

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.

STAR HMO Program Financial Statistical Report

Organization: Superior HealthPlan, 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

Incurring Months:	September	October	November	December	January	February	March	April	May	June	July	August	YTD
1 Total Member Months	64,658	63,764	64,113	63,296	61,054	60,958	60,191	62,416	61,758	0	0	0	562,208
Revenues:													
2 Premiums (HHSC Capitation)	13,831,246	13,598,436	13,459,654	13,270,870	12,825,775	12,692,810	12,458,854	12,642,847	12,239,895	0	0	0	117,020,387
3 Delivery Supplemental Payments	1,620,228	1,473,233	1,518,964	1,541,831	1,322,969	1,303,369	1,264,170	1,231,505	1,234,771	0	0	0	12,511,040
4 Bariatric Supplemental Payments	0	0	0	0	0	0	0	0	0	0	0	0	0
5 Investment Income	(263,127)	75,729	75,666	79,373	71,156	67,377	69,982	68,301	68,587				313,044
6 Other Revenue													0
7 Total Revenues	15,188,347	15,147,398	15,054,284	14,892,074	14,219,900	14,063,556	13,793,006	13,942,653	13,543,253	0	0	0	129,844,471
Medical Expenses:													
Capitated Services:													
8 Single Service	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Delegated Networks	418,251	430,754	431,581	426,016	405,968	404,143	399,949	413,791	424,321	0	0	0	3,754,773
10 Fee-For-Service	11,588,806	10,892,529	10,586,983	11,475,830	11,581,699	9,007,222	9,382,053	7,474,936	3,737,292	0	0	0	85,727,350
11 IBNR Accrual	168,346	208,468	76,964	629,231	328,301	993,829	1,567,162	2,478,891	7,235,245	0	0	0	13,686,437
12 Total Medical Expenses	12,175,403	11,531,751	11,095,528	12,531,076	12,315,968	10,405,194	11,349,164	10,367,618	11,396,858	0	0	0	103,168,560
13 Total Administrative Expenses	2,163,835	2,156,060	2,070,934	2,103,041	2,027,872	1,977,628	1,929,142	1,942,550	1,983,673	0	0	0	18,354,735
14 Total Expenses	14,339,238	13,687,811	13,166,462	14,634,117	14,343,840	12,382,822	13,278,306	12,310,168	13,380,531	0	0	0	121,523,295
15 Net Income Before Taxes	849,109	1,459,587	1,887,822	257,957	(123,940)	1,680,734	514,700	1,632,485	162,722	0	0	0	8,321,176
16 % of Medical Exp to Premiums + DSP + BSP	78.8%	76.5%	74.1%	84.6%	87.0%	74.3%	82.7%	74.7%	84.6%	0.0%	0.0%	0.0%	79.6%
17 % of Administrative Exp to Premiums + DSP + BSP	14.0%	14.3%	13.8%	14.2%	14.3%	14.1%	14.1%	14.0%	14.7%	0.0%	0.0%	0.0%	14.2%
18 % of Net Income to Total Revenues	5.6%	9.6%	12.5%	1.7%	-0.9%	12.0%	3.7%	11.7%	1.2%	0.0%	0.0%	0.0%	6.4%
19 Performance Assessment													
20 Quality Challenge Award													
21 Liquidated Damages	(6,200)	0	0	0	(5,600)	0	(4,550)	0	0				(16,350)

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.