

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: **Tarrant County (Ft. Worth)**
 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	SFY YTD
1 Member Months (per Medicaid)		4,119	4,030	3,949	3,866	4,296	4,233	4,162	4,200	4,133	4,056	4,025	4,124	49,193
2 additional / (fewer) Mbr-Mos in Medicare		(58)	(51)	(51)	(27)	(54)	(65)	(75)	(69)	(81)	(79)	(77)	(170)	(857)
3 Average Monthly Member Months														4,099
Revenues:														
<i>CMS Medicare Premiums:</i>														
4 Monthly Capitation Received - Medical		5,623,756	5,389,115	5,206,100	5,097,037	6,031,441	5,824,122	5,629,297	5,689,869	5,564,372	5,404,923	5,317,771	5,347,222	66,125,026
5 Monthly Capitation Withheld - Medical		114,770	109,982	106,247	104,021	186,540	180,127	174,102	175,976	172,094	167,163	164,467	165,378	1,820,866
6 Gross Total (before withhold) - Medical		5,738,526	5,499,097	5,312,347	5,201,058	6,217,981	6,004,249	5,803,399	5,865,845	5,736,466	5,572,086	5,482,238	5,512,600	67,945,892
7 Gross Total (no withholding) - Pharmacy		896,980	876,899	857,081	842,702	900,312	882,796	865,560	873,978	857,542	838,356	829,724	832,713	10,354,643
8 Sub-total: Medicare Capitation		6,635,506	6,375,996	6,169,428	6,043,760	7,118,293	6,887,045	6,668,959	6,739,823	6,594,008	6,410,442	6,311,962	6,345,313	78,300,535
<i>Medicaid Premiums:</i>														
9 Monthly Capitation Received - Medical		5,006,037	4,869,997	4,790,849	4,576,713	5,196,346	4,985,296	4,832,273	4,952,151	4,788,604	4,606,969	4,515,211	3,872,057	56,992,503
10 Monthly Capitation Received - Pharmacy		22,980	22,488	22,035	21,597	23,278	22,965	22,594	22,786	22,443	22,044	21,889	5,239	252,337
11 Monthly Capitation Withheld - Medical		92,111	89,623	88,184	84,403	144,395	138,779	134,579	137,810	133,477	128,604	126,205	105,728	1,403,898
12 Monthly Capitation Withheld - Pharmacy		479	468	459	449	714	703	692	698	687	675	670	162	6,857
13 Gross Total (before withhold) - Medical		5,098,148	4,959,620	4,879,033	4,661,116	5,340,741	5,124,075	4,966,852	5,089,961	4,922,081	4,735,573	4,641,416	3,977,785	58,396,401
14 Gross Total (before withhold) - Pharmacy		23,459	22,956	22,494	22,046	23,992	23,668	23,286	23,484	23,130	22,719	22,559	5,401	259,194
15 Sub-total: Medicaid Capitation		5,121,607	4,982,576	4,901,527	4,683,162	5,364,733	5,147,743	4,990,138	5,113,445	4,945,211	4,758,292	4,663,975	3,983,186	58,655,595
16 Investment Income		74,064	72,487	71,265	66,888	72,823	74,789	70,905	82,096	69,888	62,670	65,871	58,071	841,817
17 Other Revenue													(1,050,195)	(1,050,195)
18 Total Gross Revenues		11,831,177	11,431,059	11,142,220	10,793,810	12,555,849	12,109,577	11,730,002	11,935,364	11,609,107	11,231,404	11,041,808	9,336,375	136,747,752
19 Premium Taxes (on Medicaid)		70,704	70,592	70,259	67,511	235,729	233,914	220,161	268,758	213,551	195,071	202,043	157,868	2,006,161
20 Maintenance Taxes		268	262	257	251	279	275	271	273	269	264	262	268	3,198
