

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: **Superior / Bankers / Centene**
 State Fiscal Year: **2016** Program: **STAR-PLUS**
 Submission Date: **6/30/2016** Service Area: **MRSA West**
 Submission Type: **Quarterly** Rptg Period End Date: **5/31/2016**

Part 1: **Summary Income Statement**

HHSC Managed Care contract costs	Incurred Months:												YTD
	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	
1 Member Months	20,586	20,587	20,672	20,644	20,721	20,716	20,652	20,660	20,604	0	0	0	185,842
2 Average Monthly Member Months													20,649
Revenues:													
3 Medical Premiums	23,769,812	23,676,037	24,191,014	24,377,721	24,490,659	24,361,257	24,330,584	24,066,129	23,824,905	0	0	0	217,288,118
4 Pharmacy Premiums	4,022,520	4,012,708	4,021,982	4,027,937	4,031,342	4,029,893	4,006,926	4,031,109	4,018,735	0	0	0	36,203,152
5 Investment Income	13,242	12,194	14,445	14,893	13,950	7,645	12,545	15,519	17,530				121,963
6 Health Insurance Providers Fee Reimbursement	3,853,996												3,853,996
7 Other Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Total Gross Revenues	31,659,570	27,900,939	28,227,441	28,420,551	28,535,951	28,398,795	28,350,055	28,112,757	27,861,170	0	0	0	257,467,229
9 Health Insurance Providers Fee & Related Costs	3,786,551												3,786,551
10 Health Insurance Providers Fee (NAIP)	4,627	4,603	4,612	4,614	4,616	4,619	4,588	4,617	4,607				41,502
11 Premium Taxes	553,811	489,053	493,727	497,099	499,135	496,845	495,906	491,702	487,254				4,503,542
12 Maintenance Taxes	1,441	1,441	1,447	1,445	1,450	1,450	1,446	1,446	1,442				13,009
13 Net Revenues	27,313,140	27,406,842	27,727,655	27,917,393	28,030,750	27,895,881	27,848,115	27,614,992	27,367,857	0	0	0	249,122,625
Medical Expenses:													
14 Fee-For-Service	16,467,676	17,036,287	15,755,273	16,921,811	16,817,797	16,138,624	16,459,957	15,277,769	7,958,085	0	0	0	138,833,279
15 Capitated Services	559,900	556,773	557,731	558,016	559,019	559,391	555,663	559,409	558,202	0	0	0	5,024,103
16 Net Reinsurance cost	860	856	858	858	862	862	860	862	861	0	0	0	5,339
17 BNR Accrual - Medical	762,450	829,176	1,083,553	4,127,163	4,238,237	4,537,615	4,664,296	5,613,498	13,411,554	0	0	0	39,267,542
18 Minimum Payment Amount Program (MPAP)	2,921,561	2,927,050	2,908,169	0	0	0	0	0	0	0	0	0	8,757,780
19 Other Medical Expenses	658,046	669,839	622,989	729,778	615,167	623,156	678,036	737,287	572,905	0	0	0	5,907,203
20 Total Medical Expenses	21,370,493	22,019,981	20,929,573	22,337,626	22,230,602	21,859,168	22,358,332	22,188,345	22,501,127	0	0	0	197,795,246
21 Prescription Expenses (excluding PBM Admin)	4,116,400	4,041,463	3,554,956	3,773,862	3,770,206	3,787,872	3,987,595	3,636,004	3,890,306	0	0	0	34,567,864
22 Total Medical and Prescription Expenses	25,486,893	26,061,444	24,484,529	26,110,688	26,000,808	25,647,041	26,345,927	25,824,349	26,391,433	0	0	0	232,363,110
23 Administrative Expenses	1,841,183	1,955,660	1,936,604	2,083,077	1,983,548	1,815,356	1,991,923	1,985,764	2,017,401				17,610,517
24 Total Expenses	27,328,076	28,017,104	26,421,133	28,193,765	27,984,356	27,472,396	28,337,850	27,810,112	28,408,835	0	0	0	249,973,627
25 Net Income Before Taxes	(14,936)	(610,262)	1,306,522	(776,372)	46,394	423,485	(489,735)	(195,120)	(1,040,978)	0	0	0	(851,002)
Expenses as % of Net Revenues:													
26 % Medical Exp to Net Revenues	78.2%	80.3%	75.5%	80.0%	79.3%	78.4%	80.3%	80.3%	82.2%	0.0%	0.0%	0.0%	79.4%
27 % Prescription Exp to Net Revenues	15.1%	14.7%	12.8%	13.5%	13.5%	13.6%	14.3%	13.2%	14.2%	0.0%	0.0%	0.0%	13.9%
28 % Total Medical and Prescription to Net Rev. (MLR)	93.3%	95.1%	88.3%	93.5%	92.8%	92.0%	94.6%	93.5%	96.4%	0.0%	0.0%	0.0%	93.3%
29 % Admin Exp to Net Revenues	6.7%	7.1%	7.0%	7.5%	7.1%	6.5%	7.2%	7.2%	7.4%	0.0%	0.0%	0.0%	7.1%
30 % Net Income to Net Revenues	-0.1%	-2.2%	4.7%	-1.0%	0.2%	1.5%	-1.8%	-0.7%	-3.8%	0.0%	0.0%	0.0%	-0.3%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)	7.9%	8.4%	8.2%	8.7%	8.3%	7.6%	8.4%	8.4%	8.6%	0.0%	0.0%	0.0%	8.3%
Post-income items:													
32 Performance Assessment													0
Not Included in Total Expenses Above:													
Medicare Cost-sharing & Wrap-around Rx													
33 Medicaid Portion of Rx Expense	13,728	19,168	16,873	16,471	24,631	15,873	27,595	21,225	20,920				176,484
34 Reimbursement Received	12,940	16,947	15,720	15,577	20,203	3,325	0	0	0				84,713
35 Net Unreimbursed Expense	787	2,221	1,153	894	4,428	12,548	27,595	21,225	20,920	0	0	0	91,772
36 Number of Prescriptions (Rx) corresponding to Expense	796	815	792	928	892	894	1,072	889	872				7,950

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 BNR estimates.