

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 Perinatal HMO Program Financial Statistical Report

Organization: Superior Health Plan, Inc.
Service Area: El Paso
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	733	731	697	687	674	641	645	634	557	0	0	0	5,999
Revenues:													
2 Premiums (HHSC Capitation)	320,137	321,771	307,890	302,100	296,804	281,298	170,675	167,744	147,329	0	0	0	2,315,748
3 Delivery Supplemental Payments	0	6,200	6,200	3,100	0	0	3,100	0	6,200	0	0	0	24,800
4 Investment Income	(10,026)	2,922	2,941	3,111	3,081	2,935	3,062	2,983	2,986				13,994
5 Other Revenue													0
6 Total Revenues	310,111	330,893	317,031	308,311	299,885	284,233	176,837	170,727	156,515	0	0	0	2,354,542
Medical Expenses:													
Capitated Services:													
7 Single Service	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Delegated Networks	1,042	1,039	991	977	1,018	968	974	957	841	0	0	0	8,808
9 Fee-For-Service	139,951	158,732	135,411	154,936	134,123	133,510	132,110	91,206	41,854	0	0	0	1,121,832
10 IBNR Accrual	241	247	252	4,329	409	5,071	9,522	27,328	83,038	0	0	0	130,437
11 Total Medical Expenses	141,234	160,019	136,654	160,242	135,550	139,549	142,606	119,491	125,733	0	0	0	1,261,077
12 Total Administrative Expenses	18,056	16,280	16,240	18,001	16,194	16,493	13,979	15,794	13,424	0	0	0	144,460
13 Total Expenses	159,290	176,299	152,894	178,243	151,744	156,042	156,585	135,285	139,157	0	0	0	1,405,537
14 Net Income Before Taxes	150,821	154,594	164,137	130,068	148,141	128,191	20,252	35,442	17,358	0	0	0	949,005
15 % of Medical Exp to Premiums + DSP	44.1%	48.8%	43.5%	52.5%	45.7%	49.6%	82.1%	71.2%	81.9%	0.0%	0.0%	0.0%	53.9%
16 % of Administrative Exp to Premiums + DSP	5.6%	5.0%	5.2%	5.9%	5.5%	5.9%	8.0%	9.4%	8.7%	0.0%	0.0%	0.0%	6.2%
17 % of Net Income to Total Revenues	48.6%	46.7%	51.8%	42.2%	49.4%	45.1%	11.5%	20.8%	11.1%	0.0%	0.0%	0.0%	40.3%
18 Performance Assessment													
19 Quality Challenge Award													
20 Liquidated Damages													0

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.