

HHSC FINANCIAL STATISTICAL REPORT (FSR)

MCO name: **Superior / Bankers / Centene**
 State Fiscal Year: **2018** Program: **STAR**
 Submission Date: **8/30/2019** Service Area: **Hidalgo**
 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		151,250	150,734	150,768	150,687	150,064	149,964	149,335	148,465	148,439	148,071	147,088	146,444	1,791,309
2 Average Monthly Member Months														149,276
Revenues:														
3 Medical Premiums		24,514,448	24,393,370	24,379,207	24,345,650	24,242,089	24,242,694	26,585,128	26,466,442	26,501,751	26,398,927	26,259,327	26,150,293	304,479,326
4 Delivery Supplemental Payments		1,916,392	1,752,714	1,878,882	1,923,212	1,851,603	1,490,148	1,653,826	1,681,105	1,626,546	1,609,496	1,776,584	1,902,752	21,063,260
5 Pharmacy Premiums		7,462,013	7,443,770	7,432,292	7,413,935	7,391,139	7,386,916	7,351,309	7,305,957	7,311,157	7,285,095	7,238,544	7,210,036	88,232,163
6 Investment Income		0	0	0	0	0	0	0	0	0	0	0	0	0
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		33,892,853	33,589,854	33,690,381	33,682,797	33,484,831	33,119,758	35,590,263	35,453,504	35,439,454	35,293,518	35,274,455	35,263,081	413,774,749
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)		12,898	12,853	12,855	12,847	0	0	0	0	0	0	0	0	51,454
12 Premium Taxes		593,125	587,822	589,582	589,449	585,985	579,596	622,830	620,436	620,190	617,637	617,303	617,104	7,241,058
13 Maintenance Taxes		13,557	13,436	13,476	13,473	13,394	13,248	14,236	14,181	14,176	14,117	14,110	14,105	165,510
14 Net Revenues		33,273,273	32,975,743	33,074,468	33,067,027	32,885,453	32,526,914	34,953,197	34,818,886	34,805,088	34,661,764	34,643,042	34,631,872	406,316,727
Medical Expenses:														
15 Fee-For-Service		23,589,689	24,034,330	24,185,663	23,185,243	25,685,395	22,981,201	25,380,682	26,085,861	25,498,199	22,638,906	23,421,948	26,063,284	292,750,402
16 Capitated Services		523,783	521,996	522,113	521,833	519,862	519,515	517,336	514,322	514,232	512,957	509,552	507,321	6,204,822
17 Patient Centered Medical Home Services		0	0	0	0	0	0	0	0	0	0	0	0	0
18 Net Reinsurance cost		6,050	6,029	6,031	6,027	6,003	5,999	5,973	5,939	5,938	5,923	5,884	5,858	71,652
19 IBNR Accrual - Medical		0	0	0	0	0	0	0	0	0	0	0	0	0
20 Quality Improvement		253,725	257,800	264,236	291,324	264,926	276,727	287,609	284,760	282,211	321,619	281,562	283,804	3,350,303
21 Total Medical Expenses		24,373,247	24,820,155	24,978,043	24,004,427	26,476,185	23,783,442	26,191,601	26,890,882	26,300,580	23,479,405	24,218,945	26,860,267	302,377,179
22 Prescription Expenses (excluding PBM Admin)		6,760,405	7,826,224	8,467,861	7,919,621	9,136,708	8,198,022	7,038,873	6,571,045	5,802,943	4,645,667	4,767,482	5,884,654	83,019,502
23 Total Medical and Prescription Expenses		31,133,652	32,646,379	33,445,904	31,924,048	35,612,893	31,981,464	33,230,474	33,461,927	32,103,523	28,125,072	28,986,427	32,744,921	385,396,681
24 Administrative Expenses		1,830,035	1,953,087	1,986,842	1,724,463	1,951,408	1,788,369	1,960,088	1,959,966	2,112,395	1,677,619	2,082,192	2,203,408	23,229,874
25 Total Expenses		32,963,687	34,599,465	35,432,746	33,648,511	37,564,301	33,769,833	35,190,562	35,421,893	34,215,918	29,802,691	31,068,619	34,948,329	408,626,555
26 Net Income Before Taxes		309,586	(1,623,722)	(2,358,278)	(581,484)	(4,678,848)	(1,242,919)	(237,365)	(603,007)	589,170	4,859,073	3,574,423	(316,457)	(2,309,828)
27 % Medical Exp to Net Revenues		73.3%	75.3%	75.5%	72.6%	80.5%	73.1%	74.9%	77.2%	75.6%	67.7%	69.9%	77.6%	74.4%
28 % Prescription Exp to Net Revenues		20.3%	23.7%	25.6%	24.0%	27.8%	25.2%	20.1%	18.9%	16.7%	13.4%	13.8%	17.0%	20.4%
29 % Total Medical and Prescription to Net Rev. (MLR)		93.6%	99.0%	101.1%	96.5%	108.3%	98.3%	95.1%	96.1%	92.2%	81.1%	83.7%	94.6%	94.9%
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		0.9%	-4.9%	-7.1%	-1.8%	-14.2%	-3.8%	-0.7%	-1.7%	1.7%	14.0%	10.3%	-0.9%	-0.6%
32 % Adj. Admin to Net Revenues (excludes taxes and Prescription pass through)		7.1%	7.6%	7.7%	6.7%	7.7%	7.1%	7.1%	7.1%	7.7%	6.1%	7.6%	8.0%	7.3%
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.