

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: Bankers' Reserve Life Insurance Company of Wisconsin (d.b.a. Superior HealthPlan Network)
Service Area: EPO
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	105,170	105,175	103,420	102,648	101,486	100,679	102,199	104,149	105,311	0	0	0	930,237
Revenues:													
2 Premiums (HHSC Capitation)	8,871,470	8,873,007	8,725,004	8,657,525	8,557,088	8,488,459	8,617,007	8,784,077	8,882,507	0	0	0	78,456,144
3 Delivery Supplemental Payments	6,200	3,100	3,100	6,200	12,400	15,500	31,000	6,200	12,400	0	0	0	96,100
4 Investment Income	28,794	27,240	29,974	34,825	5,960	7,613	7,815	3,713	8,654				154,589
5 Other Revenue													0
6 Total Revenues	8,906,464	8,903,347	8,758,078	8,698,550	8,575,448	8,511,572	8,655,822	8,793,990	8,903,561	0	0	0	78,706,833
Medical Expenses:													
Capitated Services:													
7 Single Service	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Delegated Networks	435,110	461,834	453,526	450,504	455,976	452,701	459,475	468,049	474,723	0	0	0	4,111,898
9 Fee-For-Service	6,550,765	6,700,458	5,812,590	6,158,722	6,443,569	6,963,025	6,746,065	5,911,677	2,761,906	0	0	0	54,048,777
10 IBNR Accrual	93,095	148,772	50,268	98,134	329,802	452,801	367,416	1,078,710	4,206,838	0	0	0	6,825,835
11 Total Medical Expenses	7,078,970	7,311,063	6,316,384	6,707,360	7,229,347	7,868,527	7,572,956	7,458,437	7,443,466	0	0	0	64,986,510
12 Total Administrative Expenses	1,814,358	1,525,254	1,653,094	1,633,103	1,526,158	1,509,476	1,534,547	1,508,124	1,577,887	0	0	0	14,282,002
13 Total Expenses	8,893,328	8,836,317	7,969,478	8,340,463	8,755,505	9,378,003	9,107,503	8,966,561	9,021,353	0	0	0	79,268,512
14 Net Income Before Taxes	13,136	67,030	788,600	358,087	(180,057)	(866,431)	(451,681)	(172,571)	(117,792)	0	0	0	(561,679)
15 % of Medical Exp to Premiums + DSP	79.7%	82.4%	72.4%	77.4%	84.4%	92.5%	87.6%	84.8%	83.7%	0.0%	0.0%	0.0%	82.7%
16 % of Administrative Exp to Premiums + DSP	20.4%	17.2%	18.9%	18.8%	17.8%	17.8%	17.7%	17.2%	17.7%	0.0%	0.0%	0.0%	18.2%
17 % of Net Income to Total Revenues	0.1%	0.8%	9.0%	4.1%	-2.1%	-10.2%	-5.2%	-2.0%	-1.3%	0.0%	0.0%	0.0%	-0.7%
18 Performance Assessment													
19 Quality Challenge Award													
20 Liquidated Damages	(5,900)	0	0	0	(6,100)	0	(4,550)	0	0				(16,550)

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.