

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: Unicare Health Plans of Texas, Inc.
Service Area: Dallas
Submission Date: 06/30/09
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	14,117	14,615	15,834	16,760	16,989	17,672	18,002	18,106	17,907				150,002
Revenues:													
2 Premiums (HHSC Capitation)	3,237,435	3,480,052	3,772,564	4,020,642	4,121,469	4,314,801	4,483,542	4,415,577	4,183,182				36,029,264
3 Delivery Supplemental Payments	749,872	718,037	739,261	845,374	799,392	831,225	845,374	909,042	205,154				6,642,731
4 Bariatric Supplemental Payments													
5 Investment Income	56,899	51,166	52,198	57,418	40,356	46,055	40,381	46,331	43,268				434,073
6 Other Revenue													
7 Total Revenues	4,044,206	4,249,255	4,564,023	4,923,434	4,961,217	5,192,081	5,369,297	5,370,950	4,431,604				43,106,068
Medical Expenses:													
Capitated Services:													
8 Single Service	41,999	43,655	46,488	49,335	50,775	51,733	53,855	54,550	54,594				446,984
9 Delegated Networks	16,038	16,735	17,755	18,832	19,437	19,755	20,656	20,862	20,793				170,862
10 Fee-For-Service	3,370,550	3,802,921	3,941,014	4,247,517	4,035,131	4,143,956	4,284,284	3,464,254	1,460,878				32,750,506
11 IBNR Accrual	72,381	99,065	157,825	305,353	457,200	608,357	1,034,946	1,898,978	3,943,149				8,577,254
12 Total Medical Expenses	3,500,968	3,962,376	4,163,081	4,621,037	4,562,543	4,823,802	5,393,741	5,438,644	5,479,414				41,945,607
13 Total Administrative Expenses	305,686	302,554	314,060	364,702	316,037	350,316	414,198	436,994	440,800				3,245,347
14 Total Expenses	3,806,654	4,264,930	4,477,141	4,985,739	4,878,580	5,174,118	5,807,939	5,875,638	5,920,214				45,190,954
15 Net Income Before Taxes	237,552	(15,675)	86,882	(62,305)	82,637	17,963	(438,642)	(504,688)	(1,488,610)				(2,084,886)
16 % of Medical Exp to Premiums + DSP + BSP	87.8%	94.4%	92.3%	95.0%	92.7%	93.7%	101.2%	102.1%	124.9%				98.3%
17 % of Administrative Exp to Premiums + DSP + BSP	7.7%	7.2%	7.0%	7.5%	6.4%	6.8%	7.8%	8.2%	10.0%				7.6%
18 % of Net Income to Total Revenues	5.9%	-0.4%	1.9%	-1.3%	1.7%	0.3%	-8.2%	-9.4%	-33.6%				-4.8%
19 Performance Assessment													
20 Quality Challenge Award													
21 Liquidated Damages	27,750												27,750

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.