

MMP name: Amerigroup / WellPoint / Anthem
State Fiscal Year: 2018
Submission Date: 9/23/2019
Submission Type: Yr-End 334-Day

Program: MMP Dual Demo - Integrated Care Program (STAR+PLUS+Medicare)
County: El Paso County
Rptg Period End Date: 8/31/2018

Texas Financial Alignment Demonstration

MMP self-reported data, subject to audit

template version 2.0

Part 1: Summary Income Statement

Table with columns for Incurred Months (Sep-17 to Aug-18) and SFY YTD. Rows include Member Months, Revenues (CMS Medicare Premiums, Medicaid Premiums, Investment Income, Net Revenues), and Expenses (Medicare Expenses, Medicaid Expenses, Total Medical & Prescription Expenses, Administrative Expenses, Total Net Income Before Taxes, Net Income EXCL Medicare Rx).

MMP name: **Amerigroup / WellPoint / Anthem**
 State Fiscal Year: **2018** Program: **MMP Dual Demo - Integrated Care Program (STAR+PLUS+Medicare)**
 Submission Date: **9/23/2019** County: **El Paso County**
 Submission Type: **Yr-End 334-Day** Rptg Period End Date: **8/31/2018**

MMP self-reported data, subject to audit
 Texas Financial Alignment Demonstration
 template version 2.0

Part 1: **Summary Income Statement**

| Key Ratios: | Incurred Months: | Managed Care contract revenues & costs | | | | | | | | | | | | SFY YTD |
|--|------------------|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|------------|
| | | Sep-17 | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 | Apr-18 | May-18 | Jun-18 | Jul-18 | Aug-18 | |
| 46 % total Medical Exp to Net Revenues | 77.9% | 79.0% | 74.4% | 73.8% | 87.4% | 78.1% | 84.9% | 84.7% | 88.4% | 82.5% | 84.9% | 118.5% | 83.7% | |
| 47 % total Prescription Exp to Net Revenues | 9.4% | 9.8% | 11.0% | 11.2% | 4.9% | 6.9% | 11.6% | 8.4% | 8.2% | 9.5% | 11.0% | 14.0% | 9.5% | |
| 48 % Total Medical & Rx to Net Rev. (MLR) | 87.3% | 88.8% | 85.4% | 85.0% | 92.3% | 85.0% | 96.4% | 93.0% | 96.6% | 92.1% | 95.9% | 132.5% | 93.2% | |
| 49 % Admin Exp to Net Revenues | 6.0% | 6.8% | 6.4% | 6.9% | 9.1% | 8.5% | 9.7% | 9.3% | 10.0% | 9.4% | 10.7% | 12.9% | 8.7% | |
| 50 % Total Net Income to Net Revenues | 6.7% | 4.4% | 8.2% | 8.1% | -1.4% | 6.5% | -6.1% | -2.3% | -6.7% | -1.5% | -6.6% | -45.4% | -1.9% | |
| 51 % Adj. Admin to Adj. Net Revenues (excludes Taxes & Prescription pass-through) | 6.2% | 7.3% | 6.9% | 7.4% | 9.8% | 9.2% | 10.5% | 9.7% | 10.8% | 10.1% | 11.5% | 14.3% | 9.3% | |
| 52 % Net Income EXCL Medicare Rx | 8.1% | 5.7% | 11.3% | 11.3% | -5.5% | 5.2% | -3.5% | -2.5% | -7.7% | -0.6% | -4.6% | -48.6% | -1.4% | |
| Memo: QWP withholdings and recoupments | | | | | | | | | | | | | | |
| 53 Total Medicare Capitation Withheld | 64,539 | 62,362 | 62,338 | 59,998 | 98,389 | 96,218 | 95,301 | 96,979 | 93,799 | 91,432 | 90,572 | 90,524 | 1,002,450 | |
| 54 Total Medicaid Capitation Withheld | 49,619 | 48,298 | 48,276 | 47,579 | 73,842 | 72,762 | 72,003 | 73,276 | 73,118 | 71,711 | 70,422 | 40,609 | 741,515 | |
| 55 Medicare Payments against Withholding | | | | | | | | | | | | 0 | 0 | |
| 56 Medicaid Payments against Withholding | | | | | | | | | | | | 0 | 0 | |
| 57 Net Amount Not Received by MMP | 114,158 | 110,660 | 110,614 | 107,577 | 172,231 | 168,980 | 167,304 | 170,255 | 166,917 | 163,143 | 160,994 | 131,133 | 1,743,965 | |
| Additional memo items: | | | | | | | | | | | | | | |
| 58 total Net Revenues (from Line 21) | 6,288,503 | 6,101,752 | 6,096,526 | 5,931,814 | 6,182,877 | 6,069,002 | 6,017,268 | 6,096,081 | 6,005,902 | 5,878,114 | 5,796,898 | 4,321,827 | 70,786,564 | |
| 59 Medicare portion (incls interest income) | 3,822,688 | 3,702,795 | 3,699,110 | 3,568,804 | 3,841,808 | 3,762,556 | 3,727,837 | 3,791,765 | 3,674,673 | 3,584,209 | 3,550,175 | 3,256,545 | 43,982,966 | |
| 60 Medicaid portion (excls Prem tax; incls interest inc) | 2,465,814 | 2,398,956 | 2,397,416 | 2,363,009 | 2,341,068 | 2,306,446 | 2,289,431 | 2,304,316 | 2,331,228 | 2,293,906 | 2,246,723 | 1,065,282 | 26,803,596 | |
| 61 add-check | 0 | 0 | 0 | 0 | 0 | (0) | 0 | 0 | 0 | (0) | (0) | 0 | 2 | |
| 62 total Net Income (from Line 43) | 420,286 | 265,617 | 500,481 | 482,956 | (86,931) | 392,112 | (368,170) | (142,899) | (399,962) | (87,264) | (380,645) | (1,961,992) | (1,366,411) | |
| 63 Medicare portion | 364,747 | 433,731 | 487,279 | 536,506 | 223,639 | 433,856 | (100,613) | 191,212 | 26,117 | 194,896 | 70,508 | (392,065) | 2,469,813 | |
| 64 Medicaid portion | 55,538 | (168,115) | 13,201 | (53,551) | (310,570) | (41,744) | (267,558) | (334,111) | (426,080) | (282,159) | (451,153) | (1,569,926) | (3,836,227) | |
| 65 add-check | 1 | 1 | 1 | 0 | (0) | 0 | 0 | 0 | 0 | (1) | (0) | 0 | 3 | |

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). With each new FSR submission, all prior quarters' data must be updated to reflect, in the column pertaining to the appropriate past month, the most recent revised IBNR estimates, the most recent Medicare capitation premium adjustments, and the most recent Medicare and Medicaid payment file data.

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.