

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name: **Amerigroup / Anthem**
 State Fiscal Year: **2018** Program: **STAR KIDS**
 Submission Date: **10/8/2019** Service Area: **El Paso**
 Submission Type: **Yr-End 334-Day** Rptg Period End Date: **8/31/2018**

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		1,424	1,422	1,419	1,399	1,421	1,422	1,404	1,381	1,396	1,379	1,384	1,382	16,833
2 Average Monthly Member Months														1,403
Revenues:														
3 Medical Premiums		1,700,502	1,684,948	1,674,435	1,659,089	1,660,202	1,636,402	1,617,468	1,600,223	1,603,048	1,563,410	1,560,904	1,569,340	19,529,971
4 Pharmacy Premiums		457,118	454,654	451,355	446,076	451,603	448,003	442,910	435,859	437,509	431,207	430,491	429,442	5,316,227
5 Investment Income		9,612	16,771	16,060	16,406	17,076	15,500	16,006	16,228	14,364	13,739	14,606	13,970	180,339
6 Health Insurance Providers Fee Reimbursement		0	0	0	0	0	0	0	0	0	0	0	0	0
7 Other Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
8 Total Gross Revenues		2,167,232	2,156,373	2,141,850	2,121,571	2,128,881	2,099,905	2,076,384	2,052,310	2,054,921	2,008,356	2,006,001	2,012,752	25,026,537
9 Health Insurance Providers Fee & Related Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
10 Premium Taxes		33,821	37,443	37,201	36,840	36,957	36,477	36,057	35,631	35,710	34,906	34,849	34,979	430,871
11 Maintenance Taxes		93	92	92	91	92	92	91	90	91	90	90	90	1,094
12 Net Revenues		2,133,319	2,118,838	2,104,556	2,084,640	2,091,832	2,063,335	2,040,236	2,016,589	2,019,121	1,973,361	1,971,062	1,977,683	24,594,571
Medical Expenses:														
13 Fee-For-Service		1,168,387	1,212,005	1,269,813	1,111,243	1,206,891	1,216,455	938,715	1,109,445	1,185,085	1,470,389	963,307	1,180,099	14,031,834
14 Capitated Services		1,381	1,379	1,376	1,357	1,378	1,379	1,362	1,340	1,354	1,338	1,342	1,341	16,327
15 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
16 Net Reinsurance cost		57	57	57	56	57	57	56	55	56	55	0	0	563
17 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Quality Improvement		68,918	43,870	66,579	64,882	69,530	65,362	70,100	63,950	68,252	63,324	62,143	70,622	777,532
19 Other Medical Expenses		(2,223)	(3,019)	(3,595)	(2,589)	(3,129)	(2,906)	(2,215)	(3,537)	(2,749)	(2,416)	(1,848)	(4,809)	(35,035)
20 Total Medical Expenses		1,236,520	1,254,292	1,334,230	1,174,949	1,274,727	1,280,347	1,008,018	1,171,253	1,251,998	1,532,690	1,024,944	1,247,253	14,791,221
21 Prescription Expenses (excluding PBM Admin)		448,033	460,162	462,185	464,609	545,888	456,672	451,475	499,676	474,074	469,239	416,459	488,372	5,636,844
22 Total Medical and Prescription Expenses		1,684,553	1,714,454	1,796,415	1,639,558	1,820,615	1,737,019	1,459,493	1,670,929	1,726,072	2,001,929	1,441,403	1,735,625	20,428,065
Administrative Expenses														
23		91,762	105,558	97,289	106,723	101,083	92,708	92,354	96,463	95,060	95,821	92,804	101,589	1,169,234
24 Total Expenses		1,776,315	1,820,011	1,893,704	1,746,281	1,921,698	1,829,726	1,551,847	1,767,412	1,821,132	2,097,750	1,534,208	1,837,214	21,597,298
25 Net Income Before Taxes		357,004	298,827	210,852	338,359	170,134	233,609	488,389	249,177	197,989	(124,389)	436,854	140,469	2,997,273
26 % Medical Exp to Net Revenues		58.0%	59.2%	63.4%	56.4%	60.9%	62.1%	49.4%	58.1%	62.0%	77.7%	52.0%	63.1%	60.1%
27 % Prescription Exp to Net Revenues		21.0%	21.7%	22.0%	22.3%	26.1%	22.1%	22.1%	24.8%	23.5%	23.8%	21.1%	24.7%	22.9%
28 % Total Medical and Prescription to Net Rev. (MLR)		79.0%	80.9%	85.4%	78.6%	87.0%	84.2%	71.5%	82.9%	85.5%	101.4%	73.1%	87.8%	83.1%
29 % Admin Exp to Net Revenues		4.3%	5.0%	4.6%	5.1%	4.8%	4.5%	4.5%	4.8%	4.7%	4.7%	4.7%	5.1%	4.8%
30 % Net Income to Net Revenues		16.7%	14.1%	10.0%	16.2%	8.1%	11.3%	23.9%	12.4%	9.8%	-6.3%	22.2%	7.1%	12.2%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		5.5%	6.3%	5.9%	6.5%	6.2%	5.7%	5.8%	6.1%	6.0%	6.2%	6.0%	6.6%	6.1%

Post-income items:

32 Performance Assessment														0
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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.