

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: Bankers Reserve DBA Superior Health Plan Network
Service Area: Lubbock
Submission Date: 06/29/09
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	12,508	12,434	12,292	12,507	12,762	12,602	13,003	13,057	11,918	0	0	0	113,083
Revenues:													
2 Premiums (HHSC Capitation)	6,137,748	6,103,558	5,993,762	6,069,426	6,204,982	6,124,064	2,809,785	2,812,460	2,561,866	0	0	0	44,817,651
3 Delivery Supplemental Payments	24,800	9,300	18,600	18,600	18,600	6,200	21,700	9,300	21,700	0	0	0	148,800
4 Investment Income	16,448	15,561	17,123	19,894	3,404	4,349	4,464	2,121	4,943				88,308
5 Other Revenue													0
6 Total Revenues	6,178,996	6,128,419	6,029,485	6,107,920	6,226,986	6,134,613	2,835,949	2,823,881	2,588,509	0	0	0	45,054,759
Medical Expenses:													
Capitated Services:													
7 Single Service	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Delegated Networks	14,072	13,988	13,829	14,070	15,697	15,500	15,994	16,060	14,659	0	0	0	133,869
9 Fee-For-Service	2,790,231	2,907,812	2,918,408	3,593,502	3,517,643	3,249,591	3,030,769	2,705,734	1,116,905	0	0	0	25,830,594
10 IBNR Accrual	45,747	73,106	24,702	48,223	162,065	222,507	180,548	530,078	2,067,240	0	0	0	3,354,215
11 Total Medical Expenses	2,850,049	2,994,907	2,956,938	3,655,795	3,695,405	3,487,598	3,227,311	3,251,872	3,198,804	0	0	0	29,318,678
12 Total Administrative Expenses	1,109,237	1,098,361	1,081,713	1,098,000	1,058,774	1,034,539	520,563	518,056	492,572	0	0	0	8,011,814
13 Total Expenses	3,959,286	4,093,268	4,038,651	4,753,795	4,754,179	4,522,137	3,747,874	3,769,928	3,691,376	0	0	0	37,330,492
14 Net Income Before Taxes	2,219,710	2,035,151	1,990,834	1,354,125	1,472,807	1,612,476	(911,925)	(946,047)	(1,102,867)	0	0	0	7,724,267
15 % of Medical Exp to Premiums + DSP	46.2%	49.0%	49.2%	60.0%	59.4%	56.9%	114.0%	115.2%	123.8%	0.0%	0.0%	0.0%	65.2%
16 % of Administrative Exp to Premiums + DSP	18.0%	18.0%	18.0%	18.0%	17.0%	16.9%	18.4%	18.4%	19.1%	0.0%	0.0%	0.0%	17.8%
17 % of Net Income to Total Revenues	35.9%	33.2%	33.0%	22.2%	23.7%	26.3%	-32.2%	-33.5%	-42.6%	0.0%	0.0%	0.0%	17.1%
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.