

MMP name: **Molina Healthcare**

MMP self-reported data, subject to audit

State Fiscal Year: **2018**

Program: **MMP Dual Demo - Integrated Care Program (STAR+PLUS+Medicare)**

Texas Financial Alignment Demonstration

Submission Date: **9/3/2019**

County: **El Paso County**

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Submission Type: **Yr-End 334-Day**

Rptg Period End Date: **8/31/2018**

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 <b>Member Months</b> (per Medicaid)		2,421	2,413	2,415	2,383	2,458	2,413	2,383	2,379	2,345	2,316	2,281	2,260	<b>28,467</b>
2 <i>additional / (fewer) Mbr-Mos in Medicare</i>		6	3	2	0	(1)	2	(1)	(2)	(2)	(3)	(4)	2	<b>2</b>
3 <b>Average Monthly Member Months</b>														<b>2,372</b>
<b>Revenues:</b>														
<i>CMS Medicare Premiums:</i>														
4 Monthly Capitation Received - Medical		3,007,817	3,021,990	2,998,790	2,955,534	3,272,006	3,196,384	3,109,958	3,073,110	3,009,579	2,951,117	2,883,319	2,901,329	36,380,933
5 Monthly Capitation Withheld - Medical		62,663	62,959	62,474	61,574	103,326	100,938	98,210	97,045	95,040	93,193	91,052	91,621	1,020,095
6 Gross Total (before withhold) - Medical		3,070,480	3,084,949	3,061,264	3,017,108	3,375,332	3,297,322	3,208,168	3,170,155	3,104,619	3,044,310	2,974,371	2,992,950	37,401,028
7 Gross Total (no withholding) - Pharmacy		958,761	954,039	955,338	941,088	932,510	915,920	903,819	900,408	886,056	874,018	858,701	853,607	10,934,265
8 Sub-total: Medicare Capitation		4,029,241	4,038,988	4,016,602	3,958,196	4,307,842	4,213,242	4,111,987	4,070,563	3,990,675	3,918,328	3,833,072	3,846,557	48,335,293
<i>Medicaid Premiums:</i>														
9 Monthly Capitation Received - Medical		2,503,856	2,493,905	2,517,659	2,468,294	2,526,906	2,473,796	2,433,534	2,457,708	2,389,538	2,336,499	2,296,949	1,107,900	28,006,543
10 Monthly Capitation Received - Pharmacy		3,776	3,773	3,780	3,735	3,711	3,655	3,624	3,619	3,570	3,545	3,516	921	41,224
11 Monthly Capitation Withheld - Medical		50,870	50,670	51,150	50,151	77,772	76,144	74,911	75,648	73,560	71,943	70,736	33,961	757,517
12 Monthly Capitation Withheld - Pharmacy		77	77	77	76	115	113	112	112	111	110	109	28	1,118
13 Gross Total (before withhold) - Medical		2,554,726	2,544,575	2,568,809	2,518,445	2,604,678	2,549,940	2,508,445	2,533,356	2,463,098	2,408,442	2,367,685	1,141,861	28,764,060
14 Gross Total (before withhold) - Pharmacy		3,853	3,850	3,857	3,811	3,826	3,768	3,736	3,731	3,681	3,655	3,625	949	42,342
15 Sub-total: Medicaid Capitation		2,558,579	2,548,425	2,572,666	2,522,256	2,608,504	2,553,708	2,512,181	2,537,087	2,466,779	2,412,097	2,371,310	1,142,810	28,806,402
16 Investment Income		17,577	22,818	22,801	28,780	23,298	26,550	32,244	33,015	39,363	36,765	42,973	35,681	361,865
17 Other Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Total Gross Revenues		6,605,397	6,610,231	6,612,069	6,509,232	6,939,644	6,793,500	6,656,412	6,640,665	6,496,817	6,367,190	6,247,355	5,025,048	77,503,560
19 Premium Taxes (on Medicaid)		44,775	44,597	45,022	44,139	45,649	44,690	43,963	44,399	43,169	42,212	41,498	19,999	504,112
20 Maintenance Taxes		145	145	145	143	147	145	143	143	141	139	137	136	1,708
21 <b>Net Revenues</b>		6,560,477	6,565,489	6,566,902	6,464,950	6,893,848	6,748,665	6,612,306	6,596,123	6,453,508	6,324,839	6,205,720	5,004,913	<b>76,997,740</b>
