

**HHSC FINANCIAL STATISTICAL REPORT (FSR)**

MCO name: <b>Christus</b>	Program: <b>CHIP</b>
State Fiscal Year: <b>2018</b>	Service Area: <b>Corpus / Nueces</b>
Submission Date: <b>10/21/2019</b>	Rptg Period End Date: <b>1/31/2018</b>
Submission Type: <b>Yr-End 334-Day</b>	

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		488	518	514	516	290	0	0	0	0	0	0	0	2,326
2 <b>Average Monthly Member Months</b>														<b>465</b>
<b>Revenues:</b>														
3 Medical Premiums		63,278	65,608	66,054	62,599	33,282	0	0	0	0	0	0	0	290,821
4 Delivery Supplemental Payments		0	0	0	0	0	0	0	0	0	0	0	0	0
5 Pharmacy Premiums		16,569	17,401	17,317	17,111	9,544	0	0	0	0	0	0	0	77,942
6 Investment Income		53	52	55	56	35	0	0	0	0	0	0	0	250
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		79,900	83,061	83,426	79,766	42,861	0	0	0	0	0	0	0	369,013
10 Health Insurance Providers Fee & Related Costs		0												0
11 Premium Taxes		1,471	1,452	1,499	1,454	964	0	0	0	0	0	0	0	6,840
12 Maintenance Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
13 <b>Net Revenues</b>		<b>78,429</b>	<b>81,609</b>	<b>81,927</b>	<b>78,312</b>	<b>41,897</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>362,174</b>
<b>Medical Expenses:</b>														
14 Fee-For-Service		30,120	48,254	31,098	36,308	27,956	0	0	0	0	0	0	0	173,735
15 Capitated Services		511	542	538	540	304	0	0	0	0	0	0	0	2,436
16 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
17 Net Reinsurance Cost		215	228	226	227	128	0	0	0	0	0	0	0	1,023
18 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
19 Quality Improvement		392	464	293	589	974	0	0	0	0	0	0	0	2,712
20 Total Medical Expenses		31,238	49,488	32,155	37,664	29,361	0	0	0	0	0	0	0	179,906
21 Prescription Expenses (excluding PBM Admin)		13,226	10,036	15,956	13,418	17,272	0	0	0	0	0	0	0	69,907
22 <b>Total Medical and Prescription Expenses</b>		<b>44,464</b>	<b>59,524</b>	<b>48,111</b>	<b>51,082</b>	<b>46,633</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>249,813</b>
23 <b>Administrative Expenses</b>		<b>9,328</b>	<b>8,565</b>	<b>7,347</b>	<b>8,091</b>	<b>3,194</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>36,524</b>
24 <b>Total Expenses</b>		<b>53,792</b>	<b>68,089</b>	<b>55,457</b>	<b>59,172</b>	<b>49,827</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>286,337</b>
25 <b>Net Income Before Taxes</b>		<b>24,637</b>	<b>13,520</b>	<b>26,470</b>	<b>19,140</b>	<b>(7,930)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>75,837</b>
26 % Medical Exp to Net Revenues		39.8%	60.6%	39.2%	48.1%	70.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	49.7%
27 % Prescription Exp to Net Revenues		16.9%	12.3%	19.5%	17.1%	41.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	19.3%
28 % Total Medical and Prescription to Net Rev. (MLR)		56.7%	72.9%	58.7%	65.2%	111.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	69.0%
29 % Admin Exp to Net Revenues		11.9%	10.5%	9.0%	10.3%	7.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10.1%
30 <b>% Net Income to Net Revenues</b>		<b>31.4%</b>	<b>16.6%</b>	<b>32.3%</b>	<b>24.4%</b>	<b>-18.9%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>20.9%</b>
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		15.1%	13.3%	11.4%	13.2%	9.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	12.9%
<b>Post-income items:</b>														
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.

## 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.