

HHS FINANCIAL STATISTICAL REPORT (FSR)

MCO name: **Superior / Bankers / Centene**
 State Fiscal Year: **2018** Program: **STAR KIDS**
 Submission Date: **8/30/2019** Service Area: **MRSA West**
 Submission Type: **Yr-End 334-Day** Rptg Period End Date: **8/31/2018**

Part 1: **Summary Income Statement**

	Incurred Months:												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	
HHS Managed Care contract costs													
1 Member Months	3,458	3,485	3,495	3,509	3,514	3,539	3,545	3,567	3,601	3,596	3,600	3,538	42,447
2 Average Monthly Member Months													3,537
Revenues:													
3 Medical Premiums	3,627,267	3,618,095	3,634,771	3,617,899	3,572,477	3,594,578	3,597,793	3,628,117	3,644,024	3,648,410	3,629,124	3,531,953	43,344,508
4 Pharmacy Premiums	1,199,497	1,201,094	1,204,701	1,207,430	1,203,814	1,208,609	1,209,697	1,215,214	1,223,850	1,223,376	1,222,727	1,201,548	14,521,557
5 Investment Income	3,453	3,390	3,720	6,639	4,328	4,615	5,084	4,866	5,080	6,274	5,768	5,280	58,499
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	4,830,217	4,822,579	4,843,192	4,831,968	4,780,619	4,807,802	4,812,574	4,848,197	4,872,954	4,878,060	4,857,619	4,738,781	57,924,564
9 Health Insurance Providers Fee & Related Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Premium Taxes	84,468	84,336	84,691	84,443	83,585	84,056	84,131	84,758	85,188	85,256	84,907	82,836	1,012,656
11 Maintenance Taxes	207	209	210	211	211	212	213	214	216	216	216	212	2,547
12 Net Revenues	4,745,541	4,738,034	4,758,292	4,747,314	4,696,823	4,723,534	4,728,230	4,763,225	4,787,550	4,792,588	4,772,496	4,655,732	56,909,359
Medical Expenses:													
13 Fee-For-Service	2,531,122	3,164,383	2,591,087	2,500,133	2,650,107	2,636,915	2,952,105	2,899,955	2,749,346	3,098,507	3,055,306	3,349,691	34,178,657
14 Capitated Services	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Patient Centered Medical Home Services	0	0	0	0	0	0	0	0	0	0	0	0	0
16 Net Reinsurance cost	138	139	140	140	141	142	142	143	144	144	144	142	1,699
17 IBNR Accrual - Medical	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Quality Improvement	205,492	232,069	239,176	344,732	249,723	267,236	271,043	275,941	276,946	394,602	274,577	268,216	3,299,753
19 Other Medical Expenses	(4,451)	(4,822)	(3,631)	(6,742)	(1,627)	(5,077)	(13,185)	(22,164)	772	(743)	(4,703)	(6,631)	(73,004)
20 Total Medical Expenses	2,732,301	3,391,769	2,826,772	2,838,263	2,896,344	2,899,216	3,210,105	3,153,875	3,027,208	3,492,510	3,325,324	3,611,418	37,407,105
21 Prescription Expenses (excluding PBM Admin)	841,703	866,337	888,593	876,660	966,848	922,115	922,174	947,203	871,977	731,859	871,338	917,438	10,624,247
22 Total Medical and Prescription Expenses	3,574,004	4,258,106	3,715,365	3,714,923	3,865,192	3,821,331	4,132,279	4,101,078	3,899,185	4,224,369	4,196,662	4,528,856	48,031,352
Administrative Expenses	280,806	280,410	285,620	247,383	278,602	259,607	265,046	268,022	290,456	231,871	286,737	296,102	3,250,662
24 Total Expenses	3,854,811	4,538,515	4,000,986	3,962,306	4,143,794	4,080,938	4,397,326	4,369,100	4,189,641	4,456,240	4,483,399	4,824,958	51,282,014
25 Net Income Before Taxes	910,730	199,519	757,306	785,008	553,029	642,596	330,904	394,125	597,909	336,348	289,097	(169,226)	5,627,345
26 % Medical Exp to Net Revenues	57.6%	71.6%	59.4%	59.8%	61.7%	61.4%	67.9%	66.2%	63.2%	72.9%	69.7%	77.6%	65.7%
27 % Prescription Exp to Net Revenues	17.7%	18.3%	18.7%	18.5%	20.6%	19.5%	19.5%	19.9%	18.2%	15.3%	18.3%	19.7%	18.7%
28 % Total Medical and Prescription to Net Rev. (MLR)	75.3%	89.9%	78.1%	78.3%	82.3%	80.9%	87.4%	86.1%	81.4%	88.1%	87.9%	97.3%	84.4%
29 % Admin Exp to Net Revenues	5.5%	5.9%	6.0%	5.2%	5.9%	5.5%	5.6%	5.6%	6.1%	4.8%	6.0%	6.4%	5.7%
30 % Net Income to Net Revenues	19.2%	4.2%	15.9%	16.5%	11.8%	13.6%	7.0%	8.3%	12.5%	7.0%	6.1%	-3.6%	9.9%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)	7.4%	7.9%	8.0%	7.0%	8.0%	7.4%	7.5%	7.6%	8.2%	6.5%	8.1%	8.6%	7.7%

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.