

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: 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	76,919	78,636	79,929	81,670	82,406	83,507	89,108	94,916	98,890	102,676	106,636	109,131	1,084,424
Revenues:													
2 Premiums (HHSC Capitation)	6,210,949	6,344,884	6,450,695	6,591,374	6,648,304	6,739,056	7,197,111	7,669,299	7,995,035	8,307,930	8,633,562	8,839,270	87,627,469
3 Delivery Supplemental Payments	12,400	3,100	12,400	12,400	3,100	6,200	3,100	3,100	6,200	18,600	12,400	15,500	108,500
4 Investment Income	18,327	23,613	31,170	38,542	20,020	25,642	30,110	33,116	34,950	15,209	41,430	48,321	360,449
5 Other Revenue													0
6 Total Revenues	6,241,676	6,371,597	6,494,265	6,642,316	6,671,424	6,770,898	7,230,321	7,705,515	8,036,185	8,341,739	8,687,392	8,903,091	88,096,418
Medical Expenses:													
Capitated Services:													
7 Single Service	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Delegated Networks	318,802	325,307	332,182	339,350	341,891	340,580	369,252	392,311	408,827	425,066	440,672	450,977	4,485,215
9 Fee-For-Service	3,992,452	4,767,595	4,611,112	4,215,387	5,547,293	5,762,251	5,788,868	6,058,881	5,691,836	5,672,544	5,981,489	7,663,310	65,753,021
10 IBNR Accrual	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Total Medical Expenses	4,311,254	5,092,902	4,943,294	4,554,737	5,889,184	6,102,831	6,158,120	6,451,192	6,100,663	6,097,610	6,422,161	8,114,287	70,238,236
12 Total Administrative Expenses	1,116,982	1,209,298	1,137,712	1,183,685	1,280,862	1,106,831	1,305,192	1,338,708	1,400,520	1,495,853	1,563,253	1,604,220	15,743,117
13 Total Expenses	5,428,236	6,302,200	6,081,006	5,738,422	7,170,046	7,209,662	7,463,312	7,789,900	7,501,183	7,593,463	7,985,414	9,718,507	85,981,353
14 Net Income Before Taxes	813,440	69,397	413,259	903,894	(498,622)	(438,764)	(232,991)	(84,385)	535,002	748,276	701,978	(815,416)	2,115,065
15 % of Medical Exp to Premiums + DSP	69.3%	80.2%	76.5%	69.0%	88.5%	90.5%	85.5%	84.1%	76.2%	73.2%	74.3%	91.6%	80.1%
16 % of Administrative Exp to Premiums + DSP	17.9%	19.1%	17.6%	17.9%	19.3%	16.4%	18.1%	17.4%	17.5%	18.0%	18.1%	18.1%	17.9%
17 % of Net Income to Total Revenues	13.0%	1.1%	6.4%	13.6%	-7.5%	-6.5%	-3.2%	-1.1%	6.7%	9.0%	8.1%	-9.2%	2.4%
18 Performance Assessment													
19 Quality Challenge Award													
20 Liquidated Damages	0	(7,525)	0	(10,000)	0	0	0	0	0	0	0	0	(17,525)

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.