

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name: **Superior / Bankers / Centene**
 State Fiscal Year: **2018** Program: **STAR+PLUS**
 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**

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		31,739	31,849	31,847	31,918	31,588	31,616	31,575	31,566	31,659	31,675	31,726	31,711	380,469
2 Average Monthly Member Months														31,706
Revenues:														
3 Medical Premiums		51,177,106	51,404,821	51,577,529	51,707,611	51,145,893	51,246,585	52,326,242	52,298,899	52,487,994	52,648,278	52,759,907	52,791,558	623,572,423
4 Pharmacy Premiums		6,036,382	6,079,882	6,090,147	6,087,720	6,077,693	6,105,333	6,108,461	6,134,337	6,133,472	6,117,900	6,124,819	6,122,620	73,218,766
5 Investment Income		0	0	0	0	0	0	0	0	0	0	0	0	0
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		57,213,488	57,484,703	57,667,676	57,795,331	57,223,586	57,351,918	58,434,703	58,433,236	58,621,466	58,766,178	58,884,726	58,914,178	696,791,189
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)		790	794	794	793	0	0	0	0	0	0	0	0	3,171
11 Premium Taxes		1,001,236	1,005,982	1,009,184	1,011,418	1,001,413	1,003,659	1,022,607	1,022,582	1,025,876	1,028,408	1,030,483	1,030,998	12,193,846
12 Maintenance Taxes		22,885	22,994	23,067	23,118	22,889	22,941	23,374	23,373	23,449	23,506	23,554	23,566	278,716
13 Net Revenues		56,188,577	56,454,932	56,634,631	56,760,001	56,199,284	56,325,319	57,388,722	57,387,281	57,572,142	57,714,263	57,830,689	57,859,614	684,315,456
Medical Expenses:														
14 Fee-For-Service		43,048,705	44,881,020	43,379,727	43,428,137	44,730,955	40,576,815	45,113,697	44,185,973	46,952,061	44,610,392	46,220,985	47,405,943	534,534,410
15 Capitated Services		156,057	158,864	158,123	156,497	152,799	153,205	153,096	152,124	153,084	153,591	154,194	153,238	1,854,872
16 Net Reinsurance cost		384	387	388	388	387	388	388	390	390	389	389	388	4,656
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		1,807,451	1,927,511	1,915,877	2,587,561	1,917,836	1,996,251	2,011,347	2,024,007	1,969,754	2,729,236	2,054,062	2,069,237	25,010,130
20 Quality Incentive Payment Program (QIPP)		574,254	580,798	593,341	593,887	580,798	582,980	598,262	588,374	599,910	609,799	605,404	604,305	7,112,112
21 Other Medical Expenses		130,237	178,889	175,963	149,552	138,503	109,991	235,047	204,902	151,501	238,437	228,848	179,499	2,119,969
22 Total Medical Expenses		45,717,088	47,727,469	46,223,419	46,816,022	47,521,278	43,419,630	48,111,837	47,155,770	49,826,700	48,341,844	49,261,882	50,412,610	570,635,549
23 Prescription Expenses (excluding PBM Admin)		4,991,169	5,415,669	5,158,849	5,000,662	5,600,702	5,121,724	5,331,698	5,402,892	5,657,237	5,089,121	5,383,464	5,528,158	63,681,346
24 Total Medical and Prescription Expenses		50,708,257	53,143,139	51,382,268	51,916,684	53,121,980	48,541,354	53,443,536	52,558,662	55,483,937	53,430,965	54,645,346	55,940,768	634,316,895
25 Administrative Expenses		3,089,227	3,342,456	3,400,869	2,958,956	3,334,841	3,096,834	3,218,217	3,230,348	3,494,176	2,793,354	3,475,867	3,681,243	39,116,388
26 Total Expenses		53,797,484	56,485,595	54,783,137	54,875,640	56,456,821	51,638,188	56,661,752	55,789,010	58,978,114	56,224,319	58,121,213	59,622,011	673,433,284
27 Net Income Before Taxes		2,391,093	(30,663)	1,851,494	1,884,361	(257,537)	4,687,131	726,970	1,598,271	(1,405,972)	1,489,944	(290,524)	(1,762,397)	10,882,172
28 % Medical Exp to Net Revenues		81.4%	84.5%	81.6%	82.7%	84.6%	77.1%	83.8%	82.2%	86.5%	83.8%	85.2%	87.1%	83.4%
29 % Prescription Exp to Net Revenues		8.9%	9.6%	9.1%	8.8%	10.0%	9.1%	9.3%	9.4%	9.8%	8.8%	9.3%	9.6%	9.3%
30 % Total Medical and Prescription to Net Rev. (MLR)		90.2%	94.1%	90.7%	91.5%	94.5%	86.2%	93.1%	91.6%	96.4%	92.6%	94.5%	96.7%	92.7%
31 % 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%
32 % Net Income to Net Revenues		4.3%	-0.1%	3.3%	3.3%	-0.5%	8.3%	1.3%	2.8%	-2.4%	2.6%	-0.5%	-3.0%	1.6%
33 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		6.2%	6.6%	6.7%	5.8%	6.7%	6.2%	6.3%	6.3%	6.8%	5.4%	6.7%	7.1%	6.4%

Post-income items:

34 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.

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