21 Net Revenues		11,760,205	11,360,205	11,071,704	10,726,048	12,319,841	11,875,388	11,509,570	11,666,333	11,395,287	11,036,069	10,839,504	9,178,239	134,738,394
Expenses:														
<i>Medicare Expenses:</i>														
22 Fee-For-Service		4,562,056	4,405,339	4,236,443	3,893,063	5,432,022	4,574,237	4,384,244	4,788,789	4,717,075	3,827,228	3,709,965	4,319,118	52,849,579
23 Capitated Services		114,978	189,015	136,272	139,627	140,147	105,914	54,496	114,554	117,148	81,226	132,284	188,780	1,514,441
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		105,802	112,356	62,691	123,876	93,619	117,703	156,401	207,214	126,022	115,235	139,269	140,811	1,500,999
27 Total Medicare Medical Expenses		4,782,836	4,706,710	4,435,406	4,156,566	5,665,788	4,797,854	4,595,141	5,110,557	4,960,245	4,023,689	3,981,518	4,648,709	55,865,019
28 Medicare Gross Rx Exp (excl PBM Admin)		1,272,382	1,465,296	1,333,284	1,291,892	941,610	1,026,720	1,180,894	1,181,085	1,228,663	1,207,021	1,183,740	1,328,502	14,641,090
29 Medicare Rx Rebates		264,609	243,415	223,677	192,158	358,500	276,891	114,213	251,360	260,908	236,603	210,147	275,055	2,907,534
30 Sub-total: Medicare Medical & Rx Expenses		5,790,609	5,928,591	5,545,013	5,256,300	6,248,899	5,547,683	5,661,823	6,040,282	5,928,000	4,994,107	4,955,111	5,702,156	67,598,574
<i>Medicaid Expenses:</i>														
31 Fee-For-Service		3,562,880	3,689,839	3,489,229	3,498,344	4,064,526	3,467,567	3,865,542	3,816,988	3,807,934	3,549,445	3,675,809	3,688,731	44,176,834
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):		428,327	421,319	423,612	211,674	462,180	464,369	445,947	452,813	453,719	445,673	410,621	425,899	5,046,153
37 Other Medicaid Medical Expenses		242,796	279,107	253,284	269,920	229,559	208,242	221,938	269,331	332,350	250,547	256,927	241,972	3,055,973
38 Total Medicaid Medical Expenses		4,234,003	4,390,265	4,166,125	3,979,938	4,756,265	4,140,178	4,533,427	4,539,132	4,594,003	4,245,665	4,343,357	4,356,602	52,278,960
39 Medicaid Prescription Exp (excl PBM Admin)		3,798	4,260	3,910	4,002	5,764	5,011	4,508	4,678	4,948	4,723	3,980	4,481	54,062
40 Sub-total: Medicaid Medical & Rx Expenses		4,237,801	4,394,525	4,170,035	3,983,940	4,762,029	4,145,189	4,537,935	4,543,810	4,598,951	4,250,388	4,347,337	4,361,083	52,333,022
41 Total Medical & Prescription Expenses		10,028,410	10,323,116	9,715,048	9,240,240	11,010,928	9,692,872	10,199,758	10,584,092	10,526,951	9,244,495	9,302,448	10,063,239	119,931,596
42 Administrative Expenses		587,943	648,124	607,617	638,679	881,631	808,652	908,502	884,725	940,871	862,963	968,944	866,518	9,605,169
43 Total Expenses		10,616,353	10,971,240	10,322,664	9,878,918	11,892,559	10,501,524	11,108,260	11,468,817	11,467,823	10,107,458	10,271,392	10,929,758	129,536,766
44 Total Net Income Before Taxes		1,143,852	388,965	749,040	847,130	427,282	1,373,864	401,310	197,516	(72,536)	928,611	568,112	(1,751,519)	5,201,628
