

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: **Harris County (Houston)**
 Submission Type: **Yr-End 334-Day** 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**

Managed Care contract revenues & 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 (per Medicaid)		5,256	5,197	5,070	4,967	5,257	5,152	5,088	5,105	4,993	4,879	4,815	4,917	60,696
2 additional / (fewer) Mbr-Mos in Medicare		(31)	(40)	(30)	(21)	(24)	(26)	(27)	(26)	(23)	(24)	(28)	(147)	(447)
3 Average Monthly Member Months														5,058
Revenues:														
<i>CMS Medicare Premiums:</i>														
4 Monthly Capitation Received - Medical		6,931,542	6,773,178	6,505,410	6,337,183	6,982,848	6,760,884	6,613,895	6,551,753	6,337,069	6,120,707	5,972,577	5,991,906	77,878,951
5 Monthly Capitation Withheld - Medical		141,460	138,228	132,763	129,330	215,964	209,099	204,554	202,631	195,992	189,300	184,718	185,317	2,129,357
6 Gross Total (before withhold) - Medical		7,073,002	6,911,406	6,638,173	6,466,513	7,198,812	6,969,983	6,818,449	6,754,384	6,533,061	6,310,007	6,157,295	6,177,223	80,008,308
7 Gross Total (no withholding) - Pharmacy		1,099,442	1,084,791	1,057,629	1,036,749	1,056,379	1,031,970	1,018,576	1,019,679	996,566	973,410	958,301	956,579	12,290,071
8 Sub-total: Medicare Capitation		8,172,444	7,996,197	7,695,802	7,503,262	8,255,191	8,001,953	7,837,025	7,774,063	7,529,627	7,283,417	7,115,596	7,133,802	92,298,379
<i>Medicaid Premiums:</i>														
9 Monthly Capitation Received - Medical		4,364,421	4,323,017	4,224,045	4,148,709	4,480,588	4,357,403	4,301,200	4,304,546	4,121,899	3,977,647	3,926,067	2,160,752	48,690,293
10 Monthly Capitation Received - Pharmacy		20,566	20,326	19,822	19,415	19,901	19,527	19,306	19,364	18,989	18,586	18,367	2,312	216,481
11 Monthly Capitation Withheld - Medical		83,982	83,159	81,236	79,774	129,908	126,442	124,899	124,970	119,896	115,844	114,445	59,409	1,243,965
12 Monthly Capitation Withheld - Pharmacy		407	402	393	385	607	596	590	591	579	568	562	71	5,751
13 Gross Total (before withhold) - Medical		4,448,403	4,406,176	4,305,281	4,228,483	4,610,496	4,483,845	4,426,099	4,429,516	4,241,795	4,093,491	4,040,512	2,220,161	49,934,258
14 Gross Total (before withhold) - Pharmacy		20,973	20,728	20,215	19,800	20,508	20,123	19,896	19,955	19,568	19,154	18,929	2,383	222,232
15 Sub-total: Medicaid Capitation		4,469,376	4,426,904	4,325,496	4,248,283	4,631,004	4,503,968	4,445,995	4,449,471	4,261,363	4,112,645	4,059,441	2,222,544	50,156,490
16 Investment Income		91,383	89,437	87,929	82,528	89,851	92,277	87,485	101,293	86,230	77,325	81,274	71,649	1,038,662
17 Other Revenue													(897,227)	(897,227)
18 Total Gross Revenues		12,733,203	12,512,538	12,109,227	11,834,073	12,976,046	12,598,198	12,370,505	12,324,827	11,877,220	11,473,387	11,256,311	8,530,768	142,596,304
19 Premium Taxes (on Medicaid)		87,237	87,099	86,688	83,297	290,850	288,611	271,643	331,602	263,487	240,685	249,287	194,783	2,475,270
20 Maintenance Taxes		342	338	330	323	342	335	331	332	325	317	313	320	3,945
21 Net Revenues		12,645,624	12,425,101	12,022,210	11,750,453	12,684,854	12,309,252	12,098,532	11,992,893	11,613,409	11,232,385	11,006,711	8,335,665	140,117,088
Expenses:														
