

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.

STAR+PLUS HMO Program Financial Statistical Report

Organization: Superior HealthPlan, Inc.
Service Area: Nueces
Submission Date: 10/09/09
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	9,472	9,510	9,587	9,636	9,777	9,831	9,866	9,864	9,856	9,860	9,913	9,904	117,076
Revenues:													
2 Premiums (HHSC Capitation)	5,347,551	5,350,879	5,419,444	5,500,051	5,645,367	5,718,027	5,792,553	5,907,638	5,952,509	6,079,713	6,215,836	6,224,830	69,154,398
3 Bariatric Supplemental Payments	0	0	0	0	0	0	0	0	0	0	0	0	0
4 Investment Income	12,391	13,146	13,450	10,434	16,730	12,812	11,907	10,780	11,201	12,102	12,467	12,207	149,627
5 Other Revenue													0
6 Total Revenues	5,359,942	5,364,025	5,432,894	5,510,485	5,662,097	5,730,839	5,804,460	5,918,418	5,963,710	6,091,815	6,228,303	6,237,037	69,304,025
Medical Expenses:													
Capitated Services:													
7 Single Service	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Delegated Networks	287,054	286,488	291,210	293,186	295,833	297,581	300,706	296,396	297,862	298,886	299,887	299,394	3,544,483
9 Fee-For-Service	4,499,058	5,019,033	4,846,914	4,630,158	5,179,763	5,054,617	5,432,996	5,350,911	5,485,858	5,320,428	5,997,197	5,804,449	62,621,384
10 IBNR Accrual	0	0	0	0	0	(0)	0	44,073	85,366	85,435	85,886	85,799	386,559
11 Total Medical Expenses	4,786,112	5,305,521	5,138,124	4,923,344	5,475,596	5,352,198	5,733,703	5,691,380	5,869,086	5,704,749	6,382,970	6,189,642	66,552,427
12 Total Administrative Expenses	630,185	661,977	650,537	678,852	649,712	683,068	686,939	716,002	717,645	786,693	739,968	758,332	8,359,911
13 Total Expenses	5,416,297	5,967,498	5,788,661	5,602,196	6,125,308	6,035,266	6,420,642	6,407,382	6,586,731	6,491,442	7,122,938	6,947,974	74,912,338
14 Net Income Before Taxes	(56,355)	(603,473)	(355,767)	(91,711)	(463,211)	(304,427)	(616,182)	(488,964)	(623,021)	(399,627)	(894,635)	(710,937)	(5,608,313)
15 % of Medical Exp to Premiums + BSP	89.5%	99.2%	94.8%	89.5%	97.0%	93.6%	99.0%	96.3%	98.6%	93.8%	102.7%	99.4%	96.2%
16 % of Administrative Exp to Premiums + BSP	11.8%	12.4%	12.0%	12.3%	11.5%	11.9%	11.9%	12.1%	12.1%	12.9%	11.9%	12.2%	12.1%
17 % of Net Income to Total Revenues	-1.1%	-11.3%	-6.5%	-1.7%	-8.2%	-5.3%	-10.6%	-8.3%	-10.4%	-6.6%	-14.4%	-11.4%	-8.1%
18 Performance Assessment													
19 Quality Challenge Award													
20 Hospital Inpatient Incentive - Shared Savings Award													
21 Hospital Inpatient Disincentive - Admin Fee at Risk													
22 Liquidated Damages		(7,500)	0	0	0	0	(1,000)	0	0	0	0	0	(8,500)

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.