

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name: Superior / Bankers / Centene	Program: CHIP
State Fiscal Year: 2018	Service Area: Bexar/San Antonio
Submission Date: 8/30/2019	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		10,737	10,627	10,758	10,724	10,829	10,863	10,913	10,951	11,037	11,004	10,904	10,841	130,188
2 Average Monthly Member Months														10,849
Revenues:														
3 Medical Premiums		1,213,280	1,196,913	1,206,046	1,196,910	1,201,989	1,200,023	1,212,559	1,218,176	1,234,838	1,235,650	1,225,292	1,216,833	14,558,509
4 Delivery Supplemental Payments		0	0	9,300	12,400	6,200	3,100	9,300	3,100	0	0	3,100	3,100	49,600
5 Pharmacy Premiums		316,277	312,031	315,310	313,307	316,602	317,193	319,548	319,594	322,041	321,130	318,104	315,924	3,807,061
6 Investment Income		10,723	10,337	11,451	20,290	13,338	14,167	15,650	14,940	15,571	19,198	17,471	16,180	179,315
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		1,540,280	1,519,281	1,542,107	1,542,907	1,538,129	1,534,483	1,557,057	1,555,810	1,572,450	1,575,978	1,563,967	1,552,037	18,594,485
10 Health Insurance Providers Fee & Related Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
11 Premium Taxes		26,767	26,407	26,786	26,646	26,684	26,606	26,975	26,965	27,245	27,244	27,064	26,877	322,265
12 Maintenance Taxes		644	638	645	643	650	652	655	657	662	660	654	650	7,811
13 Net Revenues		1,512,869	1,492,237	1,514,675	1,515,618	1,510,795	1,507,226	1,529,428	1,528,188	1,544,542	1,548,074	1,536,249	1,524,509	18,264,409
Medical Expenses:														
14 Fee-For-Service		752,767	808,366	883,652	1,098,691	994,975	849,450	913,058	744,945	781,886	815,616	792,745	931,463	10,367,615
15 Capitated Services		31,980	31,691	32,129	32,081	29,039	29,183	29,258	29,365	29,543	29,425	29,151	28,998	361,843
16 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
17 Net Reinsurance Cost		429	425	430	429	433	435	437	438	441	440	436	434	5,208
18 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
19 Quality Improvement		11,941	12,012	12,310	14,165	13,200	13,670	13,903	13,720	13,688	15,633	13,880	13,907	162,029
20 Total Medical Expenses		797,118	852,494	928,522	1,145,366	1,037,647	892,738	956,656	788,468	825,558	861,114	836,212	974,802	10,896,695
21 Prescription Expenses (excluding PBM Admin)		270,096	292,608	293,999	284,485	341,570	275,218	262,431	264,910	230,166	215,742	217,049	342,137	3,290,412
22 Total Medical and Prescription Expenses		1,067,214	1,145,102	1,222,521	1,429,851	1,379,217	1,167,956	1,219,087	1,053,378	1,055,724	1,076,856	1,053,261	1,316,939	14,187,107
23 Administrative Expenses		83,167	88,339	90,944	78,992	89,638	82,858	85,753	86,009	93,727	74,912	92,318	96,979	1,043,636
24 Total Expenses		1,150,381	1,233,441	1,313,464	1,508,844	1,468,855	1,250,814	1,304,840	1,139,388	1,149,451	1,151,768	1,145,580	1,413,918	15,230,744
25 Net Income Before Taxes		362,488	258,796	201,211	6,774	41,940	256,412	224,588	388,800	395,091	396,306	390,669	110,591	3,033,665
26 % Medical Exp to Net Revenues		52.7%	57.1%	61.3%	75.6%	68.7%	59.2%	62.5%	51.6%	53.5%	55.6%	54.4%	63.9%	59.7%
27 % Prescription Exp to Net Revenues		17.9%	19.6%	19.4%	18.8%	22.6%	18.3%	17.2%	17.3%	14.9%	13.9%	14.1%	22.4%	18.0%
28 % Total Medical and Prescription to Net Rev. (MLR)		70.5%	76.7%	80.7%	94.3%	91.3%	77.5%	79.7%	68.9%	68.4%	69.6%	68.6%	86.4%	77.7%
29 % Admin Exp to Net Revenues		5.5%	5.9%	6.0%	5.2%	5.9%	5.5%	5.6%	5.6%	6.1%	4.8%	6.0%	6.4%	5.7%
30 % Net Income to Net Revenues		24.0%	17.3%	13.3%	0.4%	2.8%	17.0%	14.7%	25.4%	25.6%	25.6%	25.4%	7.3%	16.6%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		7.0%	7.5%	7.6%	6.6%	7.5%	7.0%	7.1%	7.1%	7.7%	6.1%	7.6%	8.0%	7.2%

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.