

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name: Molina Healthcare	Program: CHIP
State Fiscal Year: 2018	Service Area: Jefferson
Submission Date: 9/3/2019	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		305	319	326	346	367	381	364	347	354	349	350	338	4,146
2 Average Monthly Member Months														346
Revenues:														
3 Medical Premiums		44,565	45,825	44,742	48,805	57,131	60,437	59,021	56,162	59,833	63,492	63,797	58,339	662,149
4 Delivery Supplemental Payments		0	0	0	0	0	0	0	0	0	0	0	3,100	3,100
5 Pharmacy Premiums		11,015	11,517	11,546	12,385	13,711	14,186	13,661	13,021	13,670	13,989	13,973	13,054	155,728
6 Investment Income		148	199	195	272	239	293	354	346	448	450	539	533	4,014
7 Health Insurance Providers Fee Reimbursement		18,075												18,075
8 Other Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
9 Total Gross Revenues		73,803	57,541	56,483	61,462	71,081	74,916	73,036	69,529	73,951	77,931	78,309	75,026	843,065
10 Health Insurance Providers Fee & Related Costs		17,758												17,758
11 Premium Taxes		1,289	1,004	985	1,071	1,240	1,306	1,272	1,211	1,286	1,356	1,361	1,304	14,683
12 Maintenance Taxes		18	19	20	21	22	23	22	21	21	21	21	20	249
13 Net Revenues		54,737	56,518	55,478	60,370	69,819	73,587	71,742	68,297	72,643	76,554	76,927	73,702	810,378
Medical Expenses:														
14 Fee-For-Service		30,607	33,392	24,197	23,264	34,241	34,085	65,488	55,496	31,894	49,625	40,513	34,056	456,859
15 Capitated Services		0	0	0	0	0	0	0	0	0	0	0	0	0
16 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
17 Net Reinsurance Cost		35	37	38	40	35	36	34	33	33	31	31	31	414
18 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
19 Quality Improvement		6,489	6,358	5,619	8,225	7,871	6,870	9,256	7,669	8,379	8,316	10,776	8,229	94,058
20 Total Medical Expenses		37,131	39,787	29,855	31,530	42,147	40,991	74,778	63,198	40,305	57,973	51,320	42,316	551,331
21 Prescription Expenses (excluding PBM Admin)		5,933	7,955	10,019	8,468	13,723	6,306	8,269	8,745	10,497	9,110	8,737	6,797	104,557
22 Total Medical and Prescription Expenses		43,064	47,742	39,874	39,998	55,870	47,297	83,047	71,943	50,802	67,083	60,057	49,113	655,888
23 Administrative Expenses		6,278	3,495	4,118	4,468	4,793	5,414	6,896	4,311	5,277	4,979	4,403	5,018	59,450
24 Total Expenses		49,342	51,237	43,991	44,466	60,663	52,711	89,943	76,253	56,079	72,062	64,459	54,131	715,337
25 Net Income Before Taxes		5,395	5,281	11,487	15,904	9,156	20,876	(18,201)	(7,956)	16,564	4,492	12,468	19,571	95,041
26 % Medical Exp to Net Revenues		67.8%	70.4%	53.8%	52.2%	60.4%	55.7%	104.2%	92.5%	55.5%	75.7%	66.7%	57.4%	68.0%
27 % Prescription Exp to Net Revenues		10.8%	14.1%	18.1%	14.0%	19.7%	8.6%	11.5%	12.8%	14.4%	11.9%	11.4%	9.2%	12.9%
28 % Total Medical and Prescription to Net Rev. (MLR)		78.7%	84.5%	71.9%	66.3%	80.0%	64.3%	115.8%	105.3%	69.9%	87.6%	78.1%	66.6%	80.9%
29 % Admin Exp to Net Revenues		11.5%	6.2%	7.4%	7.4%	6.9%	7.4%	9.6%	6.3%	7.3%	6.5%	5.7%	6.8%	7.3%
30 % Net Income to Net Revenues		9.9%	9.3%	20.7%	26.3%	13.1%	28.4%	-25.4%	-11.6%	22.8%	5.9%	16.2%	26.6%	11.7%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		14.4%	7.8%	9.4%	9.3%	8.5%	9.1%	11.9%	7.8%	8.9%	8.0%	7.0%	8.3%	9.1%
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.