

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: Nueces
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	149	207	237	264	284	289	300	350	367	395	411	448	3,701
Revenues:													
2 Premiums (HHSC Capitation)	78,286	109,752	125,230	140,696	153,923	156,602	162,027	188,797	196,442	210,207	218,010	236,409	1,976,382
3 Delivery Supplemental Payments	0	3,100	0	6,200	3,100	0	0	0	0	0	0	0	12,400
4 Investment Income	612	650	664	1,016	1,154	1,044	973	899	954	1,088	1,153	1,160	11,367
5 Other Revenue													0
6 Total Revenues	78,898	113,502	125,894	147,912	158,177	157,646	163,000	189,696	197,396	211,295	219,163	237,569	2,000,149
Medical Expenses:													
Capitated Services:													
7 Single Service	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Delegated Networks	713	991	1,134	1,264	399	409	427	498	522	562	584	637	8,139
9 Fee-For-Service	28,965	34,349	35,195	64,587	57,429	69,891	44,527	54,884	60,426	50,837	67,643	78,691	647,425
10 IBNR Accrual	1,820	5,318	7,011	12,762	11,827	4,083	2,043	1,897	1,229	6,784	2,469	5,821	63,064
11 Total Medical Expenses	31,498	40,658	43,340	78,613	69,655	74,383	46,997	57,279	62,177	58,183	70,697	85,149	718,628
12 Total Administrative Expenses	2,682	8,037	6,311	21,128	12,925	7,915	10,671	11,050	13,244	12,656	11,939	13,718	132,277
13 Total Expenses	34,180	48,695	49,651	99,741	82,580	82,298	57,668	68,329	75,421	70,839	82,636	98,867	850,905
14 Net Income Before Taxes	44,718	64,807	76,243	48,171	75,597	75,348	105,332	121,367	121,975	140,456	136,527	138,702	1,149,244
15 % of Medical Exp to Premiums + DSP	40.2%	36.0%	34.6%	53.5%	44.4%	47.5%	29.0%	30.3%	31.7%	27.7%	32.4%	36.0%	36.1%
16 % of Administrative Exp to Premiums + DSP	3.4%	7.1%	5.0%	14.4%	8.2%	5.1%	6.6%	5.9%	6.7%	6.0%	5.5%	5.8%	6.7%
17 % of Net Income to Total Revenues	56.7%	57.1%	60.6%	32.6%	47.8%	47.8%	64.6%	64.0%	61.8%	66.5%	62.3%	58.4%	57.5%
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.