

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 HMOs by HHSC
- **Delivery Supplemental Payments** – A one-time per pregnancy supplemental payment made by HHSC to STAR, CHIP and CHIP Perinatal HMOs.
- **Bariatric Supplemental Payments** – A one-time per bariatric surgery supplemental payment made by HHSC to STAR, STAR+PLUS, and STARHealth HMOs.
- **Investment Income** – All interest and dividend income resulting from investment of funds received.
- **Other Income** – Any and all income generated from other sources.

Medical Expenses:

- **Capitated Services:**
 - *Single Service* – Amounts paid to providers that do not pay claims to other providers from the capitation payments received.
 - *Delegated Networks* – Capitation amounts paid to subcontracted individual professional associations (IPAs). These funds are used to pay claims for services performed by an integrated delivery system under contract with the IPA.
- **IBNR Accrual Medical Expenses** – 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 Service Delivery Area (SDA) operations of the MCO. Administrative expenses include:

- Salaries, wages, and other benefits
- Employee bonuses and commissions
- Payroll taxes
- Legal fees and expenses
- Auditing, actuarial, and other consulting
- Travel expenses
- Marketing and advertising
- Postage, shipping, and telephone
- Printing and office supplies
- Space rental
- Utilities and maintenance
- Building depreciation
- Equipment depreciation
- Equipment rental
- Outsourced services
- Insurance, except on real estate, excludes reinsurance premiums
- Premium tax
- Regulatory authority licenses and fees
- Affiliated company allocations/charges – portion of any affiliated company management fees and/or other allocations/charges incurred by the affiliate on behalf of the MCO that are charged to the Texas Medicaid SDA operations
- Other administrative expenses – other expenses not specifically identified in any of the above administrative expense classifications.

CHIP HMO Program Financial Statistical Report

Organization: Parkland Community Health Plan
Service Area: Dallas
Submission Date: 06/30/09
Submission Type: Quarterly
Accrual Date: 05/31/09

Part 1: Summary Income Statements (Dollars), All Coverage Groups Combined

Incurring Months:	September	October	November	December	January	February	March	April	May	June	July	August	YTD
1 Total Member Months	28,441	28,640	28,587	28,705	28,687	28,666	29,447	29,871	30,246	0	0	0	261,290
Revenues:													
2 Premiums (HHSC Capitation)	2,530,813	2,547,839	2,542,170	2,552,876	2,551,029	2,549,579	2,619,242	2,657,057	2,690,661	0	0	0	23,241,266
3 Delivery Supplemental Payments	9,300	0	21,700	9,300	3,100	12,400	6,200	6,200	0	0	0	0	68,200
4 Investment Income	31,085	26,582	24,779	32,213	25,746	21,247	29,177	22,849	21,419				235,097
5 Other Revenue													0
6 Total Revenues	2,571,198	2,574,421	2,588,649	2,594,389	2,579,875	2,583,226	2,654,619	2,686,106	2,712,080	0	0	0	23,544,563
Medical Expenses:													
Capitated Services:													
7 Single Service	84,618	83,898	74,664	76,428	81,450	76,673	90,776	78,770	80,009	0	0	0	727,286
8 Delegated Networks	116,776	117,316	117,603	118,152	117,952	117,768	121,679	122,537	124,265	0	0	0	1,074,046
9 Fee-For-Service	2,350,877	2,383,603	2,224,108	2,063,878	2,659,843	2,340,324	2,273,266	2,053,214	772,659	0	0	0	19,121,772
10 IBNR Accrual	0	23,677	44,729	71,353	146,835	184,823	351,595	670,565	1,975,356	0	0	0	3,468,933
11 Total Medical Expenses	2,552,271	2,608,494	2,461,104	2,329,811	3,006,080	2,719,588	2,837,316	2,925,086	2,952,289	0	0	0	24,392,038
12 Total Administrative Expenses	228,610	229,306	230,748	230,596	229,872	230,578	236,290	239,693	242,159	0	0	0	2,097,852
13 Total Expenses	2,780,881	2,837,800	2,691,852	2,560,407	3,235,952	2,950,166	3,073,606	3,164,779	3,194,448	0	0	0	26,489,890
14 Net Income Before Taxes	(209,683)	(263,379)	(103,203)	33,982	(656,077)	(366,940)	(418,987)	(478,673)	(482,368)	0	0	0	(2,945,327)
15 % of Medical Exp to Premiums + DSP	100.5%	102.4%	96.0%	90.9%	117.7%	106.2%	108.1%	109.8%	109.7%	0.0%	0.0%	0.0%	104.6%
16 % of Administrative Exp to Premiums + DSP	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	0.0%	0.0%	0.0%	9.0%
17 % of Net Income to Total Revenues	-8.2%	-10.2%	-4.0%	1.3%	-25.4%	-14.2%	-15.8%	-17.8%	-17.8%	0.0%	0.0%	0.0%	-12.5%
18 Performance Assessment													
19 Quality Challenge Award													
20 Liquidated Damages							625						625

Note: Reporting is on an incurred basis. All prior months' data must be updated to reflect each reported month on an incurred basis, including revised monthly IBNR estimates.