

## 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:** 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
<b>1 Total Member Months</b>	<b>894</b>	<b>979</b>	<b>1,082</b>	<b>997</b>	<b>1,066</b>	<b>1,014</b>	<b>1,023</b>	<b>1,170</b>	<b>1,200</b>	<b>1,283</b>	<b>1,330</b>	<b>1,403</b>	<b>13,441</b>
<b>Revenues:</b>													
2 Premiums (HHSC Capitation)	83,868	91,834	101,536	93,746	100,343	95,463	95,981	109,642	112,657	120,447	125,287	132,081	<b>1,262,885</b>
3 Delivery Supplemental Payments	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>
4 Investment Income	391	416	424	649	738	667	621	575	609	696	737	741	<b>7,264</b>
5 Other Revenue													<b>0</b>
<b>6 Total Revenues</b>	<b>84,259</b>	<b>92,250</b>	<b>101,960</b>	<b>94,395</b>	<b>101,081</b>	<b>96,130</b>	<b>96,602</b>	<b>110,217</b>	<b>113,266</b>	<b>121,143</b>	<b>126,024</b>	<b>132,822</b>	<b>1,270,149</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	6,098	6,419	7,795	6,945	8,162	7,199	7,544	8,564	8,836	9,458	9,791	10,292	<b>97,104</b>
9 Fee-For-Service	72,464	69,903	71,365	57,765	52,627	43,541	65,224	66,234	45,537	65,763	69,021	102,048	<b>781,492</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>78,562</b>	<b>76,322</b>	<b>79,160</b>	<b>64,710</b>	<b>60,789</b>	<b>50,740</b>	<b>72,768</b>	<b>74,798</b>	<b>54,373</b>	<b>75,221</b>	<b>78,812</b>	<b>112,340</b>	<b>878,596</b>
12 Total Administrative Expenses	11,300	15,056	15,379	23,380	19,293	14,578	16,878	18,129	20,205	20,671	20,450	21,974	<b>217,293</b>
<b>13 Total Expenses</b>	<b>89,862</b>	<b>91,378</b>	<b>94,539</b>	<b>88,090</b>	<b>80,082</b>	<b>65,318</b>	<b>89,646</b>	<b>92,927</b>	<b>74,578</b>	<b>95,892</b>	<b>99,262</b>	<b>134,314</b>	<b>1,095,889</b>
<b>14 Net Income Before Taxes</b>	<b>(5,603)</b>	<b>872</b>	<b>7,421</b>	<b>6,305</b>	<b>20,999</b>	<b>30,812</b>	<b>6,956</b>	<b>17,290</b>	<b>38,688</b>	<b>25,251</b>	<b>26,762</b>	<b>(1,492)</b>	<b>174,260</b>
15 % of Medical Exp to Premiums + DSP	93.7%	83.1%	78.0%	69.0%	60.6%	53.2%	75.8%	68.2%	48.3%	62.5%	62.9%	85.1%	<b>69.6%</b>
16 % of Administrative Exp to Premiums + DSP	13.5%	16.4%	15.1%	24.9%	19.2%	15.3%	17.6%	16.5%	17.9%	17.2%	16.3%	16.6%	<b>17.2%</b>
17 % of Net Income to Total Revenues	-6.6%	0.9%	7.3%	6.7%	20.8%	32.1%	7.2%	15.7%	34.2%	20.8%	21.2%	-1.1%	<b>13.7%</b>
18 Performance Assessment													
19 Quality Challenge Award													
20 Liquidated Damages		(5,000)	0	(60)	0	0	0	0	0	0	0	0	<b>(5,060)</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.