

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name:	Amerigroup / Anthem		
State Fiscal Year:	2018	Program:	STAR
Submission Date:	10/8/2019	Service Area:	Ft. Worth / Tarrant
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		114,637	112,773	111,935	112,081	111,475	111,156	111,025	110,625	110,386	110,346	110,336	110,471	1,337,246
2 Average Monthly Member Months														111,437
Revenues:														
3 Medical Premiums		18,702,653	18,348,066	18,152,308	18,170,033	18,080,636	18,051,997	20,410,241	20,333,814	20,264,771	20,255,670	20,321,567	20,394,184	231,485,940
4 Delivery Supplemental Payments		1,490,612	1,356,094	1,421,535	1,548,783	1,599,682	1,345,187	1,265,203	1,236,118	1,308,830	1,345,187	1,556,054	1,454,256	16,927,541
5 Pharmacy Premiums		4,295,102	4,216,733	4,175,378	4,170,634	4,150,634	4,145,046	4,139,027	4,131,476	4,118,549	4,118,034	4,117,471	4,126,009	49,904,093
6 Investment Income		174,687	186,568	173,617	178,542	186,129	169,390	192,511	199,771	171,945	171,071	183,932	173,170	2,161,334
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		24,663,054	24,107,461	23,922,838	24,067,992	24,017,081	23,711,620	26,006,982	25,901,179	25,864,095	25,889,962	26,179,024	26,147,619	300,478,908
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		424,609	418,616	415,611	418,065	417,042	411,989	451,753	449,775	449,613	450,081	454,914	454,553	5,216,620
13 Maintenance Taxes		7,451	7,330	7,276	7,285	7,246	7,225	7,217	7,191	7,175	7,172	7,172	7,181	86,921
14 Net Revenues		24,230,994	23,681,515	23,499,951	23,642,641	23,592,793	23,292,406	25,548,012	25,444,214	25,407,307	25,432,709	25,716,938	25,685,886	295,175,366
Medical Expenses:														
15 Fee-For-Service		15,803,076	16,026,814	18,253,057	18,182,443	17,813,169	15,916,389	16,739,986	18,339,704	19,706,772	16,836,261	18,189,593	18,095,012	209,902,275
16 Capitated Services		174,148	170,572	167,934	168,876	167,548	166,271	166,071	155,284	153,381	151,625	150,296	144,776	1,936,782
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		3,439	3,383	3,358	3,362	3,344	3,335	3,331	3,319	3,312	3,310	0	0	33,493
19 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
20 Quality Improvement		446,466	459,638	453,165	468,958	470,500	455,390	499,391	465,570	471,252	460,586	474,778	485,168	5,610,862
21 Total Medical Expenses		16,427,129	16,660,407	18,877,514	18,823,640	18,454,562	16,541,384	17,408,778	18,963,876	20,334,717	17,451,782	18,814,667	18,724,956	217,483,412
22 Prescription Expenses (excluding PBM Admin)		3,896,328	3,789,251	3,944,180	4,226,793	5,273,148	4,620,082	3,818,128	3,657,467	3,546,935	3,215,130	3,350,911	3,596,812	46,935,165
23 Total Medical and Prescription Expenses		20,323,457	20,449,658	22,821,694	23,050,433	23,727,710	21,161,466	21,226,906	22,621,343	23,881,652	20,666,912	22,165,578	22,321,768	264,418,577
24 Administrative Expenses		1,044,247	1,180,097	1,086,649	1,210,712	1,140,378	1,046,832	1,156,741	1,217,664	1,196,461	1,235,235	1,211,132	1,319,745	14,045,893
25 Total Expenses		21,367,704	21,629,755	23,908,343	24,261,145	24,868,088	22,208,298	22,383,648	23,839,007	25,078,113	21,902,147	23,376,709	23,641,513	278,464,470
26 Net Income Before Taxes		2,863,290	2,051,760	(408,392)	(618,504)	(1,275,295)	1,084,108	3,164,364	1,605,207	329,194	3,530,562	2,340,229	2,044,373	16,710,896
27 % Medical Exp to Net Revenues		67.8%	70.4%	80.3%	79.6%	78.2%	71.0%	68.1%	74.5%	80.0%	68.6%	73.2%	72.9%	73.7%
28 % Prescription Exp to Net Revenues		16.1%	16.0%	16.8%	17.9%	22.4%	19.8%	14.9%	14.4%	14.0%	12.6%	13.0%	14.0%	15.9%
29 % Total Medical and Prescription to Net Rev. (MLR)		83.9%	86.4%	97.1%	97.5%	100.6%	90.9%	83.1%	88.9%	94.0%	81.3%	86.2%	86.9%	89.6%
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		11.8%	8.7%	-1.7%	-2.6%	-5.4%	4.7%	12.4%	6.3%	1.3%	13.9%	9.1%	8.0%	5.7%
32 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		5.2%	6.1%	5.6%	6.2%	5.9%	5.5%	5.4%	5.7%	5.6%	5.8%	5.6%	6.1%	5.7%
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.