

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.

CHIP Perinatal HMO Program Financial Statistical Report

Organization: Parkland Community Health Plan
Service Area: Dallas
Submission Date: 08/31/09
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	7,823	8,469	9,034	9,650	10,328	10,608	10,832	11,035	11,184	11,470	11,438	11,486	123,357
Revenues:													
2 Premiums (HHSC Capitation)	3,828,899	4,066,564	4,273,745	4,498,919	4,780,330	4,883,579	5,003,564	5,122,829	5,218,664	5,365,899	5,375,082	5,391,222	57,809,295
3 Delivery Supplemental Payments	31,000	9,300	3,100	15,500	18,600	9,300	31,000	3,100	24,800	24,800	37,200	15,500	223,200
4 Investment Income	38,489	45,796	47,488	54,746	44,899	41,810	66,347	55,140	17,010	41,448	50,253	50,198	553,625
5 Other Revenue													0
6 Total Revenues	3,898,388	4,121,660	4,324,333	4,569,165	4,843,829	4,934,689	5,100,911	5,181,069	5,260,474	5,432,147	5,462,535	5,456,920	58,586,120
Medical Expenses:													
Capitated Services:													
7 Single Service	7,284	9,117	9,261	9,117	13,653	14,724	15,567	18,723	15,471	15,141	13,989	14,457	156,504
8 Delegated Networks	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Fee-For-Service	1,533,781	1,861,139	1,932,519	2,221,092	2,244,480	2,256,258	2,547,188	2,259,221	2,136,263	2,254,221	2,425,974	2,643,357	26,315,494
10 IBNR Accrual	156,102	156,199	221,503	248,988	186,121	203,271	128,083	204,699	136,044	148,908	106,535	95,926	1,992,379
11 Total Medical Expenses	1,697,167	2,026,455	2,163,283	2,479,197	2,444,254	2,474,253	2,690,838	2,482,643	2,287,778	2,418,270	2,546,498	2,753,740	28,464,377
12 Total Administrative Expenses	463,188	489,104	513,221	541,730	431,904	440,359	453,111	461,334	471,912	485,163	487,105	486,605	5,724,735
13 Total Expenses	2,160,355	2,515,559	2,676,504	3,020,927	2,876,158	2,914,612	3,143,949	2,943,977	2,759,690	2,903,433	3,033,603	3,240,345	34,189,112
14 Net Income Before Taxes	1,738,033	1,606,101	1,647,829	1,548,238	1,967,671	2,020,077	1,956,962	2,237,092	2,500,784	2,528,714	2,428,932	2,216,575	24,397,008
15 % of Medical Exp to Premiums + DSP	44.0%	49.7%	50.6%	54.9%	50.9%	50.6%	53.4%	48.4%	43.6%	44.9%	47.1%	50.9%	49.0%
16 % of Administrative Exp to Premiums + DSP	12.0%	12.0%	12.0%	12.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.9%
17 % of Net Income to Total Revenues	44.6%	39.0%	38.1%	33.9%	40.6%	40.9%	38.4%	43.2%	47.5%	46.6%	44.5%	40.6%	41.6%
18 Performance Assessment													
19 Quality Challenge Award													
20 Liquidated Damages								(300)					(300)

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.