

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name:	Superior / Bankers / Centene	Program:	CHIP
State Fiscal Year:	2018	Service Area:	El Paso
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		4,830	4,870	4,927	4,900	4,964	5,046	5,140	5,047	5,048	4,958	4,978	4,924	59,632
2 Average Monthly Member Months														4,969
Revenues:														
3 Medical Premiums		407,774	411,915	415,523	412,624	419,030	422,782	427,633	416,963	418,945	412,793	415,610	412,308	4,993,900
4 Delivery Supplemental Payments		0	0	6,200	3,100	0	0	0	0	0	0	0	3,100	12,400
5 Pharmacy Premiums		122,233	123,296	124,110	123,489	125,354	126,722	128,318	125,315	125,071	123,018	123,907	122,707	1,493,540
6 Investment Income		4,824	4,737	5,244	9,271	6,114	6,581	7,371	6,886	7,122	8,650	7,976	7,349	82,124
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		534,831	539,948	551,077	548,484	550,498	556,085	563,322	549,164	551,138	544,461	547,493	545,464	6,581,964
10 Health Insurance Providers Fee & Related Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
11 Premium Taxes		9,275	9,366	9,552	9,436	9,527	9,616	9,729	9,490	9,520	9,377	9,442	9,417	113,747
12 Maintenance Taxes		290	292	296	294	298	303	308	303	303	297	299	295	3,578
13 Net Revenues		525,266	530,290	541,229	538,754	540,673	546,166	553,284	539,371	541,315	534,787	537,753	535,752	6,464,640
Medical Expenses:														
14 Fee-For-Service		312,171	278,210	277,148	272,240	368,032	327,280	320,945	272,467	284,595	308,189	290,413	344,861	3,656,550
15 Capitated Services		14,529	14,644	14,833	14,749	13,373	13,626	13,916	13,692	13,693	13,438	13,480	13,324	167,298
16 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
17 Net Reinsurance Cost		193	195	197	196	199	202	206	202	202	198	199	197	2,385
18 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
19 Quality Improvement		4,146	4,269	4,399	5,036	4,724	4,954	5,030	4,843	4,797	5,401	4,859	4,888	57,346
20 Total Medical Expenses		331,039	297,318	296,577	292,221	386,328	346,062	340,096	291,204	303,287	327,226	308,951	363,270	3,883,579
21 Prescription Expenses (excluding PBM Admin)		285,420	111,991	87,839	315,766	298,593	335,877	438,578	575,155	294,873	101,618	111,728	139,060	3,096,497
22 Total Medical and Prescription Expenses		616,459	409,309	384,416	607,987	684,921	681,939	778,674	866,359	598,160	428,844	420,679	502,330	6,980,076
23 Administrative Expenses		28,878	31,395	32,499	28,081	32,082	30,027	31,024	30,359	32,851	25,880	32,318	34,083	369,477
24 Total Expenses		645,337	440,705	416,915	636,067	717,002	711,966	809,698	896,718	631,011	454,724	452,997	536,413	7,349,553
25 Net Income Before Taxes		(120,071)	89,585	124,314	(97,313)	(176,329)	(165,800)	(256,414)	(357,347)	(89,696)	80,063	84,756	(661)	(884,913)
26 % Medical Exp to Net Revenues		63.0%	56.1%	54.8%	54.2%	71.5%	63.4%	61.5%	54.0%	56.0%	61.2%	57.5%	67.8%	60.1%
27 % Prescription Exp to Net Revenues		54.3%	21.1%	16.2%	58.6%	55.2%	61.5%	79.3%	106.6%	54.5%	19.0%	20.8%	26.0%	47.9%
28 % Total Medical and Prescription to Net Rev. (MLR)		117.4%	77.2%	71.0%	112.9%	126.7%	124.9%	140.7%	160.6%	110.5%	80.2%	78.2%	93.8%	108.0%
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		-22.9%	16.9%	23.0%	-18.1%	-32.6%	-30.4%	-46.3%	-66.3%	-16.6%	15.0%	15.8%	-0.1%	-13.7%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		7.2%	7.7%	7.8%	6.8%	7.7%	7.2%	7.3%	7.3%	7.9%	6.3%	7.8%	8.3%	7.4%
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.