45 Net Income EXCL Medicare Rx		1,289,620	751,083	1,017,427	1,120,805	128,263	1,255,623	615,899	292,179	55,216	1,074,994	728,531	(1,514,965)	6,814,675

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	Incurring Months:	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	
<i>Key Ratios:</i>													
46 % total Medical Exp to Net Revenues	76.7%	80.1%	77.7%	75.9%	84.6%	75.3%	79.3%	82.7%	83.8%	74.9%	76.8%	98.1%	80.3%
47 % total Prescription Exp to Net Revenues	8.6%	10.8%	10.1%	10.3%	4.8%	6.4%	9.3%	8.0%	8.5%	8.8%	9.0%	11.5%	8.7%
48 % Total Medical & Rx to Net Rev. (MLR)	85.3%	90.9%	87.7%	86.1%	89.4%	81.6%	88.6%	90.7%	92.4%	83.8%	85.8%	109.6%	89.0%
49 % Admin Exp to Net Revenues	5.0%	5.7%	5.5%	6.0%	7.2%	6.8%	7.9%	7.6%	8.3%	7.8%	8.9%	9.4%	7.1%
50 % Total Net Income to Net Revenues	9.7%	3.4%	6.8%	7.9%	3.5%	11.6%	3.5%	1.7%	-0.6%	8.4%	5.2%	-19.1%	3.9%
51 % Adj. Admin to Adj. Net Revenues (excludes Taxes & Prescription pass-through)	5.1%	6.0%	5.8%	6.3%	7.6%	7.2%	8.4%	7.9%	8.8%	8.3%	9.5%	10.2%	7.5%
52 % Net Income EXCL Medicare Rx	11.9%	7.2%	10.0%	11.3%	1.1%	11.4%	5.8%	2.7%	0.5%	10.5%	7.3%	-18.2%	5.5%
<i>Memo: QWP withholdings and recoupments</i>													
53 Total Medicare Capitation Withheld	114,770	109,982	106,247	104,021	186,540	180,127	174,102	175,976	172,094	167,163	164,467	165,378	1,820,866
54 Total Medicaid Capitation Withheld	92,590	90,091	88,643	84,852	145,108	139,483	135,271	138,508	134,165	129,279	126,875	105,890	1,410,754
55 Medicare Payments against Withholding												0	0
56 Medicaid Payments against Withholding												0	0
57 Net Amount Not Received by MMP	207,360	200,073	194,890	188,873	331,648	319,610	309,373	314,484	306,259	296,442	291,342	271,268	3,231,621
<i>Additional memo items:</i>													
58 total Net Revenues (from Line 21)	11,760,205	11,360,205	11,071,704	10,726,048	12,319,841	11,875,388	11,509,570	11,666,333	11,395,287	11,036,069	10,839,504	9,178,239	134,738,394
59 Medicare portion (incls interest income)	6,675,285	6,414,928	6,207,704	6,079,685	7,157,405	6,927,213	6,707,041	6,783,916	6,631,544	6,444,102	6,347,341	5,812,454	78,188,618
60 Medicaid portion (excls Prem tax; incls interest inc)	5,084,920	4,945,277	4,864,001	4,646,363	5,162,435	4,948,174	4,802,529	4,882,418	4,763,743	4,591,968	4,492,163	3,365,784	56,549,776
61 add-check	(0)	0	(0)	0	0	0	(0)	0	(0)	(0)	(0)	0	(0)
62 total Net Income (from Line 43)	1,143,852	388,965	749,040	847,130	427,282	1,373,864	401,310	197,516	(72,536)	928,611	568,112	(1,751,519)	5,201,628
63 Medicare portion	564,116	143,278	341,171	485,442	444,318	954,706	569,420	267,864	209,064	997,309	883,723	(344,946)	5,515,466
64 Medicaid portion	579,737	245,688	407,869	361,687	(17,037)	419,158	(168,110)	(70,348)	(281,599)	(68,698)	(315,611)	(1,406,573)	(313,837)
65 add-check	(0)	(0)	0	1	0	0	(1)	0	(1)	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.