

Brian Sandoval
Governor

STATE OF NEVADA



James Wells
Clerk, Board of
Examiners

Michelle Morgando.
Coordinator, VOCP

DEPARTMENT OF ADMINISTRATION
VICTIMS OF CRIME

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February 8, 2018

To: James Wells, Clerk, Board of Examiners
Through: Patrick Cates, Director of Administration
From: Michelle Morgando, Coordinator, Victims of Crime Program
Re: VOCP 2nd Quarter FY 2018 Report, and 3rd Quarter FY 2018 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.

Payments by Priority - 2nd Quarter FY 2018				
Type of Expense	Number of Bills	Total Victim Bills Submitted	Amount Saved by Bill Review	Amount Paid to Providers
Priority 1 & 2 Payments	2083	1,734,889.60	223,841.18	1,511,048.42
Pending Priority 3 Payments	335	1,418,942.35	1,109,127.08	309,815.27
Total 2nd Quarter Payments	2418	\$3,153,831.95	\$1,332,968.26	\$1,820,863.69

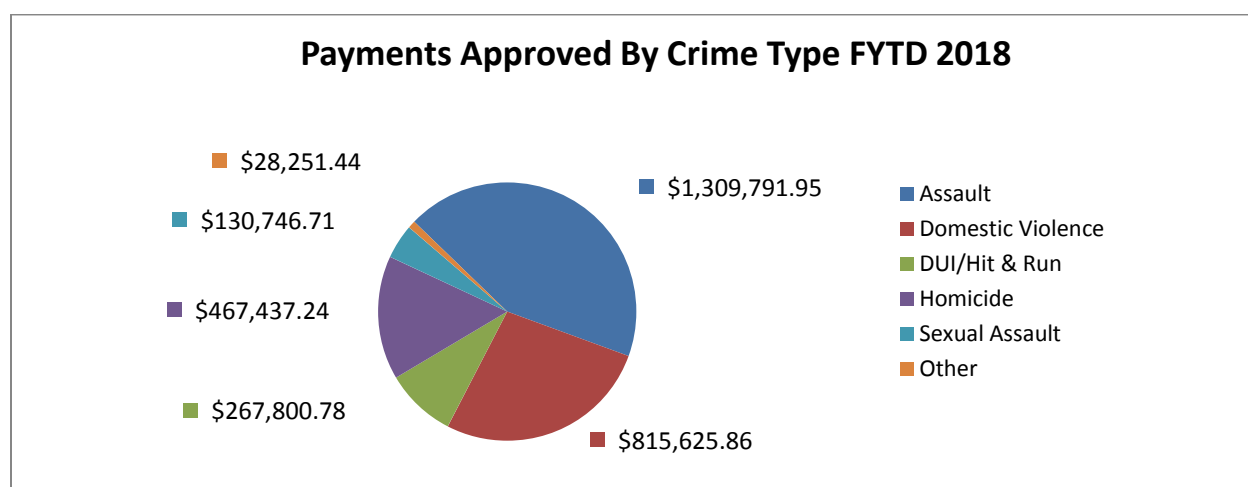
Claim Payments

The following chart shows claim payments made in FYTD 2018 by benefit type. As this chart shows, the VOCP satisfied \$6,103,918.76 in victim medical bills and claims for \$3,013,349.51 of available funding. After bill review and application of Board Policies we have had a total savings of \$3,090,569.25 over the billed amount in fiscal year-to-date 2018.

