

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name: **Superior / Bankers / Centene**
 State Fiscal Year: **2018** Program: **STAR**
 Submission Date: **8/30/2019** Service Area: **Bexar/San Antonio**
 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		119,757	120,291	121,198	121,191	120,499	120,278	120,260	119,619	120,061	120,449	120,495	120,564	1,444,662
2 Average Monthly Member Months														120,389
Revenues:														
3 Medical Premiums		23,407,378	23,482,348	23,638,009	26,059,076	25,909,036	25,840,395	25,479,836	25,278,882	25,322,369	25,363,389	25,297,292	25,310,477	300,388,487
4 Delivery Supplemental Payments		2,358,478	2,345,412	2,466,275	2,211,481	2,316,012	2,051,419	2,149,416	2,012,219	2,182,082	2,188,615	2,169,016	2,267,013	26,717,438
5 Pharmacy Premiums		5,247,353	5,276,505	5,311,009	5,291,082	5,253,471	5,246,300	5,228,909	5,202,879	5,222,536	5,233,246	5,236,476	5,235,604	62,985,370
6 Investment Income		119,601	117,006	129,000	229,298	148,419	156,859	172,457	163,195	169,384	210,143	193,062	179,938	1,988,361
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		31,132,810	31,221,271	31,544,293	33,790,937	33,626,938	33,294,973	33,030,618	32,657,175	32,896,371	32,995,393	32,895,846	32,993,032	392,079,656
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)		37,420	37,554	37,834	37,816	0	0	0	0	0	0	0	0	150,625
12 Premium Taxes		542,731	544,325	549,768	587,329	585,874	579,917	575,018	568,645	572,722	573,742	572,299	574,229	6,826,598
13 Maintenance Taxes		7,185	7,217	7,272	7,271	7,230	7,217	7,216	7,177	7,204	7,227	7,230	7,234	86,680
14 Net Revenues		30,545,473	30,632,175	30,949,419	33,158,521	33,033,834	32,707,839	32,448,385	32,081,353	32,316,445	32,414,424	32,316,318	32,411,569	385,015,755
Medical Expenses:														
15 Fee-For-Service		24,426,418	22,668,014	23,996,464	24,687,147	26,255,353	26,406,083	23,792,052	24,353,395	24,336,509	21,615,476	22,097,584	24,035,804	288,670,299
16 Capitated Services		426,446	428,347	431,577	431,552	417,441	416,675	416,613	414,392	415,923	417,267	417,427	417,666	5,051,325
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		(87,610)	4,812	4,848	368	4,820	4,811	4,810	4,785	4,802	4,818	4,820	4,823	(39,094)
19 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
20 Quality Improvement		233,064	239,621	247,404	292,259	266,050	278,191	266,924	262,300	261,960	300,677	262,576	265,534	3,176,560
21 Total Medical Expenses		24,998,318	23,340,794	24,680,293	25,411,326	26,943,664	27,105,760	24,480,399	25,034,872	25,019,195	22,338,238	22,782,406	24,723,826	296,859,091
22 Prescription Expenses (excluding PBM Admin)		4,188,418	4,415,223	4,367,449	4,888,995	5,637,048	4,896,430	4,505,583	4,303,072	4,457,867	3,469,754	3,798,360	4,384,850	53,313,048
23 Total Medical and Prescription Expenses		29,186,736	27,756,017	29,047,742	30,300,321	32,580,712	32,002,190	28,985,982	29,337,944	29,477,062	25,807,992	26,580,766	29,108,676	350,172,139
24 Administrative Expenses		1,681,008	1,815,365	1,860,280	1,730,000	1,959,690	1,797,830	1,819,119	1,805,377	1,960,813	1,568,382	1,941,787	2,061,564	22,001,215
25 Total Expenses		30,867,744	29,571,382	30,908,022	32,030,321	34,540,402	33,800,020	30,805,101	31,143,321	31,437,875	27,376,374	28,522,553	31,170,240	372,173,355
26 Net Income Before Taxes		(322,271)	1,060,793	41,397	1,128,200	(1,506,568)	(1,092,181)	1,643,284	938,032	878,570	5,038,050	3,793,765	1,241,329	12,842,400
27 % Medical Exp to Net Revenues		81.8%	76.2%	79.7%	76.6%	81.6%	82.9%	75.4%	78.0%	77.4%	68.9%	70.5%	76.3%	77.1%
28 % Prescription Exp to Net Revenues		13.7%	14.4%	14.1%	14.7%	17.1%	15.0%	13.9%	13.4%	13.8%	10.7%	11.8%	13.5%	13.8%
29 % Total Medical and Prescription to Net Rev. (MLR)		95.6%	90.6%	93.9%	91.4%	98.6%	97.8%	89.3%	91.4%	91.2%	79.6%	82.3%	89.8%	91.0%
30 % Admin Exp to Net Revenues		5.5%	5.9%	6.0%	5.2%	5.9%	5.5%	5.6%	5.6%	6.1%	4.8%	6.0%	6.4%	5.7%
31 % Net Income to Net Revenues		-1.1%	3.5%	0.1%	3.4%	-4.6%	-3.3%	5.1%	2.9%	2.7%	15.5%	11.7%	3.8%	3.3%
32 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		6.6%	7.2%	7.3%	6.2%	7.1%	6.5%	6.7%	6.7%	7.2%	5.8%	7.2%	7.6%	6.8%
Post-income items:														
33 Performance Assessment														

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.