

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: **Parkland Health Plan / Dallas Cnty Hosp Distr**
 State Fiscal Year: **2016** Program: **STAR**
 Submission Date: **6/30/2016** Service Area: **Dallas**
 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		179,886	180,033	179,849	182,159	180,222	178,665	176,196	171,306	165,979	0	0	0	1,594,295
2 Average Monthly Member Months														177,144
Revenues:														
3 Medical Premiums		30,294,502	30,238,743	30,125,236	30,699,288	30,296,331	30,042,030	29,669,422	28,757,728	27,634,612	0	0	0	267,757,892
4 Delivery Supplemental Payments		2,292,060	2,426,471	2,313,283	2,440,620	2,412,323	2,246,078	2,341,580	2,394,637	2,433,545	0	0	0	21,300,597
5 Pharmacy Premiums		6,671,766	6,678,423	6,670,879	6,759,707	6,686,072	6,629,653	6,531,882	6,354,160	6,156,090	0	0	0	59,138,632
6 Investment Income		332,352	(51,274)	(211,994)	(89,770)	762,521	102,601	272,715	75,628	(43,778)				1,149,002
7 Health Insurance Providers Fee Reimbursement														0
8 Other Revenue		0	0	0	0	0	0	0	0	0				0
9 Total Gross Revenues		39,590,680	39,292,363	38,897,404	39,809,845	40,157,247	39,020,362	38,815,599	37,582,153	36,180,469	0	0	0	349,346,123
10 Health Insurance Providers Fee & Related Costs														0
11 Health Insurance Providers Fee (NAIP)														0
12 Premium Taxes		695,868	696,345	683,540	647,245	684,768	676,267	680,734	667,560	663,649				6,095,976
13 Maintenance Taxes		38,346	0	0	38,591	0	0	36,946	0	0				113,883
14 Net Revenues		38,856,466	38,596,018	38,213,864	39,124,009	39,472,479	38,344,095	38,097,919	36,914,593	35,516,820	0	0	0	343,136,263
Medical Expenses:														
15 Fee-For-Service		33,375,419	32,596,586	27,646,059	31,510,675	31,166,712	31,920,493	29,750,048	25,457,832	9,543,049	0	0	0	252,966,873
16 Capitated Services		322,035	320,388	316,623	327,690	318,421	315,918	311,930	308,508	305,375	0	0	0	2,846,887
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		173,261	177,521	62,753	(74,728)	(123,452)	(89,613)	174,238	171,366	170,514	0	0	0	641,860
19 IBNR Accrual - Medical		85,459	106,322	163,891	298,397	965,965	1,172,000	2,633,356	6,261,618	21,120,468	0	0	0	32,807,476
20 Total Medical Expenses		33,956,173	33,200,817	28,189,326	32,062,033	32,327,646	33,318,798	32,869,572	32,199,324	31,139,406	0	0	0	289,263,095
21 Prescription Expenses (excluding PBM Admin)		5,452,506	5,532,705	5,160,139	5,532,013	5,676,865	5,953,838	6,135,008	5,560,363	6,131,828	0	0	0	51,135,264
22 Total Medical and Prescription Expenses		39,408,679	38,733,522	33,349,465	37,594,046	38,004,511	39,272,636	39,004,580	37,759,687	37,271,234	0	0	0	340,398,359
23 Administrative Expenses		3,897,932	3,920,201	4,234,638	4,032,437	3,984,487	4,146,917	3,939,450	3,844,770	3,822,722	0	0	0	35,823,554
24 Total Expenses		43,306,611	42,653,723	37,584,103	41,626,483	41,988,998	43,419,553	42,944,030	41,604,457	41,093,956	0	0	0	376,221,914
25 Net Income Before Taxes		(4,450,145)	(4,057,705)	629,761	(2,502,474)	(2,516,519)	(5,075,458)	(4,846,111)	(4,689,864)	(5,577,136)	0	0	0	(33,085,651)
26 % Medical Exp to Net Revenues		87.4%	86.0%	73.8%	81.9%	81.9%	86.9%	86.3%	87.2%	87.7%	0.0%	0.0%	0.0%	84.3%
27 % Prescription Exp to Net Revenues		14.0%	14.3%	13.5%	14.1%	14.4%	15.5%	16.1%	15.1%	17.3%	0.0%	0.0%	0.0%	14.9%
28 % Total Medical and Prescription to Net Rev. (MLR)		101.4%	100.4%	87.3%	96.1%	96.3%	102.4%	102.4%	102.3%	104.9%	0.0%	0.0%	0.0%	99.2%
29 % Admin Exp to Net Revenues		10.0%	10.2%	11.1%	10.3%	10.1%	10.8%	10.3%	10.4%	10.8%	0.0%	0.0%	0.0%	10.4%
30 % Net Income to Net Revenues		-11.5%	-10.5%	1.6%	-6.4%	-6.4%	-13.2%	-12.7%	-12.7%	-15.7%	0.0%	0.0%	0.0%	-9.6%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		12.1%	12.3%	13.4%	12.5%	12.2%	13.1%	12.5%	12.6%	13.0%	0.0%	0.0%	0.0%	12.6%
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.