

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name: Amerigroup / Wellpoint	Program: CHIP
State Fiscal Year: 2018	Service Area: Bexar/San Antonio
Submission Date: 10/8/2019	Rptg Period End Date: 8/31/2018
Submission Type: Yr-End 334-Day	

Part 1: **Summary Income Statement**

HHSC Managed Care contract costs	Incurred Months:	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	YTD
1 Member Months		1,171	1,196	1,161	1,163	1,175	1,164	1,177	1,196	1,187	1,176	1,140	1,109	14,015
2 Average Monthly Member Months														1,168
Revenues:														
3 Medical Premiums		115,162	117,206	114,727	119,136	131,096	134,233	134,709	137,175	135,513	137,999	133,571	131,487	1,542,014
4 Delivery Supplemental Payments		0	3,100	0	3,100	0	0	0	0	0	0	0	0	6,200
5 Pharmacy Premiums		35,914	36,867	35,528	35,791	37,039	36,694	37,122	38,124	38,403	38,232	37,190	35,760	442,664
6 Investment Income		1,128	1,141	1,122	1,151	1,170	1,354	1,388	1,501	1,190	1,085	1,262	1,323	14,815
7 Health Insurance Providers Fee Reimbursement		0	0	0	0	0	0	0	0	0	0	0	0	0
8 Other Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
9 Total Gross Revenues		152,204	158,314	151,377	159,178	169,305	172,281	173,219	176,800	175,106	177,316	172,023	168,570	2,005,693
10 Health Insurance Providers Fee & Related Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
11 Premium Taxes		2,644	1,375	1,315	1,383	1,471	1,496	1,504	1,534	1,522	1,542	1,494	1,463	18,742
12 Maintenance Taxes		76	78	75	76	76	76	77	78	77	76	74	72	911
13 Net Revenues		149,484	156,861	149,987	157,720	167,757	170,710	171,639	175,188	173,507	175,698	170,455	167,035	1,986,040
Medical Expenses:														
14 Fee-For-Service		89,539	84,750	79,329	83,416	96,407	88,080	100,644	87,380	95,266	102,206	98,056	103,051	1,108,125
15 Capitated Services		977	998	965	954	929	906	919	932	925	906	878	851	11,140
16 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
17 Net Reinsurance Cost		35	36	35	35	35	35	35	36	36	35	0	0	353
18 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
19 Quality Improvement		3,496	3,719	3,594	3,965	4,315	4,195	4,620	4,321	4,290	4,307	4,211	4,224	49,257
20 Total Medical Expenses		94,047	89,503	83,923	88,370	101,687	93,216	106,218	92,669	100,517	107,454	103,145	108,126	1,168,875
21 Prescription Expenses (excluding PBM Admin)		14,497	23,007	30,541	25,519	31,619	32,786	34,562	32,428	44,237	23,269	26,387	27,568	346,421
22 Total Medical and Prescription Expenses		108,544	112,510	114,464	113,889	133,306	126,002	140,780	125,097	144,754	130,723	129,532	135,694	1,515,296
23 Administrative Expenses		6,444	7,750	6,876	8,007	8,039	7,606	7,704	8,312	8,100	8,460	7,958	8,508	93,765
24 Total Expenses		114,989	120,260	121,340	121,896	141,345	133,608	148,485	133,408	152,854	139,183	137,491	144,202	1,609,061
25 Net Income Before Taxes		34,495	36,601	28,647	35,824	26,412	37,102	23,154	41,780	20,653	36,515	32,964	22,833	376,979
26 % Medical Exp to Net Revenues		62.9%	57.1%	56.0%	56.0%	60.6%	54.6%	61.9%	52.9%	57.9%	61.2%	60.5%	64.7%	58.9%
27 % Prescription Exp to Net Revenues		9.7%	14.7%	20.4%	16.2%	18.8%	19.2%	20.1%	18.5%	25.5%	13.2%	15.5%	16.5%	17.4%
28 % Total Medical and Prescription to Net Rev. (MLR)		72.6%	71.7%	76.3%	72.2%	79.5%	73.8%	82.0%	71.4%	83.4%	74.4%	76.0%	81.2%	76.3%
29 % Admin Exp to Net Revenues		4.3%	4.9%	4.6%	5.1%	4.8%	4.5%	4.5%	4.7%	4.7%	4.8%	4.7%	5.1%	4.7%
30 % Net Income to Net Revenues		23.1%	23.3%	19.1%	22.7%	15.7%	21.7%	13.5%	23.8%	11.9%	20.8%	19.3%	13.7%	19.0%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		5.7%	6.5%	6.0%	6.6%	6.1%	5.7%	5.7%	6.1%	6.0%	6.2%	6.0%	6.5%	6.1%
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.

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.