

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name: **Superior / Bankers / Centene**
 State Fiscal Year: **2018** Program: **STAR+PLUS**
 Submission Date: **8/30/2019** Service Area: **Corpus / Nueces**
 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		11,064	11,034	10,974	10,941	10,864	10,847	10,819	10,774	10,775	10,719	10,699	10,718	130,228
2 Average Monthly Member Months														10,852
Revenues:														
3 Medical Premiums		15,450,801	15,450,444	15,292,885	15,269,532	15,050,757	14,965,179	15,604,911	15,542,049	15,589,235	15,506,294	15,497,763	15,606,770	184,826,820
4 Pharmacy Premiums		2,347,241	2,343,608	2,332,265	2,323,831	2,312,473	2,319,491	2,325,536	2,331,189	2,341,844	2,333,065	2,335,488	2,345,272	27,991,303
5 Investment Income		11,050	10,733	11,680	20,701	13,381	14,146	15,515	14,699	15,202	18,701	17,142	15,996	178,946
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		17,809,092	17,804,785	17,636,830	17,614,064	17,376,611	17,298,816	17,945,962	17,887,937	17,946,281	17,858,060	17,850,393	17,968,038	212,996,869
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)		4,039	4,028	4,007	3,983	0	0	0	0	0	0	0	0	16,058
11 Premium Taxes		311,466	311,396	308,440	307,884	303,857	302,482	313,783	312,782	313,794	312,189	312,082	314,161	3,724,314
12 Maintenance Taxes		664	662	658	656	652	651	649	646	647	643	642	643	7,814
13 Net Revenues		17,492,923	17,488,699	17,323,725	17,301,540	17,072,103	16,995,683	17,631,530	17,574,509	17,631,841	17,545,228	17,537,669	17,653,234	209,248,684
Medical Expenses:														
14 Fee-For-Service		11,775,974	12,278,333	12,024,883	12,020,005	12,059,502	11,018,109	12,717,910	12,115,250	12,984,517	12,050,897	12,731,205	13,616,068	147,392,653
15 Capitated Services		67,493	67,278	67,015	66,732	67,023	67,356	67,593	68,529	68,698	68,441	68,530	68,811	813,499
16 Net Reinsurance cost		181	180	179	178	178	178	179	179	180	179	179	180	2,150
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		562,613	597,010	585,943	788,601	582,373	602,121	617,707	619,601	603,017	829,369	622,671	631,090	7,642,116
20 Quality Incentive Payment Program (QIPP)		598,627	598,058	584,970	584,401	566,192	554,811	555,989	548,545	551,981	547,400	546,828	557,707	6,795,509
21 Other Medical Expenses		111,233	123,097	130,935	121,928	98,104	72,238	157,626	242,169	159,889	293,314	241,343	91,152	1,843,028
22 Total Medical Expenses		13,116,121	13,663,956	13,393,925	13,581,845	13,373,372	12,314,813	14,117,004	13,594,273	14,368,282	13,789,600	14,210,756	14,965,008	164,488,955
23 Prescription Expenses (excluding PBM Admin)		2,156,677	2,329,081	2,194,995	2,052,484	2,279,236	2,032,527	2,234,836	2,375,933	2,216,064	2,156,873	2,195,396	2,280,294	26,504,397
24 Total Medical and Prescription Expenses		15,272,799	15,993,038	15,588,920	15,634,329	15,652,608	14,347,340	16,351,839	15,970,206	16,584,346	15,946,473	16,406,152	17,245,302	190,993,352
25 Administrative Expenses		961,597	1,035,262	1,040,107	901,790	1,012,663	934,085	988,351	988,894	1,069,702	848,854	1,053,679	1,122,730	11,957,713
26 Total Expenses		16,234,396	17,028,299	16,629,027	16,536,119	16,665,271	15,281,425	17,340,190	16,959,100	17,654,048	16,795,327	17,459,831	18,368,032	202,951,065
27 Net Income Before Taxes		1,258,527	460,400	694,698	765,421	406,832	1,714,258	291,340	615,409	(22,207)	749,901	77,838	(714,798)	6,297,619
28 % Medical Exp to Net Revenues		75.0%	78.1%	77.3%	78.5%	78.3%	72.5%	80.1%	77.4%	81.5%	78.6%	81.0%	84.8%	78.6%
29 % Prescription Exp to Net Revenues		12.3%	13.3%	12.7%	11.9%	13.4%	12.0%	12.7%	13.5%	12.6%	12.3%	12.5%	12.9%	12.7%
30 % Total Medical and Prescription to Net Rev. (MLR)		87.3%	91.4%	90.0%	90.4%	91.7%	84.4%	92.7%	90.9%	94.1%	90.9%	93.5%	97.7%	91.3%
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		7.2%	2.6%	4.0%	4.4%	2.4%	10.1%	1.7%	3.5%	-0.1%	4.3%	0.4%	-4.0%	3.0%
33 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass-through)		6.3%	6.8%	6.9%	6.0%	6.9%	6.4%	6.5%	6.5%	7.0%	5.6%	6.9%	7.3%	6.6%

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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