

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name: **Amerigroup / Wellpoint**
 State Fiscal Year: **2018** Program: **STAR+PLUS**
 Submission Date: **10/8/2019** Service Area: **MRSA West**
 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		17,223	17,209	17,135	17,028	16,930	16,863	16,768	16,715	16,687	16,648	16,628	16,930	202,764
2 Average Monthly Member Months														16,897
Revenues:														
3 Medical Premiums		20,280,321	20,278,281	20,259,052	20,217,924	20,068,699	19,820,603	20,482,010	20,470,260	20,546,108	20,505,143	20,478,943	21,027,888	244,435,232
4 Pharmacy Premiums		2,239,740	2,257,441	2,244,638	2,237,994	2,231,801	2,238,686	2,233,036	2,233,262	2,240,099	2,238,785	2,240,180	2,364,496	27,000,158
5 Investment Income		161,866	176,798	170,611	170,100	174,082	160,722	170,905	178,862	155,937	151,563	161,510	166,242	1,999,198
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		22,681,927	22,712,520	22,674,301	22,626,018	22,474,582	22,220,011	22,885,951	22,882,384	22,942,144	22,895,491	22,880,633	23,558,626	273,434,588
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		390,164	394,375	393,815	392,979	390,259	386,038	397,513	397,312	398,759	398,019	397,585	409,367	4,746,182
12 Maintenance Taxes		1,119	1,119	1,114	1,107	1,100	1,096	1,090	1,086	1,085	1,082	1,081	1,100	13,180
13 Net Revenues		22,290,644	22,317,026	22,279,373	22,231,933	22,083,223	21,832,877	22,487,348	22,483,986	22,542,301	22,496,390	22,481,968	23,148,159	268,675,227
Medical Expenses:														
14 Fee-For-Service		15,298,040	16,119,345	15,019,760	15,115,513	15,592,431	13,800,866	15,838,675	15,840,333	16,224,528	15,564,450	16,516,866	16,259,216	187,190,023
15 Capitated Services		4,918	4,959	4,914	4,890	4,873	4,885	4,863	4,859	4,867	4,862	4,860	5,127	58,876
16 Net Reinsurance cost		203	204	203	202	201	201	201	200	201	200	0	0	2,016
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		669,469	740,899	696,655	660,827	743,609	640,704	698,981	675,813	719,715	673,170	692,047	741,388	8,353,277
20 Quality Incentive Payment Program (QIPP)		946,657	980,541	3,445,711	986,416	978,237	976,767	3,447,479	991,380	1,048,182	3,520,360	981,276	3,793,173	22,096,179
21 Other Medical Expenses		178,824	171,064	165,018	179,399	165,575	161,677	160,062	159,659	167,055	158,221	173,434	184,800	2,024,788
22 Total Medical Expenses		17,098,111	18,017,012	19,332,261	16,947,247	17,484,926	15,585,100	20,150,261	17,672,244	18,164,548	19,921,263	18,368,483	20,983,704	219,725,159
23 Prescription Expenses (excluding PBM Admin)		2,412,032	2,482,118	2,532,875	2,239,113	2,622,495	2,596,380	2,642,428	2,619,898	2,662,297	2,502,822	2,579,165	2,852,058	30,743,680
24 Total Medical and Prescription Expenses		19,510,143	20,499,129	21,865,136	19,186,360	20,107,421	18,181,480	22,792,688	20,292,142	20,826,845	22,424,084	20,947,647	23,835,763	250,468,839
25 Administrative Expenses		960,365	1,111,813	1,029,937	1,138,175	1,067,137	980,980	1,017,924	1,075,744	1,061,293	1,092,366	1,058,537	1,189,071	12,783,341
26 Total Expenses		20,470,508	21,610,942	22,895,073	20,324,535	21,174,558	19,162,460	23,810,612	21,367,886	21,888,138	23,516,450	22,006,184	25,024,834	263,252,180
27 Net Income Before Taxes		1,820,136	706,084	(615,700)	1,907,398	908,665	2,670,417	(1,323,264)	1,116,100	654,163	(1,020,060)	475,784	(1,876,675)	5,423,047
28 % Medical Exp to Net Revenues		76.7%	80.7%	86.8%	76.2%	79.2%	71.4%	89.6%	78.6%	80.6%	88.6%	81.7%	90.6%	81.8%
29 % Prescription Exp to Net Revenues		10.8%	11.1%	11.4%	10.1%	11.9%	11.9%	11.8%	11.7%	11.8%	11.1%	11.5%	12.3%	11.4%
30 % Total Medical and Prescription to Net Rev. (MLR)		87.5%	91.9%	98.1%	86.3%	91.1%	83.3%	101.4%	90.3%	92.4%	99.7%	93.2%	103.0%	93.2%
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		8.2%	3.2%	-2.8%	8.6%	4.1%	12.2%	-5.9%	5.0%	2.9%	-4.5%	2.1%	-8.1%	2.0%
33 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		4.8%	5.5%	5.1%	5.7%	5.4%	5.0%	5.0%	5.3%	5.2%	5.4%	5.2%	5.7%	5.3%
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.