

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: Superior HealthPlan, Inc.
Service Area: El Paso
Submission Date: 08/31/09
Submission Type: SFY08
Accrual Date: 07/31/09

Part 1: Summary Income Statements (Dollars), All Coverage Groups Combined

Incurred Months:	September	October	November	December	January	February	March	April	May	June	July	August	YTD
1 Total Member Months	547	594	606	668	709	732	749	740	761	753	756	733	8,348
Revenues:													
2 Premiums (HHSC Capitation)	261,597	274,567	276,664	302,554	315,318	324,059	332,931	327,932	333,510	327,314	329,876	318,254	3,724,576
3 Delivery Supplemental Payments	0	6,200	3,100	0	3,100	0	3,100	0	3,100	6,200	3,100	3,100	31,000
4 Investment Income	1,659	1,759	1,793	2,162	2,354	2,157	2,061	1,923	2,019	2,287	2,409	2,403	24,986
5 Other Revenue													0
6 Total Revenues	263,256	282,526	281,557	304,716	320,772	326,216	338,092	329,855	338,629	335,801	335,385	323,757	3,780,562
Medical Expenses:													
Capitated Services:													
7 Single Service	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Delegated Networks	2,618	2,843	2,900	3,197	997	1,035	1,065	1,052	1,082	1,071	1,075	1,042	19,978
9 Fee-For-Service	90,702	205,531	152,757	89,382	156,173	122,349	115,035	136,122	163,436	150,924	151,825	139,540	1,673,774
10 IBNR Accrual	459	4,336	161	2,916	4,332	5,116	3,149	3,010	2,770	1,887	3,897	2,046	34,079
11 Total Medical Expenses	93,779	212,710	155,818	95,495	161,502	128,500	119,249	140,184	167,288	153,882	156,797	142,628	1,727,830
12 Total Administrative Expenses	2,446	20,536	15,135	35,299	20,043	18,404	18,015	20,329	20,411	34,497	6,427	20,821	232,365
13 Total Expenses	96,225	233,246	170,953	130,794	181,545	146,904	137,264	160,513	187,699	188,379	163,224	163,449	1,960,195
14 Net Income Before Taxes	167,031	49,280	110,604	173,922	139,227	179,312	200,828	169,342	150,930	147,422	172,161	160,308	1,820,367
15 % of Medical Exp to Premiums + DSP	35.8%	75.8%	55.7%	31.6%	50.7%	39.7%	35.5%	42.7%	49.7%	46.1%	47.1%	44.4%	46.0%
16 % of Administrative Exp to Premiums + DSP	0.9%	7.3%	5.4%	11.7%	6.3%	5.7%	5.4%	6.2%	6.1%	10.3%	1.9%	6.5%	6.2%
17 % of Net Income to Total Revenues	63.4%	17.4%	39.3%	57.1%	43.4%	55.0%	59.4%	51.3%	44.6%	43.9%	51.3%	49.5%	48.2%
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.