

## 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:** Travis  
**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>3,768</b>	<b>4,175</b>	<b>4,548</b>	<b>4,711</b>	<b>4,965</b>	<b>5,178</b>	<b>5,323</b>	<b>5,281</b>	<b>5,461</b>	<b>5,665</b>	<b>5,766</b>	<b>5,749</b>	<b>60,590</b>
<b>Revenues:</b>													
2 Premiums (HHSC Capitation)	1,904,886	2,091,425	2,258,693	2,319,824	2,432,653	2,530,424	2,607,613	2,590,248	2,684,170	2,786,590	2,841,943	2,830,307	<b>29,878,776</b>
3 Delivery Supplemental Payments	6,200	0	6,200	0	3,100	24,800	6,200	3,100	9,300	6,200	9,300	15,500	<b>89,900</b>
4 Investment Income	7,147	7,599	7,775	10,393	11,682	10,724	10,292	9,383	10,128	11,338	11,932	11,906	<b>120,299</b>
5 Other Revenue													<b>0</b>
<b>6 Total Revenues</b>	<b>1,918,233</b>	<b>2,099,024</b>	<b>2,272,668</b>	<b>2,330,217</b>	<b>2,447,435</b>	<b>2,565,948</b>	<b>2,624,105</b>	<b>2,602,731</b>	<b>2,703,598</b>	<b>2,804,128</b>	<b>2,863,175</b>	<b>2,857,713</b>	<b>30,088,975</b>
<b>Medical Expenses:</b>													
Capitated Services:													
7 Single Service	0	2,079	3,624	2,819	2,867	2,967	3,120	3,266	3,414	3,659	3,811	3,908	<b>35,531</b>
8 Delegated Networks	18,034	19,982	21,767	22,547	6,981	7,322	7,569	7,510	7,766	8,056	8,199	8,175	<b>143,906</b>
9 Fee-For-Service	543,363	659,008	709,378	799,231	1,132,624	837,859	769,050	818,591	880,529	938,949	1,194,845	1,399,902	<b>10,683,330</b>
10 IBNR Accrual	78,480	62,054	75,459	44,343	51,943	49,495	33,353	36,066	44,033	36,296	22,830	22,051	<b>556,402</b>
<b>11 Total Medical Expenses</b>	<b>639,877</b>	<b>743,123</b>	<b>810,227</b>	<b>868,939</b>	<b>1,194,415</b>	<b>897,642</b>	<b>813,092</b>	<b>865,432</b>	<b>935,742</b>	<b>986,959</b>	<b>1,229,684</b>	<b>1,434,035</b>	<b>11,419,168</b>
12 Total Administrative Expenses	82,152	117,863	101,798	128,009	117,733	113,532	122,830	116,422	127,125	135,085	129,501	132,034	<b>1,424,085</b>
<b>13 Total Expenses</b>	<b>722,029</b>	<b>860,986</b>	<b>912,025</b>	<b>996,948</b>	<b>1,312,148</b>	<b>1,011,174</b>	<b>935,922</b>	<b>981,854</b>	<b>1,062,867</b>	<b>1,122,044</b>	<b>1,359,185</b>	<b>1,566,069</b>	<b>12,843,253</b>
<b>14 Net Income Before Taxes</b>	<b>1,196,204</b>	<b>1,238,038</b>	<b>1,360,643</b>	<b>1,333,269</b>	<b>1,135,287</b>	<b>1,554,774</b>	<b>1,688,183</b>	<b>1,620,877</b>	<b>1,640,731</b>	<b>1,682,084</b>	<b>1,503,990</b>	<b>1,291,644</b>	<b>17,245,722</b>
15 % of Medical Exp to Premiums + DSP	33.5%	35.5%	35.8%	37.5%	49.0%	35.1%	31.1%	33.4%	34.7%	35.3%	43.1%	50.4%	<b>38.1%</b>
16 % of Administrative Exp to Premiums + DSP	4.3%	5.6%	4.5%	5.5%	4.8%	4.4%	4.7%	4.5%	4.7%	4.8%	4.5%	4.6%	<b>4.8%</b>
17 % of Net Income to Total Revenues	62.4%	59.0%	59.9%	57.2%	46.4%	60.6%	64.3%	62.3%	60.7%	60.0%	52.5%	45.2%	<b>57.3%</b>
18 Performance Assessment													
19 Quality Challenge Award													
20 Liquidated Damages													<b>0</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.