

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name:	FirstCare Health Plans / SHA	Program:	STAR
State Fiscal Year:	2018	Service Area:	Lubbock
Submission Date:	8/31/2019	Rptg Period End Date:	8/31/2018
Submission Type:	Yr-End 334-Day		

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	40,155	39,946	39,956	39,845	39,452	39,235	39,199	38,890	38,736	38,656	38,342	37,953	470,365
2 Average Monthly Member Months													39,197
Revenues:													
3 Medical Premiums	6,965,165	6,920,276	6,919,443	6,872,499	6,797,700	6,771,679	7,690,586	7,618,479	7,578,205	7,566,563	7,529,712	7,453,543	86,683,850
4 Delivery Supplemental Payments	429,642	500,710	452,255	413,490	465,176	374,725	381,186	368,264	439,333	533,014	552,397	445,794	5,355,986
5 Pharmacy Premiums	1,730,884	1,720,192	1,718,902	1,710,892	1,689,466	1,675,113	1,674,558	1,665,651	1,661,527	1,654,904	1,644,988	1,634,553	20,181,630
6 Investment Income	126,541	30,581	16,329	17,165	40,955	15,632	15,798	26,930	16,998	17,626	43,127	16,593	384,275
7 Health Insurance Providers Fee Reimbursement	2,558,512												2,558,512
8 Other Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Total Gross Revenues	11,810,744	9,171,759	9,106,929	9,014,046	8,993,297	8,837,149	9,762,128	9,679,324	9,696,063	9,772,107	9,770,224	9,550,483	115,164,253
10 Health Insurance Providers Fee & Related Costs	2,558,512												2,558,512
11 Health Insurance Providers Fee (NAIP)	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Premium Taxes	14,522	14,376	14,502	14,501	14,456	14,371	14,434	14,309	14,123	13,965	13,912	13,980	171,450
13 Maintenance Taxes	1,798	1,798	1,798	1,798	2,318	2,318	2,318	2,318	2,318	2,318	2,318	2,318	25,740
14 Net Revenues	9,235,912	9,155,585	9,090,629	8,997,747	8,976,523	8,820,460	9,745,375	9,662,697	9,679,621	9,755,823	9,753,993	9,534,185	112,408,551
Medical Expenses:													
15 Fee-For-Service	5,992,006	7,098,943	6,354,127	6,365,475	7,730,030	6,595,918	7,182,903	6,883,927	7,607,799	6,462,323	6,542,085	7,926,263	82,741,799
16 Capitated Services	36,140	35,951	35,960	35,861	35,507	35,312	35,279	35,001	36,412	36,337	36,041	35,676	429,477
17 Patient Centered Medical Home Services	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost	113,639	113,047	113,075	112,761	111,649	111,035	110,933	110,059	109,623	109,396	108,508	107,407	1,331,133
19 IBNR Accrual - Medical	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Quality Improvement	134,019	162,774	135,996	128,695	123,809	124,559	130,482	121,783	119,042	122,072	119,911	118,126	1,541,268
21 Total Medical Expenses	6,275,804	7,410,716	6,639,158	6,642,792	8,000,995	6,866,824	7,459,598	7,150,769	7,872,876	6,730,128	6,806,545	8,187,472	86,043,677
22 Prescription Expenses (excluding PBM Admin)	1,497,304	1,497,245	1,506,537	1,558,939	2,215,982	1,684,012	1,335,249	1,320,563	1,265,786	1,071,055	1,139,321	1,349,175	17,441,169
23 Total Medical and Prescription Expenses	7,773,108	8,907,961	8,145,695	8,201,731	10,216,977	8,550,836	8,794,847	8,471,332	9,138,662	7,801,183	7,945,866	9,536,647	103,484,846
24 Administrative Expenses	725,646	953,366	800,377	810,168	816,175	735,076	851,482	918,539	842,562	796,618	865,907	876,040	9,991,956
25 Total Expenses	8,498,754	9,861,327	8,946,072	9,011,899	11,033,152	9,285,912	9,646,329	9,389,871	9,981,225	8,597,801	8,811,773	10,412,688	113,476,803
26 Net Income Before Taxes	737,158	(705,742)	144,557	(14,152)	(2,056,629)	(465,452)	99,046	272,826	(301,604)	1,158,022	942,220	(878,503)	(1,068,252)
27 % Medical Exp to Net Revenues	68.0%	80.9%	73.0%	73.8%	89.1%	77.9%	76.5%	74.0%	81.3%	69.0%	69.8%	85.9%	76.5%
28 % Prescription Exp to Net Revenues	16.2%	16.4%	16.6%	17.3%	24.7%	19.1%	13.7%	13.7%	13.1%	11.0%	11.7%	14.2%	15.5%
29 % Total Medical and Prescription to Net Rev. (MLR)	84.2%	97.3%	89.6%	91.2%	113.8%	96.9%	90.2%	87.7%	94.4%	80.0%	81.5%	100.0%	92.1%
30 % Admin Exp to Net Revenues	7.9%	10.4%	8.8%	9.0%	9.1%	8.3%	8.7%	9.5%	8.7%	8.2%	8.9%	9.2%	8.9%
31 % Net Income to Net Revenues	8.0%	-7.7%	1.6%	-0.2%	-22.9%	-5.3%	1.0%	2.8%	-3.1%	11.9%	9.7%	-9.2%	-1.0%
32 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)	9.7%	12.8%	10.9%	11.1%	11.2%	10.3%	10.6%	11.5%	10.5%	9.8%	10.7%	11.1%	10.8%
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.