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DEPARTMENT OF ADMINISTRATION
VICTIMS OF CRIME

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October 19, 2015

To: Julia Teska, Clerk, Board of Examiners

From: Bryan Nix, Coordinator, Victims of Crime Program

Re: VOCP 1st Quarter FY 2016 Report, and 2nd Quarter FY 2016 Recommendation

NRS 217.260 requires the Board of Examiners to estimate available revenue and anticipated claim costs each quarter. The VOCP pays claims in accordance with the policies adopted by the Board pursuant to NRS 217.130. When a vendor accepts a payment reduced pursuant to these policies, NRS 217.245 provides that the claim is deemed paid in full. Claims are categorized as to their priority; and Claims categorized as the highest priority are paid, in whole or in part, before other claims.

Priority One and Two claims are paid weekly during the quarter, and accrued Priority Three claims are paid at the end of each quarter. Priority One and Two claims are bills for current medical treatment, lost wages, funeral expenses, counseling, etc. Priority Three claims are bills the applicant owed prior to claim acceptance such as hospital emergency room and related bills. The VOCP pays the "approved" amount, which is the amount approved for payment after bill review and application of fee schedules or other payment adjustments pursuant to Board policies.

Claim Payments

The following chart shows claim payments made in FY 2016, by benefit type. As this chart shows the VOCP satisfied **\$2,251,892.47** in victim medical bills and claims for **\$1,082,427.45** of available funding. After bill review and application of Board Policies we have had a total savings of **\$1,169,465.02** over the billed amount in fiscal year 2016.

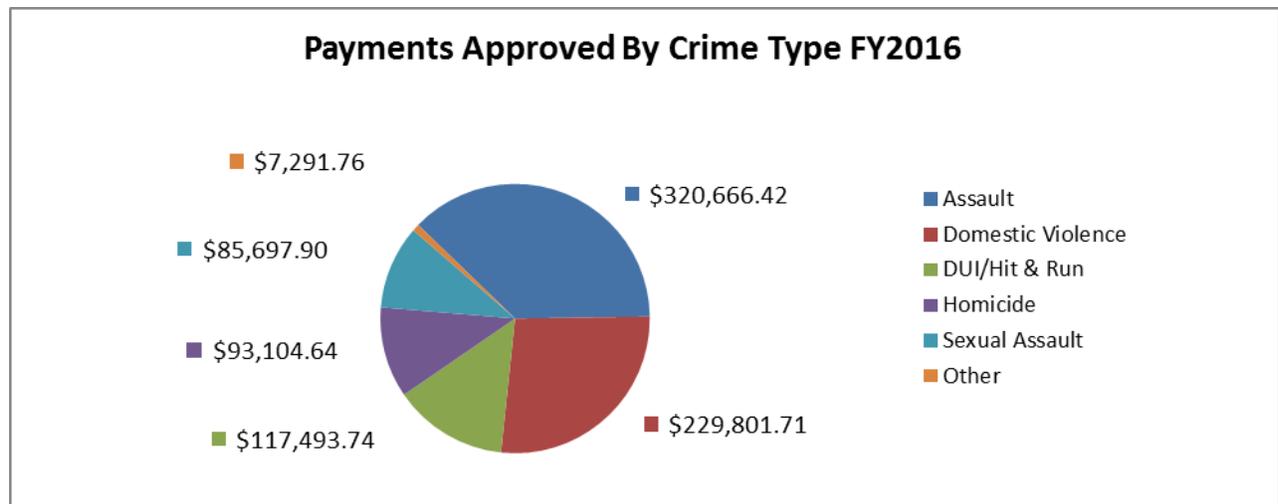
Payment Amounts by Type Fiscal Year 2016				
Type of Expense	Number of Bills	Total Victim Bills Submitted	Amount Saved by Bill Review	Amount Paid to Providers
Chiropractic/Physical Therapy	62	37,079.56	11,254.11	25,825.45
Counseling	594	169,192.63	51,167.29	118,025.34
Survivor Benefits	12	7,000.00	0.00	7,000.00
Dental	38	60,116.35	15,705.21	44,411.14
Discretionary*	156	164,159.06	1,881.52	162,277.54
Funeral Expense	29	97,160.00	11,922.02	85,237.98
Lost Wages	86	115,182.36	666.65	114,515.71
Medical - Hospital	35	342,718.34	308,170.22	34,548.12
Medical - Other	224	297,332.95	109,836.45	187,496.50
Prescription	48	8,071.39	0.30	8,071.09
Vision	19	19,673.01	539.76	19,133.25
Pending Priority Three Payments 1st Quarter 2016	263	934,206.82	658,321.49	275,885.33
Total Payments YTD FY2016	1566	\$2,251,892.47	\$1,169,465.02	\$1,082,427.45