<i>Medicare Expenses:</i>														
22 Fee-For-Service		5,673,590	5,082,246	4,822,315	5,075,996	6,169,341	4,932,285	5,320,262	5,450,960	5,152,278	4,558,187	4,376,340	4,781,210	61,395,010
23 Capitated Services		142,993	218,058	155,118	182,053	159,170	114,205	66,130	130,394	127,956	96,740	156,045	208,977	1,757,839
24 Net Reinsurance cost		0	0	0	0	0	0	0	0	0	0	0	0	0
25 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
26 Other Medicare Medical Expenses		129,098	125,589	75,374	164,126	114,760	132,862	188,238	235,150	151,776	151,099	166,663	183,624	1,818,359
27 Total Medicare Medical Expenses		5,945,681	5,425,893	5,052,807	5,422,175	6,443,271	5,179,352	5,574,630	5,816,504	5,432,010	4,806,026	4,699,048	5,173,811	64,971,208
28 Medicare Gross Rx Exp (excl PBM Admin)		1,284,134	1,463,978	1,381,768	1,361,452	955,880	1,002,048	1,177,388	1,265,579	1,257,086	1,174,000	1,323,553	1,373,154	15,020,020
29 Medicare Rx Rebates		274,352	247,841	232,206	203,798	363,405	289,482	113,331	260,579	266,324	235,819	223,718	279,214	2,990,069
30 Sub-total: Medicare Medical & Rx Expenses		6,955,463	6,642,031	6,202,369	6,579,829	7,035,746	5,891,918	6,638,687	6,821,504	6,422,772	5,744,206	5,798,883	6,267,752	77,001,159
<i>Medicaid Expenses:</i>														
31 Fee-For-Service		3,144,815	3,307,347	3,159,616	3,196,483	3,538,132	3,061,112	3,413,220	3,366,993	3,293,575	3,064,784	3,190,396	3,342,792	39,079,265
32 Capitated Services		0	0	0	0	0	0	0	0	0	0	0	0	0
33 Net Reinsurance cost		0	0	0	0	0	0	0	0	0	0	0	0	0
34 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
35 Minimum Payment Amount Program (MPAP)		0	0	0	0	0	0	0	0	0	0	0	0	0
36 Quality Incentive Payment Program (QIPP):		221,001	211,079	227,599	111,091	251,517	254,807	239,995	244,360	227,510	222,283	218,857	216,977	2,647,076
37 Other Medicaid Medical Expenses		273,391	363,341	296,961	341,078	257,171	252,577	276,053	313,563	333,152	296,482	308,284	302,168	3,614,221
38 Total Medicaid Medical Expenses		3,639,207	3,881,767	3,684,176	3,648,652	4,046,820	3,568,496	3,929,268	3,924,916	3,854,237	3,583,549	3,717,537	3,861,937	45,340,562
39 Medicaid Prescription Exp (excl PBM Admin)		6,548	8,155	7,859	7,890	9,810	7,121	8,156	6,227	5,399	5,365	5,982	5,560	84,072
40 Sub-total: Medicaid Medical & Rx Expenses		3,645,755	3,889,922	3,692,035	3,656,542	4,056,630	3,575,617	3,937,424	3,931,143	3,859,636	3,588,914	3,723,519	3,867,497	45,424,634
41 Total Medical & Prescription Expenses		10,601,219	10,531,952	9,894,404	10,236,370	11,092,376	9,467,535	10,576,111	10,752,648	10,282,408	9,333,120	9,522,401	10,135,249	122,425,793
42 Administrative Expenses		725,424	799,677	749,698	788,024	1,087,786	997,743	1,120,941	1,091,604	1,160,879	1,064,754	1,195,516	1,069,140	11,851,184
43 Total Expenses		11,326,642	11,331,630	10,644,102	11,024,394	12,180,162	10,465,277	11,697,052	11,844,251	11,443,287	10,397,874	10,717,918	11,204,389	134,276,978
44 Total Net Income Before Taxes		1,318,982	1,093,471	1,378,108	726,059	504,692	1,843,975	401,480	148,642	170,122	834,511	288,793	(2,868,724)	5,840,110
45 Net Income EXCL Medicare Rx		1,272,395	1,245,920	1,489,573	867,459	63,180	1,542,707	463,545	181,887	185,916	816,916	450,708	(2,711,879)	5,868,327

