

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:	Travis / Austin
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		94,618	94,873	94,810	94,442	93,916	93,278	92,727	91,390	89,931	0	0	0	839,985
2 Average Monthly Member Months														93,332
Revenues:														
3 Medical Premiums		16,889,330	16,960,053	16,926,532	16,874,799	16,842,505	16,773,877	16,763,791	16,570,172	16,282,163	0	0	0	150,883,222
4 Delivery Supplemental Payments		1,126,879	1,016,464	1,097,652	1,094,404	1,042,444	1,035,949	1,107,394	906,050	1,081,414	0	0	0	9,508,650
5 Pharmacy Premiums		2,984,498	2,995,045	2,995,739	2,987,360	2,971,421	2,952,077	2,932,040	2,892,346	2,852,643	0	0	0	26,563,169
6 Investment Income		60,860	56,198	66,255	67,628	63,228	34,425	56,325	68,648	76,514				550,082
7 Health Insurance Providers Fee Reimbursement		7,302,444												7,302,444
8 Other Revenue		0	0	0	0	0	0	0	0	0				0
9 Total Gross Revenues		28,364,011	21,027,760	21,086,178	21,024,191	20,919,598	20,796,328	20,859,550	20,437,216	20,292,734	0	0	0	194,807,567
10 Health Insurance Providers Fee & Related Costs		7,174,651												7,174,651
11 Health Insurance Providers Fee (NAIP)		6,654	6,671	6,667	6,641	6,604	6,559	6,521	6,427	6,324				59,068
12 Premium Taxes		495,305	367,002	367,849	366,740	364,986	363,333	364,056	356,450	353,784				3,399,506
13 Maintenance Taxes		6,623	6,641	6,637	6,611	6,574	6,529	6,491	6,397	6,295				58,799
14 Net Revenues		20,680,778	20,647,445	20,705,026	20,644,199	20,541,433	20,419,906	20,482,482	20,067,942	19,926,331	0	0	0	184,115,542
Medical Expenses:														
15 Fee-For-Service		14,669,376	12,580,398	11,999,441	13,680,938	13,276,334	13,179,822	13,158,502	11,038,063	5,978,734	0	0	0	109,561,610
16 Capitated Services		1,080,249	1,057,807	1,082,137	1,051,380	1,027,640	1,030,477	991,040	1,016,396	989,907	0	0	0	9,327,032
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		8,516	8,539	8,533	8,500	3,757	3,731	3,709	3,656	3,597	0	0	0	52,537
19 IBNR Accrual - Medical		(8,170)	190,212	220,721	834,605	664,699	575,097	1,281,967	2,653,818	8,277,892	0	0	0	14,690,841
20 Total Medical Expenses		15,749,970	13,836,955	13,310,832	15,575,423	14,972,430	14,789,127	15,435,219	14,711,932	15,250,131	0	0	0	133,632,019
21 Prescription Expenses (excluding PBM Admin)		2,528,366	2,640,898	2,518,189	2,464,236	2,681,316	2,559,646	2,757,929	2,608,711	2,508,184	0	0	0	23,267,476
22 Total Medical and Prescription Expenses		18,278,336	16,477,853	15,829,021	18,039,659	17,653,746	17,348,773	18,193,148	17,320,643	17,758,315	0	0	0	156,899,495
23 Administrative Expenses		1,649,528	1,473,898	1,446,663	1,540,963	1,454,131	1,329,378	1,465,628	1,443,597	1,469,378				13,273,163
24 Total Expenses		19,927,864	17,951,751	17,275,683	19,580,622	19,107,877	18,678,151	19,658,776	18,764,240	19,227,693	0	0	0	170,172,657
25 Net Income Before Taxes		752,914	2,695,694	3,429,343	1,063,577	1,433,556	1,741,755	823,706	1,303,702	698,638	0	0	0	13,942,885
26 % Medical Exp to Net Revenues		76.2%	67.0%	64.3%	75.4%	72.9%	72.4%	75.4%	73.3%	76.5%	0.0%	0.0%	0.0%	72.6%
27 % Prescription Exp to Net Revenues		12.2%	12.8%	12.2%	11.9%	13.1%	12.5%	13.5%	13.0%	12.6%	0.0%	0.0%	0.0%	12.6%
28 % Total Medical and Prescription to Net Rev. (MLR)		88.4%	79.8%	76.5%	87.4%	85.9%	85.0%	88.8%	86.3%	89.1%	0.0%	0.0%	0.0%	85.2%
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		3.6%	13.1%	16.6%	5.2%	7.0%	8.5%	4.0%	6.5%	3.5%	0.0%	0.0%	0.0%	7.6%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		9.3%	8.3%	8.2%	8.7%	8.3%	7.6%	8.4%	8.4%	8.6%	0.0%	0.0%	0.0%	8.4%
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.