

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name: **Amerigroup / Anthem**
 State Fiscal Year: **2018** Program: **STAR**
 Submission Date: **10/8/2019** Service Area: **Bexar/San Antonio**
 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		10,504	10,324	10,143	10,016	9,853	9,691	9,547	9,369	9,257	9,314	9,338	9,500	116,856
2 Average Monthly Member Months														9,738
Revenues:														
3 Medical Premiums		1,664,534	1,631,661	1,595,496	1,711,438	1,669,152	1,636,313	1,597,773	1,560,576	1,527,128	1,540,197	1,540,095	1,568,835	19,243,198
4 Delivery Supplemental Payments		137,197	150,263	133,930	127,397	117,597	117,597	114,331	84,931	78,398	117,597	133,930	97,998	1,411,166
5 Pharmacy Premiums		514,942	499,966	485,212	477,842	469,686	461,068	454,510	446,713	433,331	437,838	442,417	453,319	5,576,844
6 Investment Income		17,052	18,120	16,648	17,659	18,320	16,316	16,921	17,039	14,302	14,522	15,206	14,561	196,667
7 Health Insurance Providers Fee Reimbursement		0	0	0	0	0	0	0	0	0	0	0	0	0
8 Other Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
9 Total Gross Revenues		2,333,725	2,300,010	2,231,286	2,334,336	2,274,755	2,231,294	2,183,535	2,109,259	2,053,159	2,110,154	2,131,648	2,134,713	26,427,875
10 Health Insurance Providers Fee & Related Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
11 Health Insurance Providers Fee (NAIP)		0	0	0	0	0	0	0	0	0	0	0	0	0
12 Premium Taxes		36,604	39,933	38,756	40,542	39,488	38,762	37,916	36,614	35,680	36,674	37,038	37,103	455,109
13 Maintenance Taxes		683	671	659	651	640	630	621	609	602	605	607	618	7,596
14 Net Revenues		2,296,438	2,259,406	2,191,871	2,293,143	2,234,627	2,191,902	2,144,999	2,072,036	2,016,877	2,072,875	2,094,003	2,096,993	25,965,170
Medical Expenses:														
15 Fee-For-Service		1,187,212	1,314,902	1,720,540	1,199,214	1,228,448	1,395,354	1,164,636	1,159,780	1,346,841	1,155,668	1,035,874	1,472,131	15,380,602
16 Capitated Services		10,195	10,020	9,841	9,716	9,557	9,409	9,269	9,098	8,994	9,051	9,074	9,227	113,451
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		315	310	304	300	296	291	286	281	278	279	0	0	2,941
19 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
20 Quality Improvement		42,246	43,852	42,267	45,484	44,563	42,853	41,929	37,914	37,409	37,540	38,659	39,610	494,326
21 Total Medical Expenses		1,239,968	1,369,084	1,772,952	1,254,714	1,282,864	1,447,907	1,216,121	1,207,073	1,393,522	1,202,539	1,083,607	1,520,968	15,991,319
22 Prescription Expenses (excluding PBM Admin)		422,859	466,937	418,946	419,943	579,627	461,745	411,118	361,395	610,191	360,567	328,207	394,583	5,236,119
23 Total Medical and Prescription Expenses		1,662,827	1,836,021	2,191,898	1,674,657	1,862,491	1,909,652	1,627,239	1,568,468	2,003,713	1,563,106	1,411,814	1,915,551	21,227,438
24 Administrative Expenses		98,811	112,589	101,352	117,426	108,010	98,508	97,120	99,160	94,978	100,678	98,617	107,745	1,234,994
25 Total Expenses		1,761,638	1,948,610	2,293,250	1,792,083	1,970,501	2,008,161	1,724,359	1,667,628	2,098,691	1,663,784	1,510,431	2,023,296	22,462,432
26 Net Income Before Taxes		534,800	310,796	(101,379)	501,060	264,126	183,741	420,640	404,408	(81,814)	409,091	583,572	73,697	3,502,738
27 % Medical Exp to Net Revenues		54.0%	60.6%	80.9%	54.7%	57.4%	66.1%	56.7%	58.3%	69.1%	58.0%	51.7%	72.5%	61.6%
28 % Prescription Exp to Net Revenues		18.4%	20.7%	19.1%	18.3%	25.9%	21.1%	19.2%	17.4%	30.3%	17.4%	15.7%	18.8%	20.2%
29 % Total Medical and Prescription to Net Rev. (MLR)		72.4%	81.3%	100.0%	73.0%	83.3%	87.1%	75.9%	75.7%	99.3%	75.4%	67.4%	91.3%	81.8%
30 % 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%
31 % Net Income to Net Revenues		23.3%	13.8%	-4.6%	21.9%	11.8%	8.4%	19.6%	19.5%	-4.1%	19.7%	27.9%	3.5%	13.5%
32 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		5.5%	6.4%	5.9%	6.5%	6.1%	5.7%	5.7%	6.1%	6.0%	6.2%	6.0%	6.6%	6.1%
Post-income items:														
33 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.