 Fee-For-Service		15,077,955	13,911,612	14,355,325	14,288,469	15,625,419	14,522,676	13,403,413	11,503,930	6,090,091	0	0	0	118,778,889
16 Capitated Services		965,771	972,499	978,504	990,462	929,393	927,571	922,631	916,161	912,108	0	0	0	8,515,101
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		9,755	9,823	9,883	10,004	4,448	4,439	4,415	4,384	4,365	0	0	0	61,516
19 IBNR Accrual - Medical		406,462	493,571	305,517	481,947	296,768	1,000,080	1,426,925	3,441,340	9,338,341	0	0	0	17,190,951
20 Total Medical Expenses		16,459,943	15,387,504	15,649,230	15,770,882	16,856,028	16,454,766	15,757,384	15,865,816	16,344,904	0	0	0	144,546,457
21 Prescription Expenses (excluding PBM Admin)		4,251,086	4,215,018	4,028,651	4,784,016	4,817,168	4,809,528	4,928,877	4,720,838	4,496,785	0	0	0	41,051,967
22 <b>Total Medical and Prescription Expenses</b>		<b>20,711,029</b>	<b>19,602,522</b>	<b>19,677,881</b>	<b>20,554,898</b>	<b>21,673,196</b>	<b>21,264,294</b>	<b>20,686,261</b>	<b>20,586,654</b>	<b>20,841,689</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>185,598,424</b>
23 <b>Administrative Expenses</b>		<b>1,821,753</b>	<b>1,620,557</b>	<b>1,602,649</b>	<b>1,718,947</b>	<b>1,625,672</b>	<b>1,492,333</b>	<b>1,642,500</b>	<b>1,629,864</b>	<b>1,670,812</b>				<b>14,825,086</b>
24 <b>Total Expenses</b>		<b>22,532,782</b>	<b>21,223,079</b>	<b>21,280,529</b>	<b>22,273,845</b>	<b>23,298,868</b>	<b>22,756,627</b>	<b>22,328,761</b>	<b>22,216,518</b>	<b>22,512,501</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>200,423,510</b>
25 <b>Net Income Before Taxes</b>		<b>211,088</b>	<b>1,483,184</b>	<b>1,661,121</b>	<b>758,880</b>	<b>(330,067)</b>	<b>171,025</b>	<b>629,679</b>	<b>444,678</b>	<b>149,086</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,178,673</b>
26 % Medical Exp to Net Revenues		72.4%	67.8%	68.2%	68.5%	73.4%	71.8%	68.6%	70.0%	72.1%	0.0%	0.0%	0.0%	70.3%
27 % Prescription Exp to Net Revenues		18.7%	18.6%	17.6%	20.8%	21.0%	21.0%	21.5%	20.8%	19.8%	0.0%	0.0%	0.0%	20.0%
28 % Total Medical and Prescription to Net Rev. (MLR)		91.1%	86.3%	85.8%	89.2%	94.4%	92.7%	90.1%	90.8%	92.0%	0.0%	0.0%	0.0%	90.3%
29 % Admin Exp to Net Revenues		8.0%	7.1%	7.0%	7.5%	7.1%	6.5%	7.2%	7.2%	7.4%	0.0%	0.0%	0.0%	7.2%
30 <b>% Net Income to Net Revenues</b>		<b>0.9%</b>	<b>6.5%</b>	<b>7.2%</b>	<b>3.3%</b>	<b>-1.4%</b>	<b>0.7%</b>	<b>2.7%</b>	<b>2.0%</b>	<b>0.7%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>2.5%</b>
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		9.8%	8.8%	8.6%	9.2%	8.7%	8.0%	8.8%	8.9%	9.1%	0.0%	0.0%	0.0%	8.9%
<b>Post-income items:</b>														
32 Performance Assessment														<b>0</b>

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.