

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name:	Molina Healthcare	Program:	STAR
State Fiscal Year:	2018	Service Area:	El Paso
Submission Date:	9/3/2019	Rptg Period End Date:	8/31/2018
Submission Type:	Yr-End 334-Day		

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		3,526	3,518	3,566	3,574	3,591	3,609	3,615	3,604	3,614	3,647	3,647	3,651	43,162
2 Average Monthly Member Months														3,597
Revenues:														
3 Medical Premiums		545,665	545,396	547,174	614,955	621,396	633,158	642,218	641,530	646,044	656,104	658,241	647,482	7,399,363
4 Delivery Supplemental Payments		75,747	48,203	48,203	55,089	34,430	55,089	58,532	48,203	44,760	65,418	58,532	55,089	647,295
5 Pharmacy Premiums		177,617	178,425	180,413	182,838	187,437	191,062	193,873	194,544	197,383	202,562	204,643	140,077	2,230,874
6 Investment Income		2,132	2,674	2,685	3,788	2,841	3,450	4,355	4,418	5,414	5,367	6,382	6,026	49,531
7 Health Insurance Providers Fee Reimbursement		252,207												252,207
8 Other Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
9 Total Gross Revenues		1,053,368	774,698	778,475	856,670	846,104	882,759	898,978	888,695	893,601	929,451	927,798	848,674	10,579,269
10 Health Insurance Providers Fee & Related Costs		247,793												247,793
11 Health Insurance Providers Fee (NAIP)		0	0	0	0	0	0	0	0	0	0	0	0	0
12 Premium Taxes		18,397	13,510	13,576	14,925	14,757	15,388	15,656	15,475	15,543	16,171	16,125	14,746	184,270
13 Maintenance Taxes		212	211	214	214	215	217	217	216	217	219	219	219	2,590
14 Net Revenues		786,967	760,977	764,685	841,530	831,131	867,155	883,105	873,004	877,841	913,061	911,454	833,709	10,144,618
Medical Expenses:														
15 Fee-For-Service		855,683	562,813	428,412	551,963	519,497	474,733	500,151	602,943	502,002	813,583	669,948	789,058	7,270,786
16 Capitated Services		0	0	0	0	0	0	0	0	0	0	0	0	0
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		917	915	927	929	1,329	1,335	1,338	1,333	1,337	1,349	1,349	1,351	14,410
19 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
20 Quality Improvement		64,930	59,072	53,784	80,401	68,008	60,475	79,489	69,777	72,138	70,579	90,872	74,013	843,539
21 Total Medical Expenses		921,530	622,800	483,123	633,293	588,834	536,543	580,977	674,053	575,478	885,512	762,170	864,422	8,128,735
22 Prescription Expenses (excluding PBM Admin)		123,119	122,580	131,635	135,971	184,469	177,198	134,836	134,759	125,559	109,668	104,246	111,881	1,595,920
23 Total Medical and Prescription Expenses		1,044,649	745,380	614,758	769,264	773,303	713,741	715,813	808,812	701,037	995,180	866,416	976,303	9,724,655
24 Administrative Expenses		90,257	47,059	56,750	62,275	57,051	63,796	84,885	55,097	63,771	59,388	52,161	56,759	749,250
25 Total Expenses		1,134,906	792,439	671,508	831,539	830,355	777,537	800,697	863,909	764,808	1,054,568	918,577	1,033,062	10,473,905
26 Net Income Before Taxes		(347,939)	(31,462)	93,177	9,991	776	89,618	82,408	9,095	113,033	(141,507)	(7,123)	(199,353)	(329,287)
27 % Medical Exp to Net Revenues		117.1%	81.8%	63.2%	75.3%	70.8%	61.9%	65.8%	77.2%	65.6%	97.0%	83.6%	103.7%	80.1%
28 % Prescription Exp to Net Revenues		15.6%	16.1%	17.2%	16.2%	22.2%	20.4%	15.3%	15.4%	14.3%	12.0%	11.4%	13.4%	15.7%
29 % Total Medical and Prescription to Net Rev. (MLR)		132.7%	98.0%	80.4%	91.4%	93.0%	82.3%	81.1%	92.6%	79.9%	109.0%	95.1%	117.1%	95.9%
30 % Admin Exp to Net Revenues		11.5%	6.2%	7.4%	7.4%	6.9%	7.4%	9.6%	6.3%	7.3%	6.5%	5.7%	6.8%	7.4%
31 % Net Income to Net Revenues		-44.2%	-4.1%	12.2%	1.2%	0.1%	10.3%	9.3%	1.0%	12.9%	-15.5%	-0.8%	-23.9%	-3.2%
32 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		14.8%	8.1%	9.7%	9.5%	8.9%	9.4%	12.3%	8.1%	9.4%	8.4%	7.4%	8.2%	9.5%
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.