

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+PLUS HMO Program Financial Statistical Report

Organization: AMERIGROUP Texas Inc
Service Area: Bexar
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	8,568	8,598	8,627	8,609	8,737	8,807	8,797	8,843	8,882	0	0	0	78,468
Revenues:													
2 Premiums (HHSC Capitation)	3,942,872	4,087,975	4,100,271	4,123,783	4,222,675	4,242,089	4,096,652	4,125,366	4,139,865	0	0	0	37,081,547
3 Bariatric Supplemental Payments	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Investment Income	17,690	18,245	17,759	15,118	13,722	11,508	11,330	10,705	12,828	0	0	0	128,903
5 Other Revenue													0
6 Total Revenues	3,960,562	4,106,220	4,118,030	4,138,901	4,236,397	4,253,597	4,107,982	4,136,071	4,152,693	0	0	0	37,210,450
Medical Expenses:													
Capitated Services:													
7 Single Service	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Delegated Networks	3,814	3,852	3,887	3,963	4,057	4,915	3,976	4,012	4,061	0	0	0	36,537
9 Fee-For-Service	2,774,446	2,929,460	2,593,419	2,931,019	2,923,722	2,720,369	2,852,376	2,496,499	361,543	0	0	0	22,582,853
10 IBNR Accrual	86,785	106,659	124,075	132,363	186,317	277,670	439,176	917,867	3,455,916	0	0	0	5,726,828
11 Total Medical Expenses	2,865,045	3,039,971	2,721,381	3,067,345	3,114,096	3,002,954	3,295,528	3,418,378	3,821,520	0	0	0	28,346,218
12 Total Administrative Expenses	476,598	491,721	487,316	559,556	552,179	509,079	630,097	544,405	549,030	0	0	0	4,799,981
13 Total Expenses	3,341,643	3,531,692	3,208,697	3,626,901	3,666,275	3,512,033	3,925,625	3,962,783	4,370,550	0	0	0	33,146,199
14 Net Income Before Taxes	618,919	574,528	909,333	512,000	570,122	741,564	182,357	173,288	(217,857)	0	0	0	4,064,251
15 % of Medical Exp to Premiums + BSP	72.7%	74.4%	66.4%	74.4%	73.7%	70.8%	80.4%	82.9%	92.3%	0.0%	0.0%	0.0%	76.4%
16 % of Administrative Exp to Premiums + BSP	12.1%	12.0%	11.9%	13.6%	13.1%	12.0%	15.4%	13.2%	13.3%	0.0%	0.0%	0.0%	12.9%
17 % of Net Income to Total Revenues	15.6%	14.0%	22.1%	12.4%	13.5%	17.4%	4.4%	4.2%	-5.2%	0.0%	0.0%	0.0%	10.9%
18 Performance Assessment													
19 Quality Challenge Award													
20 Hospital Inpatient Incentive - Shared Savings Award													
21 Hospital Inpatient Disincentive - Admin Fee at Risk													
22 Liquidated Damages													(900)

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.