

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	Program:	STAR
State Fiscal Year:	2016	Service Area:	Corpus / Nueces
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		18,766	18,945	19,094	18,863	18,819	18,861	18,772	18,736	18,635	0	0	0	169,491
2 Average Monthly Member Months														18,832
Revenues:														
3 Medical Premiums		4,077,670	4,146,454	4,188,948	4,155,159	4,163,417	4,200,901	4,210,656	4,234,203	4,221,399	0	0	0	37,598,807
4 Delivery Supplemental Payments		233,879	237,083	224,267	256,305	265,917	253,102	224,267	259,509	221,064	0	0	0	2,175,393
5 Pharmacy Premiums		1,031,760	1,045,450	1,053,617	1,038,166	1,034,537	1,037,733	1,031,969	1,033,930	1,029,139	0	0	0	9,336,301
6 Investment Income		12,070	11,224	13,347	13,523	12,670	6,961	11,403	14,074	15,855				111,126
7 Health Insurance Providers Fee Reimbursement		1,875,297												1,875,297
8 Other Revenue		0	0	0	0	0	0	0	0	0				0
9 Total Gross Revenues		7,230,675	5,440,211	5,480,179	5,463,153	5,476,541	5,498,697	5,478,295	5,541,716	5,487,457	0	0	0	51,096,923
10 Health Insurance Providers Fee & Related Costs		1,842,479												1,842,479
11 Health Insurance Providers Fee (NAIP)		1,320	1,332	1,343	1,326	1,323	1,326	1,320	1,318	1,310				11,919
12 Premium Taxes		126,326	95,007	95,670	95,369	95,618	96,105	95,671	96,734	95,753				892,251
13 Maintenance Taxes		1,314	1,326	1,337	1,320	1,317	1,320	1,314	1,312	1,304				11,864
14 Net Revenues		5,259,237	5,342,545	5,381,830	5,365,138	5,378,283	5,399,945	5,379,990	5,442,353	5,389,089	0	0	0	48,338,411
Medical Expenses:														
15 Fee-For-Service		3,725,077	3,433,147	3,515,961	3,557,369	3,581,980	3,537,194	3,070,760	2,782,265	1,299,832	0	0	0	28,503,585
16 Capitated Services		200,221	202,131	203,721	201,256	197,939	198,381	197,445	197,066	196,004	0	0	0	1,794,165
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		1,689	1,705	1,718	1,698	753	754	751	749	745	0	0	0	10,563
19 IBNR Accrual - Medical		11,777	52,904	71,380	178,376	168,720	148,800	323,622	665,062	2,083,852	0	0	0	3,704,493
20 Total Medical Expenses		3,938,764	3,689,887	3,792,780	3,938,699	3,949,392	3,885,130	3,592,578	3,645,143	3,580,433	0	0	0	34,012,806
21 Prescription Expenses (excluding PBM Admin)		984,730	958,270	979,885	1,056,591	1,126,165	1,069,680	1,014,372	1,122,212	963,801	0	0	0	9,275,705
22 Total Medical and Prescription Expenses		4,923,494	4,648,157	4,772,665	4,995,290	5,075,557	4,954,810	4,606,950	4,767,355	4,544,234	0	0	0	43,288,511
23 Administrative Expenses		420,505	381,321	375,979	400,420	380,677	351,497	384,914	391,443	397,342				3,484,098
24 Total Expenses		5,343,998	5,029,477	5,148,645	5,395,710	5,456,234	5,306,307	4,991,864	5,158,798	4,941,575	0	0	0	46,772,608
25 Net Income Before Taxes		(84,761)	313,068	233,185	(30,572)	(77,951)	93,638	388,126	283,555	447,514	0	0	0	1,565,803
26 % Medical Exp to Net Revenues		74.9%	69.1%	70.5%	73.4%	73.4%	71.9%	66.8%	67.0%	66.4%	0.0%	0.0%	0.0%	70.4%
27 % Prescription Exp to Net Revenues		18.7%	17.9%	18.2%	19.7%	20.9%	19.8%	18.9%	20.6%	17.9%	0.0%	0.0%	0.0%	19.2%
28 % Total Medical and Prescription to Net Rev. (MLR)		93.6%	87.0%	88.7%	93.1%	94.4%	91.8%	85.6%	87.6%	84.3%	0.0%	0.0%	0.0%	89.6%
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 % Net Income to Net Revenues		-1.6%	5.9%	4.3%	-0.6%	-1.4%	1.7%	7.2%	5.2%	8.3%	0.0%	0.0%	0.0%	3.2%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		9.9%	8.9%	8.7%	9.3%	8.8%	8.1%	8.9%	8.9%	9.1%	0.0%	0.0%	0.0%	8.9%
Post-income items:														
32 Performance Assessment														0

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.