Payment Amounts by Type Fiscal Year-to-Date 2018				
Type of Expense	Number of Bills	Total Victim Bills Submitted	Amount Saved by Bill Review	Amount Paid to Providers
Chiropractic/Physical Therapy	80	60,061.43	17,908.11	42,153.32
Counseling	915	269,042.78	68,158.79	200,883.99
Survivor Benefits	40	53,900.00	420.00	53,480.00
Dental	57	159,565.00	59,669.62	99,895.38
Discretionary*	830	645,959.91	874.30	645,085.61
Funeral Expense	144	419,559.44	2,851.81	416,707.63
Lost Wages	713	599,213.99	825.80	598,388.19
Medical - Hospital	225	3,029,927.90	2,661,140.79	368,787.11
Medical - Other	781	831,162.20	278,052.42	553,109.78
Prescription	148	15,932.00	0.00	15,932.00
Vision	45	19,594.11	667.61	18,926.50
Total Payments YTD FY2018	3978	\$6,103,918.76	\$3,090,569.25	\$3,013,349.51
*Discretionary payments include: Relocations, Temporary Housing, Crime Scene Clean-up, etc.				
*Totals subject to change based on stale and stopped payments, lost checks, and reclassified bill types.				

Victim Payments by Crime Type

The following pie chart shows amounts approved for payment by crime type for fiscal year-to-date 2018.



Financial Review

The chart below shows projected revenues and fund balances, including reserves for FY 2018, and recommendations for 3rd quarter FY 2018 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 Third Quarter 2018 Projections	
Projected Funds Available for Payments FY18 Less 45 Day Reserves	\$13,863,378.89
2nd Quarter Priority 1 & 2 Payments	\$1,511,048.42
2nd Quarter Priority 3 Payments	\$309,815.27
Total 2nd Quarter 2018 Payments	\$1,820,863.69
Total 1st Quarter 2018 Payments	\$1,208,128.99
Projected Funds Available for Remainder of FY18 Less 45 Day Reserves	\$10,834,386.21
Projected Payments 3rd Quarter FY18 *	\$5,499,952.70
Projected Funds Available after 3rd Quarter Payments	\$5,334,433.51
Recommended Priority 3 Payment Percentage 3rd Quarter FY18	100%
*Based on average of last 6 quarterly periods plus estimated impact of AB 122, DNA testing and Route 91 Shooting	

As required, a 45 day operating expense reserve of \$1,646,911.11 is maintained to cover up to 45 days of victim's claims and administrative expenses.

The Route 91 Harvest Music Festival tragedy has had, and will continue to have an extraordinary impact on this program. In the past 125 days we have received and processed 4,307 claims for victims of this tragic event, and new applications continue to arrive. At this time we have received 279 claims from people suffering gunshot wounds, 990 claims from people claiming other types of physical injury, 57 homicide claims, and 2,981 PTSD claims. The number of claims continues to grow as concert attendee's learn about the program through the media and the various outreach efforts currently being conducted by various agencies. We currently are projecting our total expense on these claims to reach \$17 million over the life of the claims. Fortunately, we expect to obtain additional federal grant funding to offset these extraordinary expenses.

In December, the IFC approved our Work Program request for \$6,947,802 in authority to be transferred from Reserve to Victim Payments. We believe this will be sufficient to cover our expenses until the expected additional grant funds are received. At the beginning of fiscal year 2018, our Reserves stood at \$12.6 million. We anticipate Revenues of \$5 million for FY 2018. Approval of our Work Program C41992 provides us with the authority necessary to pay up to \$13.3 million in expenses, which would leave us with \$4.3 million in Reserves.

Transferring authority from our current Reserves allows the program to pay all currently projected claims while waiting for additional grant funding, without reducing the payments made by our program.

Recommendation

We are projecting Priority One and Two payments totaling **\$961,026.49** and projected Priority Three payments totaling **\$324,703.22** for the 3rd quarter. We estimate additional expenses totaling **\$314,223.00** may be incurred related to AB 122 and DNA testing, and expenses related to the Route 91 tragedy could climb to **\$3,900,000.00**, which would bring our total expenses to **\$5,499,952.70** for the 3rd quarter.

After reserving **\$1,646,911.11** for 45 days operating expenses, our budget shows VOCP revenues and reserves available for 4th quarter total **\$5,334,433.51**.

Based on these projections the VOCP recommends paying Priority One and Two and Three claims at **100%** of the approved amount for the 3rd quarter of FY 2018.