

## 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 HMO Program Financial Statistical Report

**Organization:** Unicare Health Plans of Texas, Inc.  
**Service Area:** Dallas  
**Submission Date:** 08/31/09  
**Submission Type:** SFY08  
**Accrual Date:** 08/01/09

### 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
<b>1 Total Member Months</b>	<b>14,451</b>	<b>14,024</b>	<b>14,323</b>	<b>14,481</b>	<b>14,437</b>	<b>14,288</b>	<b>13,612</b>	<b>13,582</b>	<b>13,717</b>	<b>13,924</b>	<b>14,104</b>	<b>14,122</b>	<b>169,065</b>
<b>Revenues:</b>													
2 Premiums (HHSC Capitation)	2,684,356	2,624,062	2,625,457	2,631,925	2,688,961	2,709,233	2,726,010	2,759,830	2,835,061	2,908,246	2,954,157	3,004,367	<b>33,151,665</b>
3 Delivery Supplemental Payments	353,713	360,787	410,307	435,067	551,792	413,844	519,958	505,810	597,775	601,312	601,312	622,535	<b>5,974,212</b>
4 Bariatric Supplemental Payments	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>
5 Investment Income	38,090	36,795	43,031	43,465	48,285	44,808	44,468	41,549	46,427	50,376	52,604	57,452	<b>547,348</b>
6 Other Revenue													<b>0</b>
<b>7 Total Revenues</b>	<b>3,076,159</b>	<b>3,021,644</b>	<b>3,078,795</b>	<b>3,110,457</b>	<b>3,289,038</b>	<b>3,167,885</b>	<b>3,290,436</b>	<b>3,307,189</b>	<b>3,479,263</b>	<b>3,559,934</b>	<b>3,608,073</b>	<b>3,684,354</b>	<b>39,673,225</b>
<b>Medical Expenses:</b>													
Capitated Services:													
8 Single Service	43,215	41,906	42,633	43,084	42,165	42,071	40,630	40,513	40,039	41,487	41,376	41,566	<b>500,686</b>
9 Delegated Networks	16,444	15,992	16,225	16,418	16,052	15,966	15,376	15,330	15,123	15,741	15,661	15,784	<b>190,114</b>
10 Fee-For-Service	2,431,784	2,635,302	3,165,971	2,944,563	3,370,287	3,174,535	3,614,957	3,235,879	3,429,215	3,298,820	4,035,383	3,350,238	<b>38,686,936</b>
11 IBNR Accrual	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>
<b>12 Total Medical Expenses</b>	<b>2,491,444</b>	<b>2,693,200</b>	<b>3,224,829</b>	<b>3,004,065</b>	<b>3,428,504</b>	<b>3,232,572</b>	<b>3,670,963</b>	<b>3,291,723</b>	<b>3,484,377</b>	<b>3,356,048</b>	<b>4,092,421</b>	<b>3,407,588</b>	<b>39,377,735</b>
13 Total Administrative Expenses	270,617	272,138	252,083	248,048	273,011	243,002	244,089	245,869	233,106	257,345	283,900	282,918	<b>3,106,126</b>
<b>14 Total Expenses</b>	<b>2,762,061</b>	<b>2,965,338</b>	<b>3,476,912</b>	<b>3,252,113</b>	<b>3,701,515</b>	<b>3,475,574</b>	<b>3,915,052</b>	<b>3,537,592</b>	<b>3,717,483</b>	<b>3,613,393</b>	<b>4,376,321</b>	<b>3,690,506</b>	<b>42,483,861</b>
<b>15 Net Income Before Taxes</b>	<b>314,098</b>	<b>56,306</b>	<b>(398,117)</b>	<b>(141,656)</b>	<b>(412,477)</b>	<b>(307,689)</b>	<b>(624,616)</b>	<b>(230,403)</b>	<b>(238,220)</b>	<b>(53,459)</b>	<b>(768,248)</b>	<b>(6,152)</b>	<b>(2,810,636)</b>
16 % of Medical Exp to Premiums + DSP + BSP	82.0%	90.2%	106.2%	97.9%	105.8%	103.5%	113.1%	100.8%	101.5%	95.6%	115.1%	94.0%	<b>100.6%</b>
17 % of Administrative Exp to Premiums + DSP + BSP	8.9%	9.1%	8.3%	8.1%	8.4%	7.8%	7.5%	7.5%	6.8%	7.3%	8.0%	7.8%	<b>7.9%</b>
18 % of Net Income to Total Revenues	10.2%	1.9%	-12.9%	-4.6%	-12.5%	-9.7%	-19.0%	-7.0%	-6.8%	-1.5%	-21.3%	-0.2%	<b>-7.1%</b>
19 Performance Assessment													
20 Quality Challenge Award													
21 Liquidated Damages				35,000				25,000		25,000			<b>85,000</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.