

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name: **Amerigroup / Wellpoint**
 State Fiscal Year: **2018** Program: **STAR+PLUS**
 Submission Date: **10/8/2019** Service Area: **Jefferson**
 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		7,024	6,982	6,934	6,906	6,852	6,795	6,733	6,675	6,608	6,564	6,536	6,510	81,119
2 Average Monthly Member Months														6,760
Revenues:														
3 Medical Premiums		7,206,195	7,159,777	7,127,842	7,109,475	7,062,613	6,992,326	7,275,681	7,162,479	7,039,391	6,969,992	6,962,479	6,891,434	84,959,684
4 Pharmacy Premiums		1,475,899	1,469,557	1,454,358	1,448,714	1,437,951	1,425,365	1,413,349	1,403,580	1,390,333	1,391,534	1,380,078	1,367,750	17,058,468
5 Investment Income		63,503	64,293	66,265	66,385	68,641	61,185	65,403	66,661	58,149	56,181	59,581	59,316	755,562
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		8,745,597	8,693,627	8,648,465	8,624,574	8,569,205	8,478,876	8,754,433	8,632,720	8,487,873	8,417,707	8,402,138	8,318,500	102,773,714
9 Health Insurance Providers Fee & Related Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
10 Health Insurance Providers Fee (NAIP)		0	0	0	0	0	0	0	0	0	0	0	0	0
11 Premium Taxes		147,999	151,013	150,189	149,768	148,760	147,310	152,058	149,906	147,520	146,327	145,995	144,536	1,781,380
12 Maintenance Taxes		457	454	451	449	445	442	438	434	430	427	425	423	5,273
13 Net Revenues		8,597,141	8,542,160	8,497,826	8,474,357	8,420,000	8,331,125	8,601,937	8,482,380	8,339,923	8,270,954	8,255,718	8,173,541	100,987,026
Medical Expenses:														
14 Fee-For-Service		5,281,054	5,555,407	5,329,703	5,443,261	5,429,871	4,820,394	5,988,387	5,539,273	5,731,971	5,631,888	5,706,063	5,449,830	65,907,102
15 Capitated Services		3,098	3,079	3,055	3,040	3,009	2,979	2,946	2,922	2,891	2,883	2,857	2,839	35,596
16 Net Reinsurance cost		96	95	94	94	93	92	91	90	89	89	0	0	923
17 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Minimum Payment Amount Program (MPAP)		0	0	0	0	0	0	0	0	0	0	0	0	0
19 Quality Improvement		258,130	283,593	265,719	251,894	283,527	244,484	267,378	254,961	266,272	247,496	254,131	261,782	3,139,367
20 Quality Incentive Payment Program (QIPP)		158,169	137,707	590,164	167,571	168,677	158,169	601,607	157,737	165,536	598,114	153,620	621,119	3,678,190
21 Other Medical Expenses		15,210	9,445	9,037	17,731	8,323	8,376	10,337	22,729	31,571	10,931	19,632	22,254	185,576
22 Total Medical Expenses		5,715,757	5,989,326	6,197,772	5,883,591	5,893,500	5,234,494	6,870,746	5,977,712	6,198,330	6,491,401	6,136,303	6,357,824	72,946,754
23 Prescription Expenses (excluding PBM Admin)		1,351,238	1,368,659	1,308,423	1,308,225	1,507,640	1,295,151	1,356,687	1,256,834	1,354,013	1,334,561	1,413,547	1,405,352	16,260,331
24 Total Medical and Prescription Expenses		7,066,996	7,357,985	7,506,195	7,191,816	7,401,140	6,529,645	8,227,432	7,234,546	7,552,343	7,825,962	7,549,850	7,763,177	89,207,085
25 Administrative Expenses		370,293	425,566	392,840	433,849	406,883	374,329	389,381	405,841	392,645	401,617	388,712	419,858	4,801,814
26 Total Expenses		7,437,289	7,783,551	7,899,035	7,625,665	7,808,022	6,903,974	8,616,813	7,640,386	7,944,988	8,227,579	7,938,562	8,183,035	94,008,899
27 Net Income Before Taxes		1,159,852	758,609	598,791	848,692	611,978	1,427,151	(14,876)	841,994	394,935	43,375	317,156	(9,494)	6,978,163
28 % Medical Exp to Net Revenues		66.5%	70.1%	72.9%	69.4%	70.0%	62.8%	79.9%	70.5%	74.3%	78.5%	74.3%	77.8%	72.2%
29 % Prescription Exp to Net Revenues		15.7%	16.0%	15.4%	15.4%	17.9%	15.5%	15.8%	14.8%	16.2%	16.1%	17.1%	17.2%	16.1%
30 % Total Medical and Prescription to Net Rev. (MLR)		82.2%	86.1%	88.3%	84.9%	87.9%	78.4%	95.6%	85.3%	90.6%	94.6%	91.4%	95.0%	88.3%
31 % Admin Exp to Net Revenues		4.3%	5.0%	4.6%	5.1%	4.8%	4.5%	4.5%	4.8%	4.7%	4.9%	4.7%	5.1%	4.8%
32 % Net Income to Net Revenues		13.5%	8.9%	7.0%	10.0%	7.3%	17.1%	-0.2%	9.9%	4.7%	0.5%	3.8%	-0.1%	6.9%
33 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		5.2%	6.0%	5.6%	6.2%	5.8%	5.4%	5.4%	5.7%	5.6%	5.8%	5.7%	6.2%	5.7%
Post-income items:														
34 Performance Assessment														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). 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.

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