

**HHSC FINANCIAL STATISTICAL REPORT (FSR)**

MCO name: **Amerigroup / Anthem**  
 State Fiscal Year: **2018** Program: **STAR**  
 Submission Date: **10/8/2019** Service Area: **Jefferson**  
 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		7,270	7,292	7,300	7,225	7,037	6,964	6,870	6,759	6,732	6,762	6,813	6,831	<b>83,855</b>
2 <b>Average Monthly Member Months</b>														<b>6,988</b>
<b>Revenues:</b>														
3 Medical Premiums		1,374,726	1,374,266	1,361,602	1,351,933	1,312,634	1,302,904	1,491,968	1,472,335	1,472,083	1,478,629	1,503,122	1,508,075	17,004,277
4 Delivery Supplemental Payments		142,572	125,599	145,967	166,334	108,627	105,232	156,151	105,232	179,913	139,178	132,389	142,572	1,649,766
5 Pharmacy Premiums		392,552	395,073	395,127	388,306	378,334	374,599	368,678	364,568	363,453	363,655	367,093	367,157	4,518,595
6 Investment Income		13,820	14,941	13,885	14,421	14,237	13,141	14,978	15,412	13,673	13,427	14,465	13,831	170,232
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		1,923,670	1,909,879	1,916,581	1,920,994	1,813,832	1,795,876	2,031,775	1,957,547	2,029,122	1,994,889	2,017,069	2,031,635	23,342,870
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		29,485	33,161	33,297	33,365	31,493	31,198	35,294	33,987	35,270	34,676	35,046	35,312	401,584
13 Maintenance Taxes		473	474	475	470	457	453	447	439	438	440	443	444	5,451
14 <b>Net Revenues</b>		<b>1,893,713</b>	<b>1,876,244</b>	<b>1,882,809</b>	<b>1,887,159</b>	<b>1,781,882</b>	<b>1,764,225</b>	<b>1,996,035</b>	<b>1,923,120</b>	<b>1,993,414</b>	<b>1,959,774</b>	<b>1,981,581</b>	<b>1,995,879</b>	<b>22,935,835</b>
<b>Medical Expenses:</b>														
15 Fee-For-Service		950,062	2,022,944	1,254,810	1,188,901	1,094,182	1,427,316	1,264,755	1,401,607	1,327,459	928,319	1,293,878	1,267,061	15,421,293
16 Capitated Services		7,177	7,178	7,189	7,115	6,933	6,864	6,773	6,667	6,631	6,647	6,705	6,716	82,595
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		218	219	219	217	211	209	206	203	202	203	0	0	2,106
19 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
20 Quality Improvement		34,825	36,414	36,305	37,430	35,533	34,490	39,015	35,187	36,971	35,489	36,581	37,697	435,937
21 Total Medical Expenses		992,282	2,066,755	1,298,523	1,233,663	1,136,859	1,468,879	1,310,749	1,443,663	1,371,263	970,657	1,337,164	1,311,474	<b>15,941,931</b>
22 Prescription Expenses (excluding PBM Admin)		305,128	365,438	357,385	428,045	408,440	346,099	356,817	291,176	322,082	275,078	288,715	305,942	<b>4,050,346</b>
23 <b>Total Medical and Prescription Expenses</b>		<b>1,297,410</b>	<b>2,432,193</b>	<b>1,655,908</b>	<b>1,661,708</b>	<b>1,545,299</b>	<b>1,814,978</b>	<b>1,667,566</b>	<b>1,734,839</b>	<b>1,693,345</b>	<b>1,245,735</b>	<b>1,625,879</b>	<b>1,617,416</b>	<b>19,992,277</b>
24 <b>Administrative Expenses</b>		<b>81,449</b>	<b>93,491</b>	<b>87,057</b>	<b>96,633</b>	<b>86,124</b>	<b>79,285</b>	<b>90,370</b>	<b>92,028</b>	<b>93,866</b>	<b>95,178</b>	<b>93,317</b>	<b>102,542</b>	<b>1,091,341</b>
25 <b>Total Expenses</b>		<b>1,378,859</b>	<b>2,525,684</b>	<b>1,742,965</b>	<b>1,758,342</b>	<b>1,631,424</b>	<b>1,894,263</b>	<b>1,757,935</b>	<b>1,826,867</b>	<b>1,787,211</b>	<b>1,340,913</b>	<b>1,719,196</b>	<b>1,719,959</b>	<b>21,083,618</b>
26 <b>Net Income Before Taxes</b>		<b>514,854</b>	<b>(649,440)</b>	<b>139,844</b>	<b>128,817</b>	<b>150,458</b>	<b>(130,038)</b>	<b>238,100</b>	<b>96,253</b>	<b>206,203</b>	<b>618,861</b>	<b>262,385</b>	<b>275,920</b>	<b>1,852,217</b>
27 % Medical Exp to Net Revenues		52.4%	110.2%	69.0%	65.4%	63.8%	83.3%	65.7%	75.1%	68.8%	49.5%	67.5%	65.7%	69.5%
28 % Prescription Exp to Net Revenues		16.1%	19.5%	19.0%	22.7%	22.9%	19.6%	17.9%	15.1%	16.2%	14.0%	14.6%	15.3%	17.7%
29 % Total Medical and Prescription to Net Rev. (MLR)		68.5%	129.6%	87.9%	88.1%	86.7%	102.9%	83.5%	90.2%	84.9%	63.6%	82.0%	81.0%	87.2%
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 <b>% Net Income to Net Revenues</b>		<b>27.2%</b>	<b>-34.6%</b>	<b>7.4%</b>	<b>6.8%</b>	<b>8.4%</b>	<b>-7.4%</b>	<b>11.9%</b>	<b>5.0%</b>	<b>10.3%</b>	<b>31.6%</b>	<b>13.2%</b>	<b>13.8%</b>	<b>8.1%</b>
32 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		5.4%	6.3%	5.9%	6.4%	6.1%	5.7%	5.6%	5.9%	5.8%	6.0%	5.8%	6.3%	5.9%
<b>Post-income items:</b>														
33 Performance Assessment														<b>0</b>

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.