

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: 10/07/09
Submission Type: SFY08
Accrual Date: 07/31/09

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	8,536	8,468	8,467	8,327	8,404	8,419	8,380	8,375	8,355	8,387	8,494	8,530	101,142
Revenues:													
2 Premiums (HHSC Capitation)	3,741,206	3,690,288	3,707,700	3,663,427	3,677,289	3,672,863	3,657,509	3,663,065	3,670,092	3,726,393	3,779,192	3,794,017	44,443,041
3 Bariatric Supplemental Payments	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Investment Income	21,422	23,473	22,724	24,723	23,137	19,720	18,247	16,656	14,921	14,540	16,330	15,198	231,091
5 Other Revenue													0
6 Total Revenues	3,762,628	3,713,761	3,730,424	3,688,150	3,700,426	3,692,583	3,675,756	3,679,721	3,685,013	3,740,933	3,795,522	3,809,215	44,674,132
Medical Expenses:													
Capitated Services:													
7 Single Service	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Delegated Networks	3,667	3,636	3,683	3,665	3,717	3,733	3,701	3,718	3,718	3,754	3,847	3,860	44,699
9 Fee-For-Service	2,442,649	2,710,580	2,541,501	2,508,766	2,698,079	2,430,432	2,520,236	2,561,212	2,468,723	2,497,207	2,709,798	2,710,705	30,799,888
10 IBNR Accrual	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Total Medical Expenses	2,446,316	2,714,216	2,545,184	2,512,431	2,701,796	2,434,165	2,523,937	2,564,930	2,472,441	2,500,961	2,713,645	2,714,565	30,844,587
12 Total Administrative Expenses	399,566	429,808	432,444	441,513	454,381	482,540	470,476	457,181	448,389	458,277	475,506	455,761	5,405,842
13 Total Expenses	2,845,882	3,144,024	2,977,628	2,953,944	3,156,177	2,916,705	2,994,413	3,022,111	2,920,830	2,959,238	3,189,151	3,170,326	36,250,429
14 Net Income Before Taxes	916,746	569,737	752,796	734,206	544,249	775,878	681,343	657,610	764,183	781,695	606,371	638,889	8,423,703
15 % of Medical Exp to Premiums + BSP	65.4%	73.6%	68.6%	68.6%	73.5%	66.3%	69.0%	70.0%	67.4%	67.1%	71.8%	71.5%	69.4%
16 % of Administrative Exp to Premiums + BSP	10.7%	11.6%	11.7%	12.1%	12.4%	13.1%	12.9%	12.5%	12.2%	12.3%	12.6%	12.0%	12.2%
17 % of Net Income to Total Revenues	24.4%	15.3%	20.2%	19.9%	14.7%	21.0%	18.5%	17.9%	20.7%	20.9%	16.0%	16.8%	18.9%
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						(27,500)				(1,708)			(29,208)

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.