*Discretionary payments include: Relocations, Temporary Housing, Crime Scene Clean-up, etc.

** There are **\$934,206.82** in pending Priority Three Claims (hospital bills, etc), which will be paid **\$275,885.33**, which is 100% of the approved amount.

Victim Payments by Crime Type

The following pie chart shows amounts approved for payment by crime type, during Fiscal Year 2016.



Financial Review

The chart on the next page shows projected revenues and fund balances, including reserves for FY 2016, and recommendations for 2nd quarter FY 2016 based on

projections. These projections of revenue and anticipated expenses are used for purposes of determining compliance with NRS 217.260 and policies of the Board.

Financial Position and Second Quarter 2016 Projections	
Projected Funds Available for Payments FY16 Less 45 Day Reserves	\$14,302,290.47
1st Quarter Priority 1 & 2 Payments	\$806,542.12
1st Quarter Priority 3 Payments	\$275,885.33
Total 1st Quarter 2016 Payments	\$1,082,427.45
Projected Funds Available for Remainder of FY16 Less 45 Day Reserves	\$13,219,863.02
Projected Funds Available for 2nd Quarter FY16	\$4,406,621.01
Projected Payments 2nd Quarter FY16*	\$1,136,960.84
Projected Quarterly Funds Remaining After Payments - Add to Reserves	\$3,269,660.17
Projected Funds Available for FY16 Less 45 Day Reserves	\$12,082,902.18
Recommended Priority 3 Payment Percentage 2nd Quarter FY16	100%
*Average of last 6 quarters	

As required, a 45 day operating expense reserve of \$1,045,554.53 is maintained to cover up to 45 days of victim's claims and administrative expenses.

Historically, most of the program's funding has been spent on emergency medical treatment for uninsured victims of violent crimes. We have seen a significant decrease in hospital and other emergency medical expenses due to changes made to Medicaid rules under the Affordable Care Act. Qualified applicants are receiving retroactive Medicaid coverage, limiting program financial assistance for medical expense to their copay amount. Our current Reserves stand at \$9 million, and we anticipate Revenues of \$8.2 million for FY 2016. Our expenses are projected to total \$8.5 million this fiscal year, which would leave the program with \$8.7 million in Reserves after all expenses are covered. These Reserves will allow us to pay existing crime related expenses at 100% for the foreseeable future, and will also allow us to consider allocating more resources for crime victims' recovery expenses – such as Lost Wages, Survivor Benefits and Relocation Expenses.

Recommendation

We are projecting Priority One and Two payments totaling **\$793,527.04** and projected Priority Three payments totaling **\$343,433.80**, for a total expense of **\$1,136,960.84** for the 2nd quarter.

After reserving **\$1,045,554.53** for 45 days operating expenses, our budget shows VOCP revenues and reserves available for 2nd quarter total **\$13,219,863.02**.

Based on these projections the VOCP recommends paying Priority One and Two and Three claims at **100%** of the approved amount for the 2nd quarter of FY 2016.