

HHS FINANCIAL STATISTICAL REPORT (FSR)

MCO name: **Superior / Bankers / Centene**
 State Fiscal Year: **2018** Program: **STAR KIDS**
 Submission Date: **8/30/2019** Service Area: **Hidalgo**
 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
HHS Managed Care contract costs													
1 Member Months	7,870	7,828	7,846	7,864	7,890	7,925	7,886	7,956	7,994	7,992	8,029	8,027	95,107
2 Average Monthly Member Months													7,926
Revenues:													
3 Medical Premiums	10,828,415	10,700,053	10,650,396	10,651,404	10,593,378	10,562,904	10,536,239	10,611,509	10,682,256	10,729,405	10,724,133	10,706,220	127,976,312
4 Pharmacy Premiums	2,452,728	2,432,017	2,425,544	2,428,983	2,426,968	2,423,336	2,415,961	2,431,465	2,442,909	2,452,351	2,453,253	2,446,452	29,231,967
5 Investment Income	3,511	3,475	3,818	6,766	4,445	4,739	5,151	5,000	5,171	6,340	5,858	5,370	59,645
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	13,284,654	13,135,545	13,079,758	13,087,153	13,024,791	12,990,979	12,957,351	13,047,974	13,130,336	13,188,096	13,183,244	13,158,042	157,267,924
9 Health Insurance Providers Fee & Related Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Premium Taxes	232,420	229,811	228,829	228,907	227,856	227,259	226,664	228,252	229,690	230,681	230,604	230,172	2,751,145
11 Maintenance Taxes	472	470	471	472	473	476	473	477	478	480	482	482	5,706
12 Net Revenues	13,051,762	12,905,264	12,850,458	12,857,774	12,796,462	12,763,244	12,730,214	12,819,245	12,900,166	12,956,936	12,952,158	12,927,389	154,511,072
Medical Expenses:													
13 Fee-For-Service	8,545,491	8,926,870	9,071,096	8,444,449	9,330,416	8,256,744	8,995,468	8,705,832	9,373,454	9,137,679	9,350,990	10,199,864	108,338,353
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	315	313	314	315	316	317	315	318	320	320	321	321	3,805
17 IBNR Accrual - Medical	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Quality Improvement	565,170	632,100	645,930	933,690	680,371	722,089	729,754	742,642	746,240	1,066,828	745,184	744,749	8,954,747
19 Other Medical Expenses	12,971	20,407	14,172	11,214	22,496	21,233	18,137	9,683	18,511	19,285	25,341	32,359	225,809
20 Total Medical Expenses	9,123,947	9,579,690	9,731,512	9,389,668	10,033,599	9,000,383	9,743,674	9,458,475	10,138,525	10,224,112	10,121,836	10,977,293	117,522,714
21 Prescription Expenses (excluding PBM Admin)	1,981,572	2,208,735	2,183,984	1,973,056	2,395,588	2,135,575	2,282,440	2,160,135	2,060,061	1,819,056	2,100,600	2,357,752	25,658,555
22 Total Medical and Prescription Expenses	11,105,519	11,788,425	11,915,496	11,362,724	12,429,187	11,135,958	12,026,114	11,618,610	12,198,586	12,043,168	12,222,436	13,335,045	143,181,269
23 Administrative Expenses	717,301	763,768	771,360	670,025	759,051	701,474	713,610	721,327	782,644	626,874	778,185	822,178	8,827,798
24 Total Expenses	11,822,820	12,552,193	12,686,856	12,032,749	13,188,238	11,837,433	12,739,723	12,339,937	12,981,230	12,670,043	13,000,621	14,157,223	152,009,066
25 Net Income Before Taxes	1,228,942	353,071	163,602	825,025	(391,776)	925,811	(9,509)	479,308	(81,064)	286,893	(48,463)	(1,229,834)	2,502,006
26 % Medical Exp to Net Revenues	69.9%	74.2%	75.7%	73.0%	78.4%	70.5%	76.5%	73.8%	78.6%	78.9%	78.1%	84.9%	76.1%
27 % Prescription Exp to Net Revenues	15.2%	17.1%	17.0%	15.3%	18.7%	16.7%	17.9%	16.9%	16.0%	14.0%	16.2%	18.2%	16.6%
28 % Total Medical and Prescription to Net Rev. (MLR)	85.1%	91.3%	92.7%	88.4%	97.1%	87.3%	94.5%	90.6%	94.6%	92.9%	94.4%	103.2%	92.7%
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	9.4%	2.7%	1.3%	6.4%	-3.1%	7.3%	-0.1%	3.7%	-0.6%	2.2%	-0.4%	-9.5%	1.6%
31 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)	6.8%	7.3%	7.4%	6.4%	7.3%	6.8%	6.9%	6.9%	7.5%	6.0%	7.4%	7.8%	7.0%

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.