

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name:	Parkland Health Plan / Dallas Cnty Hosp Distr
State Fiscal Year:	2018
Submission Date:	8/30/2019
Submission Type:	Yr-End 334-Day
Program:	CHIP
Service Area:	Dallas
Rptg Period End Date:	8/31/2018

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		28,590	28,576	28,750	28,624	28,269	28,168	28,308	27,771	27,699	27,295	26,982	26,835	335,867
2 Average Monthly Member Months														27,989
Revenues:														
3 Medical Premiums		3,605,984	3,585,883	3,561,264	3,489,675	3,413,773	3,376,006	3,401,270	3,353,914	3,355,665	3,311,919	3,269,083	3,250,240	40,974,676
4 Delivery Supplemental Payments		3,100	6,200	6,200	3,100	3,100	6,200	6,200	12,400	12,400	12,400	0	6,200	77,500
5 Pharmacy Premiums		774,570	773,290	777,194	774,723	765,276	763,129	767,385	751,797	749,919	738,538	729,591	726,277	9,091,689
6 Investment Income		15,270	14,793	15,119	16,577	15,302	15,190	15,219	15,494	17,298	17,379	18,980	19,584	196,205
7 Health Insurance Providers Fee Reimbursement														0
8 Other Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
9 Total Gross Revenues		4,398,924	4,380,166	4,359,777	4,284,075	4,197,451	4,160,525	4,190,074	4,133,605	4,135,282	4,080,236	4,017,654	4,002,301	50,340,070
10 Health Insurance Providers Fee & Related Costs														0
11 Premium Taxes		76,908	75,612	77,472	75,631	73,164	73,935	71,838	71,781	72,512	70,985	70,466	69,332	879,636
12 Maintenance Taxes		4,816	0	0	4,937	0	0	5,063	0	0	4,972	0	0	19,788
13 Net Revenues		4,317,200	4,304,554	4,282,305	4,203,507	4,124,287	4,086,590	4,113,173	4,061,824	4,062,770	4,004,279	3,947,188	3,932,969	49,440,646
Medical Expenses:														
14 Fee-For-Service		3,777,860	4,068,879	3,891,340	3,721,700	3,763,284	3,305,104	3,595,798	3,846,913	3,423,642	3,512,840	3,456,481	3,602,420	43,966,260
15 Capitated Services		25,992	26,101	24,632	25,828	28,670	27,445	15,212	22,142	22,040	21,703	21,473	35,037	296,276
16 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
17 Net Reinsurance Cost		0	0	0	0	0	0	0	0	0	0	0	0	0
18 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
19 Quality Improvement		66,186	67,986	66,804	68,932	70,798	78,003	76,224	74,372	73,136	69,673	69,789	70,984	852,887
20 Total Medical Expenses		3,870,038	4,162,966	3,982,776	3,816,460	3,862,752	3,410,552	3,687,234	3,943,427	3,518,818	3,604,216	3,547,743	3,708,441	45,115,423
21 Prescription Expenses (excluding PBM Admin)		588,931	630,489	620,387	694,065	848,754	773,052	627,870	597,560	625,304	521,627	631,426	648,051	7,807,515
22 Total Medical and Prescription Expenses		4,458,969	4,793,455	4,603,163	4,510,525	4,711,506	4,183,604	4,315,104	4,540,987	4,144,122	4,125,843	4,179,169	4,356,492	52,922,938
23 Administrative Expenses		352,444	376,099	354,021	339,684	334,979	319,656	304,718	302,155	293,265	294,095	298,125	295,306	3,864,547
24 Total Expenses		4,811,413	5,169,553	4,957,183	4,850,210	5,046,485	4,503,259	4,619,822	4,843,142	4,437,387	4,419,939	4,477,294	4,651,798	56,787,485
25 Net Income Before Taxes		(494,213)	(864,999)	(674,878)	(646,703)	(922,198)	(416,669)	(506,649)	(781,318)	(374,617)	(415,660)	(530,106)	(718,829)	(7,346,839)
26 % Medical Exp to Net Revenues		89.6%	96.7%	93.0%	90.8%	93.7%	83.5%	89.6%	97.1%	86.6%	90.0%	89.9%	94.3%	91.3%
27 % Prescription Exp to Net Revenues		13.6%	14.6%	14.5%	16.5%	20.6%	18.9%	15.3%	14.7%	15.4%	13.0%	16.0%	16.5%	15.8%
28 % Total Medical and Prescription to Net Rev. (MLR)		103.3%	111.4%	107.5%	107.3%	114.2%	102.4%	104.9%	111.8%	102.0%	103.0%	105.9%	110.8%	107.0%
29 % Admin Exp to Net Revenues		8.2%	8.7%	8.3%	8.1%	8.1%	7.8%	7.4%	7.4%	7.2%	7.3%	7.6%	7.5%	7.8%
30 % Net Income to Net Revenues		-11.4%	-20.1%	-15.8%	-15.4%	-22.4%	-10.2%	-12.3%	-19.2%	-9.2%	-10.4%	-13.4%	-18.3%	-14.9%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		9.9%	10.7%	10.1%	9.9%	10.0%	9.6%	9.1%	9.1%	8.9%	9.0%	9.3%	9.2%	9.6%
Post-income items:														
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.