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Part 1: **Summary Income Statement**

	Managed Care contract revenues & costs												SFY	
	Incurring 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
<i>Key Ratios:</i>														
46 % total Medical Exp to Net Revenues	75.8%	74.9%	72.7%	77.2%	82.7%	71.1%	78.6%	81.2%	80.0%	74.7%	76.5%	108.4%	78.7%	
47 % total Prescription Exp to Net Revenues	8.0%	9.9%	9.6%	9.9%	4.7%	5.8%	8.9%	8.4%	8.6%	8.4%	10.0%	13.2%	8.6%	
48 % Total Medical & Rx to Net Rev. (MLR)	83.8%	84.8%	82.3%	87.1%	87.4%	76.9%	87.4%	89.7%	88.5%	83.1%	86.5%	121.6%	87.4%	
49 % Admin Exp to Net Revenues	5.7%	6.4%	6.2%	6.7%	8.6%	8.1%	9.3%	9.1%	10.0%	9.5%	10.9%	12.8%	8.5%	
50 % Total Net Income to Net Revenues	10.4%	8.8%	11.5%	6.2%	4.0%	15.0%	3.3%	1.2%	1.5%	7.4%	2.6%	-34.4%	4.2%	
51 % Adj. Admin to Adj. Net Revenues (excludes Taxes & Prescription pass-through)	5.9%	6.9%	6.7%	7.2%	9.2%	8.7%	10.0%	9.5%	10.7%	10.2%	11.7%	14.2%	9.1%	
52 % Net Income EXCL Medicare Rx	11.0%	11.0%	13.6%	8.1%	0.5%	13.7%	4.2%	1.7%	1.8%	8.0%	4.5%	-36.8%	4.6%	
<i>Memo: QWP withholdings and recoupments</i>														
53 Total Medicare Capitation Withheld	141,460	138,228	132,763	129,330	215,964	209,099	204,554	202,631	195,992	189,300	184,718	185,317	2,129,357	
54 Total Medicaid Capitation Withheld	84,390	83,561	81,629	80,159	130,515	127,038	125,489	125,562	120,475	116,412	115,007	59,480	1,249,716	
55 Medicare Payments against Withholding												0	0	
56 Medicaid Payments against Withholding												0	0	
57 Net Amount Not Received by MMP	225,849	221,790	214,392	209,489	346,479	336,137	330,043	328,193	316,467	305,712	299,725	244,797	3,379,073	
<i>Additional memo items:</i>														
58 total Net Revenues (from Line 21)	12,645,624	12,425,101	12,022,210	11,750,453	12,684,854	12,309,252	12,098,532	11,992,893	11,613,409	11,232,385	11,006,711	8,335,665	140,117,088	
59 Medicare portion (incls interest income)	8,228,673	8,051,228	7,749,906	7,554,042	8,310,477	8,058,732	7,890,855	7,836,389	7,582,685	7,330,995	7,165,604	6,625,818	92,385,405	
60 Medicaid portion (excls Prem tax; incls interest inc)	4,416,952	4,373,873	4,272,304	4,196,411	4,374,377	4,250,520	4,207,677	4,156,504	4,030,724	3,901,389	3,841,106	1,709,847	47,731,684	
61 add-check	0	0	(0)	(0)	(0)	(0)	(0)	0	(0)	0	(0)	(0)	(1)	
62 total Net Income (from Line 43)	1,318,982	1,093,471	1,378,108	726,059	504,692	1,843,975	401,480	148,642	170,122	834,511	288,793	(2,868,724)	5,840,110	
63 Medicare portion	828,389	929,601	1,098,017	501,729	624,919	1,571,771	585,197	352,414	467,375	952,482	654,279	(279,577)	8,286,596	
64 Medicaid portion	490,593	163,870	280,091	224,331	(120,227)	272,204	(183,717)	(203,773)	(297,253)	(117,971)	(365,486)	(2,589,146)	(2,446,485)	
65 add-check	1	(0)	0	(1)	(0)	0	(1)	1	(0)	(0)	(0)	0	(1)	

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.