<b>Expenses:</b>														
<i>Medicare Expenses:</i>														
22 Fee-For-Service		2,261,461	3,183,069	2,337,563	2,787,163	2,901,649	2,813,332	2,843,869	2,737,257	2,726,954	2,583,949	2,459,992	3,338,593	32,974,851
23 Capitated Services		0	0	0	0	0	0	0	0	0	0	0	0	0
24 Net Reinsurance cost		316	314	314	310	9,754	9,588	9,457	9,437	9,302	9,183	9,040	8,980	75,995
25 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
26 Other Medicare Medical Expenses		6,691	3,441	12,316	227	4,370	255	29,880	19,804	28,028	16,029	32,613	177	153,831
27 Total Medicare Medical Expenses		2,268,468	3,186,824	2,350,193	2,787,700	2,915,773	2,823,175	2,883,206	2,766,498	2,764,284	2,609,161	2,501,645	3,347,750	<b>33,204,677</b>
28 Medicare Gross Rx Exp (excl PBM Admin)		1,001,579	1,008,567	969,067	1,165,411	988,437	1,021,645	978,756	893,394	978,457	927,957	1,016,368	1,086,432	<b>12,036,071</b>
29 Medicare Rx Rebates		234,176	249,545	254,405	254,112	258,151	257,827	259,734	266,634	268,262	269,955	274,571	272,214	<b>3,119,585</b>
30 Sub-total: <b>Medicare Medical &amp; Rx Expenses</b>		3,035,872	3,945,846	3,064,855	3,698,999	3,646,059	3,586,994	3,602,228	3,393,258	3,474,479	3,267,163	3,243,442	4,161,968	<b>42,121,163</b>
<i>Medicaid Expenses:</i>														
31 Fee-For-Service		2,306,553	2,387,375	2,286,376	2,311,598	2,657,432	2,217,190	2,290,638	2,303,542	2,300,890	2,183,639	2,291,665	2,202,624	27,739,522
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):		10,465	10,296	10,522	10,128	11,422	10,972	10,605	10,945	10,321	9,641	9,131	9,131	123,579
37 Other Medicaid Medical Expenses		123,976	117,463	118,428	154,188	85,936	110,496	116,169	112,451	115,609	163,194	117,848	107,178	1,442,936
38 Total Medicaid Medical Expenses		2,440,994	2,515,134	2,415,326	2,475,914	2,754,790	2,338,658	2,417,412	2,426,938	2,426,820	2,356,474	2,418,644	2,318,933	<b>29,306,037</b>
39 Medicaid Prescription Exp (excl PBM Admin)		2,049	2,268	2,447	2,226	4,347	3,146	2,896	2,232	2,331	1,778	1,731	1,652	<b>29,104</b>
40 Sub-total: <b>Medicaid Medical &amp; Rx Expenses</b>		2,443,043	2,517,402	2,417,773	2,478,140	2,759,137	2,341,804	2,420,308	2,429,170	2,429,151	2,358,252	2,420,375	2,320,585	<b>29,335,141</b>
41 <b>Total Medical &amp; Prescription Expenses</b>		5,478,915	6,463,248	5,482,628	6,177,139	6,405,197	5,928,797	6,022,536	5,822,429	5,903,630	5,625,415	5,663,817	6,482,553	<b>71,456,304</b>
42 <b>Administrative Expenses</b>		634,504	525,598	459,981	643,667	680,827	568,013	558,191	341,806	427,344	375,924	545,764	462,357	<b>6,223,975</b>
43 <b>Total Expenses</b>		6,113,419	6,988,847	5,942,609	6,820,807	7,086,023	6,496,810	6,580,726	6,164,234	6,330,974	6,001,339	6,209,581	6,944,910	<b>77,680,279</b>
44 <b>Total Net Income Before Taxes</b>		447,058	(423,358)	624,293	(355,857)	(192,175)	251,855	31,580	431,889	122,534	323,500	(3,861)	(1,939,997)	<b>(682,539)</b>
45 <b>Net Income EXCL Medicare Rx</b>		265,759	(607,950)	393,616	(375,927)	(383,473)	109,176	(143,260)	167,909	(43,423)	116,633	(111,538)	(1,970,343)	<b>(2,582,819)</b>

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Texas Financial Alignment Demonstration

Submission Date: **9/3/2019**

County: **El Paso County**

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Submission Type: **Yr-End 334-Day**

