

## 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.

## ICM HMO Program Financial Statistical Report

**Organization:** EVERCARE OF TEXAS L.L.C.  
**Service Area:** Dallas  
**Submission Date:** 06/30/09  
**Submission Type:** Quarterly  
**Accrual Date:** 05/31/09

### Part 1: Summary Income Statements (Dollars)

Incurred Months:	September	October	November	December	January	February	March	April	May	June	July	August	YTD
<b>1 Total Member Months</b>	<b>47,100</b>	<b>47,137</b>	<b>47,396</b>	<b>46,848</b>	<b>47,574</b>	<b>47,829</b>	<b>48,005</b>	<b>48,325</b>	<b>48,667</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>428,881</b>
<b>Revenues:</b>													
2 Administrative Services Fees	1,177,029	1,177,954	1,184,426	1,170,732	1,188,874	1,195,247	1,199,645	1,207,642	1,216,188	0	0	0	<b>10,717,736</b>
3 Investment Income	13,185	12,015	12,387	4,841	8,390	8,390	8,500	7,608	26	0	0	0	<b>75,342</b>
4 Other Revenue	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>
<b>5 Total Revenues</b>	<b>1,190,214</b>	<b>1,189,968</b>	<b>1,196,813</b>	<b>1,175,573</b>	<b>1,197,264</b>	<b>1,203,637</b>	<b>1,208,145</b>	<b>1,215,249</b>	<b>1,216,214</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,793,078</b>
<b>Expenses:</b>													
6 Total Acute Care and Long Term Services Expenses	768,219	788,149	785,170	862,196	886,011	987,296	1,543,119	990,257	799,772	-	-	-	<b>8,410,189</b>
7 Total Administrative Expenses	276,384	277,651	299,257	277,960	279,452	269,207	362,142	291,182	251,594	0	0	0	<b>2,584,829</b>
<b>8 Total Expenses</b>	<b>1,044,603</b>	<b>1,065,800</b>	<b>1,084,427</b>	<b>1,140,156</b>	<b>1,165,463</b>	<b>1,256,503</b>	<b>1,905,261</b>	<b>1,281,439</b>	<b>1,051,366</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,995,018</b>
<b>9 Net Income Before Taxes</b>	<b>145,611</b>	<b>124,168</b>	<b>112,386</b>	<b>35,417</b>	<b>31,801</b>	<b>(52,866)</b>	<b>(697,116)</b>	<b>(66,190)</b>	<b>164,848</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(201,940)</b>
10 Services Expense to Total Revenues	65.3%	66.9%	66.3%	73.6%	74.5%	82.6%	128.6%	82.0%	65.8%	0.0%	0.0%	0.0%	<b>78.5%</b>
11 Administrative Expense to Fees	23.5%	23.6%	25.3%	23.7%	23.5%	22.5%	30.2%	24.1%	20.7%	0.0%	0.0%	0.0%	<b>24.1%</b>
12 Net Income to Total Revenues	12.2%	10.4%	9.4%	3.0%	2.7%	-4.4%	-57.7%	-5.4%	13.6%	0.0%	0.0%	0.0%	<b>-1.9%</b>
13 Admin Fee at Risk - Inpatient Hospital Utilization	(106,113)	(106,317)	(106,706)	(105,749)	(107,233)	(107,894)	(106,325)	(105,962)	(108,061)	0	0	0	<b>(960,358)</b>
14 Admin Fee at Risk - Nursing Facility Utilization	(58,951)	(59,065)	(59,281)	(58,749)	(59,574)	(59,941)	(59,069)	(58,868)	(60,034)	0	0	0	<b>(533,532)</b>
15 Admin Fee at Risk - Quality	(35,371)	(35,439)	(35,569)	(35,250)	(35,744)	(35,965)	(35,442)	(35,321)	(36,020)	0	0	0	<b>(320,119)</b>
16 Hospital Utilization Challenge Award	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>
17 Community Return Challenge Award	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>
18 Recoupment - 1915(c) CBA Services for SSI Clients	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>
19 Liquidated Damages	(191,929)	(54,900)	0	0	0	(151,878)	0	0	0	0	0	0	<b>(398,708)</b>

Note: Reporting is on an incurred basis. All prior months' data must be updated to reflect each reported month on an incurred basis.