

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name: **Superior / Bankers / Centene**
 State Fiscal Year: **2018** Program: **STAR+PLUS**
 Submission Date: **8/30/2019** Service Area: **Lubbock**
 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		6,828	6,835	6,874	6,870	6,883	6,856	6,857	6,837	6,877	6,888	6,910	6,934	82,449
2 Average Monthly Member Months														6,871
Revenues:														
3 Medical Premiums		7,020,085	6,975,784	7,077,981	7,107,674	7,229,554	7,115,530	7,611,540	7,567,832	7,698,401	7,756,673	7,827,697	7,907,353	88,896,104
4 Pharmacy Premiums		1,636,674	1,639,137	1,644,742	1,639,601	1,638,222	1,632,660	1,632,690	1,634,817	1,641,678	1,640,732	1,645,244	1,644,611	19,670,808
5 Investment Income		6,819	6,648	7,316	12,998	8,478	8,941	9,833	9,328	9,702	12,017	11,071	10,349	113,502
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		8,663,578	8,621,569	8,730,039	8,760,273	8,876,254	8,757,131	9,254,063	9,211,977	9,349,781	9,409,422	9,484,012	9,562,313	108,680,414
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)		1,390	1,394	1,398	1,394	0	0	0	0	0	0	0	0	5,575
11 Premium Taxes		151,493	150,761	152,648	153,077	155,186	153,093	161,774	161,046	163,451	164,455	165,776	167,159	1,899,921
12 Maintenance Taxes		410	410	412	412	413	411	411	410	413	413	415	416	4,947
13 Net Revenues		8,510,285	8,469,004	8,575,581	8,605,390	8,720,655	8,603,626	9,091,878	9,050,520	9,185,917	9,244,554	9,317,821	9,394,738	106,769,969
Medical Expenses:														
14 Fee-For-Service		5,441,224	5,525,650	5,498,017	5,701,935	5,688,694	5,100,071	6,670,956	6,293,406	6,719,839	6,001,793	6,429,790	6,624,688	71,696,063
15 Capitated Services		54,571	54,748	54,044	54,703	53,418	53,394	53,534	54,314	54,403	55,202	55,182	54,174	651,686
16 Net Reinsurance cost		141	141	142	142	142	141	141	141	142	142	142	142	1,699
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		273,694	289,089	290,036	392,207	297,486	304,810	318,529	319,084	314,164	436,995	330,828	335,856	3,902,778
20 Quality Incentive Payment Program (QIPP)		515,338	507,004	520,200	527,145	546,592	532,007	529,192	522,210	538,966	548,042	555,023	567,590	6,409,309
21 Other Medical Expenses		17,567	12,637	16,425	17,383	18,372	22,017	(123,903)	(91,778)	(81,844)	74,947	12,063	14,618	(91,496)
22 Total Medical Expenses		6,302,535	6,389,269	6,378,864	6,693,515	6,604,704	6,012,440	7,448,449	7,097,377	7,545,670	7,117,121	7,383,028	7,597,068	82,570,039
23 Prescription Expenses (excluding PBM Admin)		1,318,468	1,338,894	1,414,633	1,356,818	1,561,710	1,432,288	1,566,760	1,513,761	1,593,949	1,503,028	1,679,550	1,555,818	17,835,678
24 Total Medical and Prescription Expenses		7,621,003	7,728,163	7,793,497	8,050,333	8,166,414	7,444,728	9,015,209	8,611,138	9,139,619	8,620,150	9,062,578	9,152,886	100,405,716
25 Administrative Expenses		467,788	501,302	514,842	448,501	517,285	472,859	509,856	509,263	557,301	447,261	559,825	597,500	6,103,382
26 Total Expenses		8,088,791	8,229,465	8,308,339	8,498,834	8,683,699	7,917,587	9,524,864	9,120,401	9,696,920	9,067,411	9,622,403	9,750,386	106,509,100
27 Net Income Before Taxes		421,494	239,539	267,242	106,556	36,956	686,039	(432,986)	(69,881)	(511,003)	177,143	(304,582)	(355,648)	260,869
28 % Medical Exp to Net Revenues		74.1%	75.4%	74.4%	77.8%	75.7%	69.9%	81.9%	78.4%	82.1%	77.0%	79.2%	80.9%	77.3%
29 % Prescription Exp to Net Revenues		15.5%	15.8%	16.5%	15.8%	17.9%	16.6%	17.2%	16.7%	17.4%	16.3%	18.0%	16.6%	16.7%
30 % Total Medical and Prescription to Net Rev. (MLR)		89.6%	91.3%	90.9%	93.5%	93.6%	86.5%	99.2%	95.1%	99.5%	93.2%	97.3%	97.4%	94.0%
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		5.0%	2.8%	3.1%	1.2%	0.4%	8.0%	-4.8%	-0.8%	-5.6%	1.9%	-3.3%	-3.8%	0.2%
33 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		6.8%	7.3%	7.4%	6.4%	7.3%	6.8%	6.8%	6.9%	7.4%	5.9%	7.3%	7.7%	7.0%
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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