Rptg Period End Date: **8/31/2018**

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		71.8%	86.8%	72.6%	81.4%	82.3%	76.5%	80.2%	78.7%	80.4%	78.5%	79.3%	113.2%	81.2%
47 % total Prescription Exp to Net Revenues		11.7%	11.6%	10.9%	14.1%	10.7%	11.4%	10.9%	9.5%	11.0%	10.4%	12.0%	16.3%	11.6%
48 % Total Medical & Rx to Net Rev. (MLR)		83.5%	98.4%	83.5%	95.5%	92.9%	87.9%	91.1%	88.3%	91.5%	88.9%	91.3%	129.5%	<b>92.8%</b>
49 % Admin Exp to Net Revenues		9.7%	8.0%	7.0%	10.0%	9.9%	8.4%	8.4%	5.2%	6.6%	5.9%	8.8%	9.2%	8.1%
50 % Total Net Income to Net Revenues		<b>6.8%</b>	<b>-6.4%</b>	<b>9.5%</b>	<b>-5.5%</b>	<b>-2.8%</b>	<b>3.7%</b>	<b>0.5%</b>	<b>6.5%</b>	<b>1.9%</b>	<b>5.1%</b>	<b>-0.1%</b>	<b>-38.8%</b>	<b>-0.9%</b>
51 % Adj. Admin to Adj. Net Revenues (excludes Taxes & Prescription pass-through)		11.2%	9.2%	8.0%	11.5%	11.2%	9.6%	9.6%	5.8%	7.5%	6.7%	10.0%	10.9%	9.2%
52 % Net Income EXCL Medicare Rx		4.7%	-10.8%	7.0%	-6.8%	-6.4%	1.9%	-2.5%	2.9%	-0.8%	2.1%	-2.1%	-47.5%	<b>-3.9%</b>
<b>Memo: QWP withholdings and recoupments</b>														
53 Total Medicare Capitation Withheld		62,663	62,959	62,474	61,574	103,326	100,938	98,210	97,045	95,040	93,193	91,052	91,621	1,020,095
54 Total Medicaid Capitation Withheld		50,947	50,747	51,227	50,227	77,888	76,257	75,023	75,761	73,671	72,052	70,846	33,990	758,635
55 Medicare Payments against Withholding													0	0
56 Medicaid Payments against Withholding													0	0
57 <b>Net Amount Not Received by MMP</b>		<b>113,609</b>	<b>113,706</b>	<b>113,701</b>	<b>111,801</b>	<b>181,214</b>	<b>177,195</b>	<b>173,233</b>	<b>172,806</b>	<b>168,711</b>	<b>165,246</b>	<b>161,898</b>	<b>125,611</b>	<b>1,778,730</b>
<b>Additional memo items:</b>														
58 total Net Revenues (from Line 21)		6,560,477	6,565,489	6,566,902	6,464,950	6,893,848	6,748,665	6,612,306	6,596,123	6,453,508	6,324,839	6,205,720	5,004,913	76,997,740
59 Medicare portion (incls interest income)		4,039,173	4,051,881	4,029,485	3,974,458	4,321,006	4,228,244	4,130,206	4,089,217	4,012,916	3,939,102	3,857,353	3,866,718	48,539,758
60 Medicaid portion (excls Prem tax; incls interest inc)		2,521,304	2,513,608	2,537,417	2,490,492	2,572,842	2,520,422	2,482,100	2,506,906	2,440,591	2,385,738	2,348,367	1,138,195	28,457,982
61 add-check		(0)	1	(0)	(0)	0	0	0	0	0	(0)	(0)	0	0
62 total Net Income (from Line 43)		447,058	(423,358)	624,293	(355,857)	(192,175)	251,855	31,580	431,889	122,534	323,500	(3,861)	(1,939,997)	(682,539)
63 Medicare portion		661,560	(178,029)	715,621	(70,991)	308,194	335,125	226,821	509,877	306,809	467,976	319,696	(545,075)	3,057,586
64 Medicaid portion		(214,502)	(245,329)	(91,327)	(284,866)	(500,370)	(83,270)	(195,242)	(77,989)	(184,275)	(144,476)	(323,557)	(1,394,923)	(3,740,125)
65 add-check		(0)	0	(0)	(1)	0	0	1	0	0	(0)	(1)	0	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). 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.