

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: **El Paso First Health Plans / EP County Hosp Distr**
 State Fiscal Year: **2016** Program: **STAR**
 Submission Date: **6/24/2016** Service Area: **El Paso**
 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		66,151	66,372	66,574	66,990	67,378	67,571	67,811	67,342	65,970	0	0	0	602,159
2 Average Monthly Member Months														66,907
Revenues:														
3 Medical Premiums		12,209,613	12,195,325	12,188,664	12,255,753	12,248,053	12,279,803	12,319,949	12,161,524	11,775,278	0	0	0	109,633,962
4 Delivery Supplemental Payments		1,029,469	874,532	936,507	912,406	871,089	908,963	840,101	667,949	733,368	0	0	0	7,774,384
5 Pharmacy Premiums		2,421,276	2,428,941	2,434,414	2,448,240	2,458,832	2,464,879	2,474,922	2,458,640	2,406,165	0	0	0	21,996,309
6 Investment Income		1,644	1,278	1,239	1,263	1,241	1,216	1,322	1,255	1,332				11,791
7 Health Insurance Providers Fee Reimbursement		0												0
8 Other Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
9 Total Gross Revenues		15,662,002	15,500,076	15,560,824	15,617,662	15,579,215	15,654,861	15,636,294	15,289,368	14,916,143	0	0	0	139,416,446
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	0	0	0
12 Premium Taxes		274,056	271,229	272,293	273,287	268,946	273,939	273,612	267,542	261,009				2,435,913
13 Maintenance Taxes		4,693	4,693	4,693	4,693	4,693	4,693	4,693	4,693	4,693				42,239
14 Net Revenues		15,383,253	15,224,154	15,283,838	15,339,682	15,305,575	15,376,229	15,357,989	15,017,133	14,650,441	0	0	0	136,938,293
Medical Expenses:														
15 Fee-For-Service		10,489,562	11,103,356	10,261,436	9,936,922	10,945,409	11,990,374	10,712,685	8,908,818	4,785,518	0	0	0	89,134,078
16 Capitated Services		83,598	84,169	84,474	84,986	85,151	84,916	85,219	85,385	85,564	0	0	0	763,462
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		50,274	50,617	50,801	51,109	51,208	42,411	(142,868)	51,349	51,457	0	0	0	256,358
19 IBNR Accrual - Medical		1,122	438,822	379,843	839,938	69,504	281,992	531,007	2,415,700	5,709,810	0	0	0	10,667,738
20 Total Medical Expenses		10,624,556	11,676,964	10,776,553	10,912,955	11,151,271	12,399,693	11,186,043	11,461,252	10,632,349	0	0	0	100,821,636
21 Prescription Expenses (excluding PBM Admin)		2,240,484	2,423,494	2,534,074	2,516,427	2,611,932	3,122,239	2,868,932	2,391,294	2,280,903	0	0	0	22,989,779
22 Total Medical and Prescription Expenses		12,865,040	14,100,458	13,310,627	13,429,382	13,763,203	15,521,932	14,054,975	13,852,546	12,913,252	0	0	0	123,811,415
23 Administrative Expenses		1,110,960	1,130,606	1,066,279	1,145,063	1,025,596	1,042,738	1,217,593	1,198,128	1,170,221				10,107,185
24 Total Expenses		13,976,000	15,231,065	14,376,906	14,574,445	14,788,799	16,564,669	15,272,568	15,050,674	14,083,473	0	0	0	133,918,599
25 Net Income Before Taxes		1,407,253	(6,911)	906,932	765,237	516,776	(1,188,440)	85,421	(33,541)	566,968	0	0	0	3,019,694
26 % Medical Exp to Net Revenues		69.1%	76.7%	70.5%	71.1%	72.9%	80.6%	72.8%	76.3%	72.6%	0.0%	0.0%	0.0%	73.6%
27 % Prescription Exp to Net Revenues		14.6%	15.9%	16.6%	16.4%	17.1%	20.3%	18.7%	15.9%	15.6%	0.0%	0.0%	0.0%	16.8%
28 % Total Medical and Prescription to Net Rev. (MLR)		83.6%	92.6%	87.1%	87.5%	89.9%	100.9%	91.5%	92.2%	88.1%	0.0%	0.0%	0.0%	90.4%
29 % Admin Exp to Net Revenues		7.2%	7.4%	7.0%	7.5%	6.7%	6.8%	7.9%	8.0%	8.0%	0.0%	0.0%	0.0%	7.4%
30 % Net Income to Net Revenues		9.1%	0.0%	5.9%	5.0%	3.4%	-7.7%	0.6%	-0.2%	3.9%	0.0%	0.0%	0.0%	2.2%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		8.6%	8.8%	8.3%	8.9%	8.0%	8.1%	9.5%	9.5%	9.6%	0.0%	0.0%	0.0%	8.8%
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.