

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: Parkland Community Health Plan
Service Area: Dallas
Submission Date: 09/17/09
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	119,017	116,930	119,212	120,258	118,986	117,030	108,821	109,682	110,350	111,167	112,199	110,972	1,374,624
Revenues:													
2 Premiums (HHSC Capitation)	23,423,037	23,190,575	23,445,304	23,456,412	23,171,132	22,870,573	22,541,655	22,577,873	22,663,210	22,670,695	22,716,839	22,480,481	275,207,785
3 Delivery Supplemental Payments	3,406,256	3,487,610	3,820,100	3,423,942	3,381,496	2,964,115	3,031,320	2,964,115	3,045,469	2,967,652	3,126,823	3,041,932	38,660,830
4 Bariatric Supplemental Payments	0	0	0	0	0	0	0	0	0	0	0	0	0
5 Investment Income	298,407	292,475	297,273	341,472	311,370	215,663	348,478	260,554	87,290	201,148	228,759	255,380	3,138,268
6 Other Revenue													0
7 Total Revenues	27,127,700	26,970,660	27,562,677	27,221,826	26,863,998	26,050,351	25,921,453	25,802,542	25,795,969	25,839,495	26,072,421	25,777,793	317,006,883
Medical Expenses:													
Capitated Services:													
8 Single Service	354,042	343,227	351,384	357,972	353,091	344,673	302,529	323,394	326,058	326,142	330,972	328,977	4,042,461
9 Delegated Networks	201,416	205,181	210,659	206,044	203,773	201,690	200,056	201,861	205,772	204,843	207,897	204,910	2,454,104
10 Fee-For-Service	20,097,673	23,142,313	24,500,188	21,872,102	23,943,329	21,874,089	20,629,871	22,977,643	20,604,483	21,271,134	20,148,120	18,733,671	259,794,614
11 IBNR Accrual	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Total Medical Expenses	20,653,131	23,690,721	25,062,231	22,436,118	24,500,193	22,420,452	21,132,456	23,502,898	21,136,313	21,802,119	20,686,989	19,267,558	266,291,179
13 Total Administrative Expenses	3,219,515	3,201,382	3,271,849	3,225,642	2,389,737	2,325,122	2,301,568	2,298,779	2,313,781	2,307,451	2,325,930	2,297,017	31,477,773
14 Total Expenses	23,872,646	26,892,103	28,334,080	25,661,760	26,889,930	24,745,574	23,434,024	25,801,677	23,450,094	24,109,570	23,012,919	21,564,575	297,768,952
15 Net Income Before Taxes	3,255,054	78,557	(771,403)	1,560,066	(25,932)	1,304,777	2,487,429	865	2,345,875	1,729,925	3,059,502	4,213,218	19,237,931
16 % of Medical Exp to Premiums + DSP + BSP	77.0%	88.8%	91.9%	83.5%	92.3%	86.8%	82.6%	92.0%	82.2%	85.0%	80.0%	75.5%	84.8%
17 % of Administrative Exp to Premiums + DSP + BSP	12.0%	12.0%	12.0%	12.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	10.0%
18 % of Net Income to Total Revenues	12.0%	0.3%	-2.8%	5.7%	-0.1%	5.0%	9.6%	0.0%	9.1%	6.7%	11.7%	16.3%	6.1%
19 Performance Assessment													
20 Quality Challenge Award													
21 Liquidated Damages		(4,000)					(4,000)						(8,000)

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.