

## 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 HMO Program Financial Statistical Report

**Organization:** Superior HealthPlan, Inc.  
**Service Area:** Bexar  
**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
<b>1 Total Member Months</b>	<b>8,907</b>	<b>9,343</b>	<b>9,484</b>	<b>9,742</b>	<b>9,914</b>	<b>10,185</b>	<b>10,991</b>	<b>11,709</b>	<b>12,084</b>	<b>12,371</b>	<b>12,903</b>	<b>13,175</b>	<b>130,808</b>
<b>Revenues:</b>													
2 Premiums (HHSC Capitation)	618,702	650,414	659,321	677,144	688,727	707,276	764,416	815,995	843,066	863,990	901,973	921,366	<b>9,112,390</b>
3 Delivery Supplemental Payments	0	3,100	0	3,100	3,100	3,100	6,200	3,100	3,100	9,300	0	0	<b>34,100</b>
4 Investment Income	6,218	6,589	6,719	7,769	8,486	7,741	7,366	6,831	7,176	8,031	8,422	8,367	<b>89,715</b>
5 Other Revenue													<b>0</b>
<b>6 Total Revenues</b>	<b>624,920</b>	<b>660,103</b>	<b>666,040</b>	<b>688,013</b>	<b>700,313</b>	<b>718,117</b>	<b>777,982</b>	<b>825,926</b>	<b>853,342</b>	<b>881,321</b>	<b>910,395</b>	<b>929,733</b>	<b>9,236,205</b>
<b>Medical Expenses:</b>													
Capitated Services:													
7 Single Service	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>
8 Delegated Networks	61,605	63,389	65,959	68,017	74,041	74,358	80,900	86,103	88,855	91,001	94,778	96,825	<b>945,830</b>
9 Fee-For-Service	526,463	559,973	493,039	529,692	466,327	519,448	497,602	705,288	573,344	468,588	583,847	664,675	<b>6,588,289</b>
10 IBNR Accrual	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>
<b>11 Total Medical Expenses</b>	<b>588,068</b>	<b>623,362</b>	<b>558,998</b>	<b>597,709</b>	<b>540,368</b>	<b>593,806</b>	<b>578,502</b>	<b>791,391</b>	<b>662,199</b>	<b>559,589</b>	<b>678,625</b>	<b>761,500</b>	<b>7,534,119</b>
12 Total Administrative Expenses	122,015	144,673	132,483	158,886	149,669	136,583	163,768	150,100	168,988	175,009	177,379	179,329	<b>1,858,882</b>
<b>13 Total Expenses</b>	<b>710,083</b>	<b>768,035</b>	<b>691,481</b>	<b>756,595</b>	<b>690,037</b>	<b>730,389</b>	<b>742,270</b>	<b>941,491</b>	<b>831,187</b>	<b>734,598</b>	<b>856,004</b>	<b>940,829</b>	<b>9,393,001</b>
<b>14 Net Income Before Taxes</b>	<b>(85,163)</b>	<b>(107,932)</b>	<b>(25,441)</b>	<b>(68,582)</b>	<b>10,276</b>	<b>(12,272)</b>	<b>35,712</b>	<b>(115,565)</b>	<b>22,155</b>	<b>146,723</b>	<b>54,391</b>	<b>(11,096)</b>	<b>(156,796)</b>
15 % of Medical Exp to Premiums + DSP	95.0%	95.4%	84.8%	87.9%	78.1%	83.6%	75.1%	96.6%	78.3%	64.1%	75.2%	82.6%	<b>82.4%</b>
16 % of Administrative Exp to Premiums + DSP	19.7%	22.1%	20.1%	23.4%	21.6%	19.2%	21.3%	18.3%	20.0%	20.0%	19.7%	19.5%	<b>20.3%</b>
17 % of Net Income to Total Revenues	-13.6%	-16.4%	-3.8%	-10.0%	1.5%	-1.7%	4.6%	-14.0%	2.6%	16.6%	6.0%	-1.2%	<b>-1.7%</b>
18 Performance Assessment													
19 Quality Challenge Award													
20 Liquidated Damages	0	(12,500)	0	(60)	0	0	0	0	0	0	0	0	<b>(12,560)</b>

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.