

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: Superior Health Plan, Inc.
Service Area: Bexar
Submission Date: 06/29/09
Submission Type: Quarterly
Accrual Date: 05/31/09

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

Incurred Months:	September	October	November	December	January	February	March	April	May	June	July	August	YTD
1 Total Member Months	12,693	12,561	12,190	12,205	11,961	11,776	11,787	12,006	12,005	0	0	0	109,184
Revenues:													
2 Premiums (HHSC Capitation)	1,099,371	1,087,840	1,055,765	1,056,634	1,035,851	1,020,364	1,021,884	1,042,128	1,041,411	0	0	0	9,461,248
3 Delivery Supplemental Payments	3,100	3,100	3,100	0	3,100	0	9,300	3,100	6,200	0	0	0	31,000
4 Investment Income	(28,028)	8,103	8,101	8,515	7,880	7,450	7,752	7,536	7,512				34,820
5 Other Revenue													0
6 Total Revenues	1,074,443	1,099,043	1,066,966	1,065,149	1,046,831	1,027,814	1,038,936	1,052,764	1,055,123	0	0	0	9,527,068
Medical Expenses:													
Capitated Services:													
7 Single Service	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Delegated Networks	93,360	95,474	92,758	92,793	90,834	89,473	89,536	91,153	91,437	0	0	0	826,818
9 Fee-For-Service	585,503	552,973	595,684	559,739	664,874	586,028	601,018	522,693	293,735	0	0	0	4,962,244
10 IBNR Accrual	1,270	1,036	1,123	8,573	1,868	19,963	39,649	107,671	339,733	0	0	0	520,886
11 Total Medical Expenses	680,133	649,483	689,565	661,104	757,576	695,464	730,203	721,518	724,905	0	0	0	6,309,949
12 Total Administrative Expenses	189,269	181,532	175,234	179,290	176,083	173,994	163,829	165,134	170,956	0	0	0	1,575,320
13 Total Expenses	869,402	831,015	864,799	840,394	933,659	869,458	894,032	886,652	895,861	0	0	0	7,885,269
14 Net Income Before Taxes	205,041	268,028	202,167	224,755	113,172	158,356	144,904	166,112	159,262	0	0	0	1,641,799
15 % of Medical Exp to Premiums + DSP	61.7%	59.5%	65.1%	62.6%	72.9%	68.2%	70.8%	69.0%	69.2%	0.0%	0.0%	0.0%	66.5%
16 % of Administrative Exp to Premiums + DSP	17.2%	16.6%	16.5%	17.0%	16.9%	17.1%	15.9%	15.8%	16.3%	0.0%	0.0%	0.0%	16.6%
17 % of Net Income to Total Revenues	19.1%	24.4%	18.9%	21.1%	10.8%	15.4%	13.9%	15.8%	15.1%	0.0%	0.0%	0.0%	17.2%
18 Performance Assessment													
19 Quality Challenge Award													
20 Liquidated Damages	(7,500)	0	0	0	(6,700)	0	(4,925)	0	0	0	0	0	(19,125)

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.