

**HHS FINANCIAL STATISTICAL REPORT (FSR)**

MCO name: **Community First Health Plans / Univ Health Sys / Bexar Cnty Hosp Distr**  
 State Fiscal Year: **2018** Program: **STAR KIDS**  
 Submission Date: **8/31/2019** Service Area: **Bexar/San Antonio**  
 Submission Type: **Yr-End 334-Day** Rptg Period End Date: **8/31/2018**

Part 1: **Summary Income Statement**

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
<b>HHS Managed Care contract costs</b>													
1 Member Months	7,891	7,945	8,005	7,959	7,942	7,971	7,869	7,895	7,911	7,858	7,901	7,881	95,028
2 <b>Average Monthly Member Months</b>													7,919
<b>Revenues:</b>													
3 Medical Premiums	12,888,975	12,971,928	13,035,218	13,010,766	12,958,999	12,924,874	12,760,148	12,748,372	12,747,607	12,778,456	12,827,205	12,872,182	154,524,730
4 Pharmacy Premiums	2,467,927	2,482,265	2,495,940	2,486,847	2,478,768	2,479,832	2,450,322	2,452,193	2,455,064	2,449,042	2,459,206	2,459,429	29,616,835
5 Investment Income	22,674	903	8,867	21,823	27,829	17,485	22,907	23,617	27,659	26,108	29,419	27,050	256,361
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	15,379,576	15,455,096	15,540,045	15,519,436	15,465,596	15,422,191	15,233,377	15,224,182	15,230,330	15,253,606	15,315,830	15,358,661	184,397,926
9 Health Insurance Providers Fee & Related Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Premium Taxes	268,746	270,448	271,795	271,208	270,161	269,582	266,183	266,010	266,047	266,481	267,512	268,303	3,222,477
11 Maintenance Taxes	454	457	460	458	457	458	452	454	455	452	454	453	5,464
12 <b>Net Revenues</b>	15,110,376	15,184,191	15,267,789	15,247,770	15,194,978	15,152,150	14,966,741	14,957,718	14,963,828	14,986,673	15,047,864	15,089,905	181,169,984
<b>Medical Expenses:</b>													
13 Fee-For-Service	12,358,012	12,479,196	12,580,335	11,983,037	13,179,837	11,244,697	13,171,236	12,760,012	13,228,853	11,995,236	13,038,300	12,998,986	151,017,737
14 Capitated Services	12,626	12,712	12,808	12,734	12,707	12,754	12,590	12,632	12,658	12,573	12,642	12,610	152,046
15 Patient Centered Medical Home Services	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Net Reinsurance cost	(47,670)	38,151	1,482	(6,491)	57,024	57,232	56,499	56,686	56,801	56,420	56,729	56,586	439,449
17 IBNR Accrual - Medical	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Quality Improvement	667,826	473,028	529,975	511,280	479,806	516,269	530,392	516,030	429,384	440,061	469,810	451,400	6,015,251
19 Other Medical Expenses	(136,656)	(208,880)	(223,653)	(236,135)	(293,399)	(537,325)	(208,159)	(178,941)	(243,832)	(130,420)	(83,988)	(250,056)	(2,731,454)
20 Total Medical Expenses	12,854,138	12,794,207	12,900,947	12,264,425	13,435,975	11,293,627	13,562,558	13,166,419	13,483,864	12,373,870	13,493,483	13,269,526	154,893,039
21 Prescription Expenses (excluding PBM Admin)	2,409,831	2,478,384	2,540,712	2,439,861	2,848,731	2,719,519	2,692,740	2,513,821	2,408,242	2,286,507	2,351,980	2,224,270	29,914,599
22 <b>Total Medical and Prescription Expenses</b>	15,263,969	15,272,591	15,441,659	14,704,286	16,284,706	14,013,146	16,255,298	15,680,240	15,892,106	14,660,377	15,845,463	15,493,796	184,807,638
23 <b>Administrative Expenses</b>	1,020,707	1,186,224	1,011,584	1,283,780	1,060,263	1,024,367	1,197,477	1,112,287	1,208,748	1,136,649	1,229,274	1,183,125	13,654,463
24 <b>Total Expenses</b>	16,284,676	16,458,815	16,453,223	15,988,066	17,344,969	15,037,513	17,452,776	16,792,527	17,100,854	15,797,026	17,074,737	16,676,921	198,462,102
25 <b>Net Income Before Taxes</b>	(1,174,300)	(1,274,624)	(1,185,434)	(740,295)	(2,149,991)	114,637	(2,486,035)	(1,834,809)	(2,137,026)	(810,353)	(2,026,873)	(1,587,016)	(17,292,118)
26 % Medical Exp to Net Revenues	85.1%	84.3%	84.5%	80.4%	88.4%	74.5%	90.6%	88.0%	90.1%	82.6%	89.7%	87.9%	85.5%
27 % Prescription Exp to Net Revenues	15.9%	16.3%	16.6%	16.0%	18.7%	17.9%	18.0%	16.8%	16.1%	15.3%	15.6%	14.7%	16.5%
28 % Total Medical and Prescription to Net Rev. (MLR)	101.0%	100.6%	101.1%	96.4%	107.2%	92.5%	108.6%	104.8%	106.2%	97.8%	105.3%	102.7%	102.0%
29 % Admin Exp to Net Revenues	6.8%	7.8%	6.6%	8.4%	7.0%	6.8%	8.0%	7.4%	8.1%	7.6%	8.2%	7.6%	7.5%
30 <b>% Net Income to Net Revenues</b>	-7.8%	-8.4%	-7.8%	-4.9%	-14.1%	0.8%	-16.6%	-12.3%	-14.3%	-5.4%	-13.5%	-10.5%	-9.5%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)	8.1%	9.3%	7.9%	10.1%	8.3%	8.1%	9.6%	8.9%	9.7%	9.1%	9.8%	9.4%	9.0%

**Post-income items:**

32 Performance Assessment

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.