

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: Bankers Reserve dba Superior HealthPlan Network
Service Area: EPO
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	8,478	9,267	9,738	10,035	10,606	10,761	10,928	11,187	11,393	11,592	11,895	12,059	127,939
Revenues:													
2 Premiums (HHSC Capitation)	4,201,184	4,536,047	4,707,978	4,796,497	5,044,936	5,100,458	5,201,126	5,345,351	5,471,993	5,571,904	5,724,435	5,777,976	61,479,884
3 Delivery Supplemental Payments	24,800	15,500	21,700	12,400	6,200	6,200	9,300	15,500	15,500	3,100	15,500	21,700	167,400
4 Investment Income	12,858	16,567	21,869	27,041	14,046	17,991	21,126	23,234	24,521	10,671	29,068	33,902	252,893
5 Other Revenue													0
6 Total Revenues	4,238,842	4,568,114	4,751,547	4,835,938	5,065,182	5,124,649	5,231,552	5,384,085	5,512,014	5,585,675	5,769,003	5,833,578	61,900,177
Medical Expenses:													
Capitated Services:													
7 Single Service	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Delegated Networks	15,684	17,144	18,015	18,565	11,879	12,085	12,294	12,585	12,817	13,041	13,382	13,566	171,057
9 Fee-For-Service	1,140,043	1,389,274	1,469,397	1,535,383	1,745,095	1,616,671	1,715,591	1,850,739	2,273,675	1,894,314	2,257,816	2,413,601	21,301,601
10 IBNR Accrual	257,602	263,895	242,242	249,410	261,839	233,023	241,733	220,213	212,373	204,767	225,614	160,358	2,773,068
11 Total Medical Expenses	1,413,329	1,670,313	1,729,655	1,803,358	2,018,812	1,861,779	1,969,618	2,083,537	2,498,865	2,112,122	2,496,812	2,587,526	24,245,726
12 Total Administrative Expenses	735,319	859,819	818,559	851,174	887,973	876,238	907,492	931,091	955,331	969,914	1,047,446	1,062,168	10,902,524
13 Total Expenses	2,148,648	2,530,132	2,548,214	2,654,532	2,906,785	2,738,017	2,877,110	3,014,628	3,454,196	3,082,036	3,544,258	3,649,694	35,148,250
14 Net Income Before Taxes	2,090,194	2,037,982	2,203,333	2,181,406	2,158,397	2,386,632	2,354,442	2,369,457	2,057,818	2,503,639	2,224,745	2,183,884	26,751,927
15 % of Medical Exp to Premiums + DSP	33.4%	36.7%	36.6%	37.5%	40.0%	36.5%	37.8%	38.9%	45.5%	37.9%	43.5%	44.6%	39.3%
16 % of Administrative Exp to Premiums + DSP	17.4%	18.9%	17.3%	17.7%	17.6%	17.2%	17.4%	17.4%	17.4%	17.4%	18.2%	18.3%	17.7%
17 % of Net Income to Total Revenues	49.3%	44.6%	46.4%	45.1%	42.6%	46.6%	45.0%	44.0%	37.3%	44.8%	38.6%	37.4%	43.2%
18 Performance Assessment													
19 Quality Challenge Award													
20 Liquidated Damages													0

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.