

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: Travis
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	8,531	8,585	8,634	8,754	9,059	9,037	9,116	9,188	9,198	9,239	9,314	9,352	108,007
Revenues:													
2 Premiums (HHSC Capitation)	3,894,826	3,824,223	3,846,789	3,905,218	3,950,079	3,954,826	3,975,243	3,992,279	4,027,087	4,094,142	4,047,016	3,998,209	47,509,936
3 Bariatric Supplemental Payments	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Investment Income	21,557	24,731	23,515	25,584	24,797	21,311	19,922	18,269	16,202	15,842	16,539	18,205	246,473
5 Other Revenue													0
6 Total Revenues	3,916,383	3,848,954	3,870,304	3,930,802	3,974,876	3,976,137	3,995,165	4,010,548	4,043,289	4,109,984	4,063,555	4,016,414	47,756,409
Medical Expenses:													
Capitated Services:													
7 Single Service	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Delegated Networks	5,586	5,619	5,658	5,823	6,077	6,019	6,275	6,351	6,098	6,098	6,141	6,175	71,921
9 Fee-For-Service	3,051,026	3,506,192	3,254,769	3,206,303	3,563,033	3,276,906	3,458,402	3,713,336	3,553,951	3,607,805	3,849,510	3,602,445	41,643,677
10 IBNR Accrual	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Total Medical Expenses	3,056,612	3,511,811	3,260,427	3,212,126	3,569,110	3,282,925	3,464,677	3,719,687	3,560,049	3,613,903	3,855,651	3,608,620	41,715,598
12 Total Administrative Expenses	310,564	300,785	291,802	299,991	301,603	306,577	299,219	315,830	320,764	313,843	318,564	310,387	3,689,928
13 Total Expenses	3,367,176	3,812,596	3,552,229	3,512,117	3,870,713	3,589,502	3,763,896	4,035,517	3,880,813	3,927,746	4,174,215	3,919,007	45,405,526
14 Net Income Before Taxes	549,207	36,358	318,075	418,685	104,163	386,635	231,269	(24,969)	162,476	182,238	(110,660)	97,407	2,350,883
15 % of Medical Exp to Premiums + BSP	78.5%	91.8%	84.8%	82.3%	90.4%	83.0%	87.2%	93.2%	88.4%	88.3%	95.3%	90.3%	87.8%
16 % of Administrative Exp to Premiums + BSP	8.0%	7.9%	7.6%	7.7%	7.6%	7.8%	7.5%	7.9%	8.0%	7.7%	7.9%	7.8%	7.8%
17 % of Net Income to Total Revenues	14.0%	0.9%	8.2%	10.7%	2.6%	9.7%	5.8%	-0.6%	4.0%	4.4%	-2.7%	2.4%	4.9%
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							(20,000)				(1,803)		(21,803)

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.