

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name: **El Paso First Health Plans / EP County Hosp Distr**
 State Fiscal Year: **2018** Program: **STAR**
 Submission Date: **8/29/2019** Service Area: **El Paso**
 Submission Type: **Yr-End 334-Day** Rptg Period End Date: **8/31/2018**

Part 1: **Summary Income Statement**

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
HHSC Managed Care contract costs													
1 Member Months	66,185	66,048	66,472	66,616	66,585	66,692	66,884	66,694	66,952	66,784	66,593	66,525	799,030
2 Average Monthly Member Months													66,586
Revenues:													
3 Medical Premiums	10,813,086	10,768,867	10,820,863	11,465,718	11,444,754	11,495,592	11,487,368	11,466,817	11,538,798	11,525,194	11,502,830	11,530,361	135,860,248
4 Delivery Supplemental Payments	750,583	754,026	695,494	709,266	760,912	685,165	747,140	667,950	692,051	781,570	833,216	860,760	8,938,133
5 Pharmacy Premiums	2,628,843	2,625,719	2,636,418	2,637,875	2,632,205	2,644,358	2,650,137	2,645,337	2,660,170	2,649,127	2,639,327	2,637,874	31,687,390
6 Investment Income	5,468	5,636	5,476	4,898	4,224	6,719	8,409	8,171	11,177	10,859	11,434	13,268	95,740
7 Health Insurance Providers Fee Reimbursement													0
8 Other Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Total Gross Revenues	14,197,980	14,154,248	14,158,251	14,817,757	14,842,095	14,831,834	14,893,054	14,788,275	14,902,196	14,966,750	14,986,807	15,042,263	176,581,511
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	248,369	247,601	247,674	259,225	256,023	259,440	260,481	258,652	260,593	261,728	262,069	263,007	3,084,861
13 Maintenance Taxes	4,082	4,082	4,082	4,082	4,068	4,068	4,068	4,068	4,068	4,068	4,068	4,068	48,875
14 Net Revenues	13,945,529	13,902,565	13,906,495	14,554,450	14,582,004	14,568,326	14,628,504	14,525,555	14,637,535	14,700,954	14,720,670	14,775,187	173,447,775
Medical Expenses:													
15 Fee-For-Service	10,124,283	10,335,087	9,787,136	10,733,013	12,464,849	11,414,636	11,240,256	11,305,106	10,754,190	9,832,351	10,829,039	11,012,599	129,832,546
16 Capitated Services	84,221	83,893	84,561	84,841	84,384	84,465	84,721	84,165	84,710	84,628	84,218	84,156	1,012,961
17 Patient Centered Medical Home Services	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost	56,493	56,272	56,721	49,148	45,539	(2,640)	35,299	(148,318)	24,091	56,766	(69,715)	43,007	202,663
19 IBNR Accrual - Medical	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Quality Improvement	227,776	178,644	164,122	173,638	165,743	179,937	187,515	173,128	170,219	173,930	180,411	227,383	2,202,446
21 Total Medical Expenses	10,492,772	10,653,896	10,092,539	11,040,640	12,760,515	11,676,398	11,547,791	11,414,081	11,033,210	10,147,675	11,023,954	11,367,145	133,250,616
22 Prescription Expenses (excluding PBM Admin)	2,390,268	2,538,520	2,510,856	2,531,526	3,599,737	3,149,845	2,571,895	2,297,606	2,370,720	1,935,610	1,912,056	2,246,860	30,055,498
23 Total Medical and Prescription Expenses	12,883,040	13,192,416	12,603,395	13,572,166	16,360,252	14,826,243	14,119,686	13,711,687	13,403,930	12,083,285	12,936,010	13,614,005	163,306,114
24 Administrative Expenses	1,236,908	1,124,118	922,890	944,151	966,748	1,025,683	1,113,631	1,047,096	1,046,374	1,021,173	1,021,980	1,519,307	12,990,059
25 Total Expenses	14,119,948	14,316,534	13,526,286	14,516,317	17,327,001	15,851,926	15,233,317	14,758,783	14,450,303	13,104,458	13,957,989	15,133,312	176,296,174
26 Net Income Before Taxes	(174,419)	(413,969)	380,209	38,133	(2,744,997)	(1,283,600)	(604,813)	(233,228)	187,232	1,596,496	762,681	(358,125)	(2,848,399)
27 % Medical Exp to Net Revenues	75.2%	76.6%	72.6%	75.9%	87.5%	80.1%	78.9%	78.6%	75.4%	69.0%	74.9%	76.9%	76.8%
28 % Prescription Exp to Net Revenues	17.1%	18.3%	18.1%	17.4%	24.7%	21.6%	17.6%	15.8%	16.2%	13.2%	13.0%	15.2%	17.3%
29 % Total Medical and Prescription to Net Rev. (MLR)	92.4%	94.9%	90.6%	93.3%	112.2%	101.8%	96.5%	94.4%	91.6%	82.2%	87.9%	92.1%	94.2%
30 % Admin Exp to Net Revenues	8.9%	8.1%	6.6%	6.5%	6.6%	7.0%	7.6%	7.2%	7.1%	6.9%	6.9%	10.3%	7.5%
31 % Net Income to Net Revenues	-1.3%	-3.0%	2.7%	0.3%	-18.8%	-8.8%	-4.1%	-1.6%	1.3%	10.9%	5.2%	-2.4%	-1.6%
32 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)	10.9%	10.0%	8.2%	7.9%	8.1%	8.6%	9.3%	8.8%	8.7%	8.5%	8.5%	12.5%	9.2%
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.