



STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Victims of Crime Program

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April 12, 2013

To: Jeff Mohlenkamp, Clerk
Board of Examiners

From: Bryan Nix, Coordinator
Victims of Crime Program

Re: VOCP 3rd Quarter FY 2013 Report, and 4th Quarter FY 2013
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 rules and regulations adopted by the Board pursuant to NRS 217.130. When a vendor accepts a payment reduced pursuant to VOCP policies, NRS 217.245 provides that the claim is deemed paid in full. NRS 217.260 requires that (a) Claims be categorized as to their priority; and (b) Claims categorized as the highest priority be paid, in whole or in part, before other claims.

BOE Policies for the VOCP provide for payment of Priority One and Two claims during the quarter, and for payment of accrued Priority Three claims 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 BOE policies.

The VOCP paid all Priority One and Two, and Priority Three claims at 100% of their approved amount for all of FY 2012.

Claim Payments Made Fiscal Year 2013

The following chart shows claim payments made in FY 2013, by benefit type. As this chart shows the VOCP has satisfied **\$16,384,400.85** in victim medical bills and claims for **\$4,276,405.36** of available funding. After bill review and application of BOE Policies

we have had a total savings of **\$12,107,995.49** over the billed amount in fiscal year 2013.

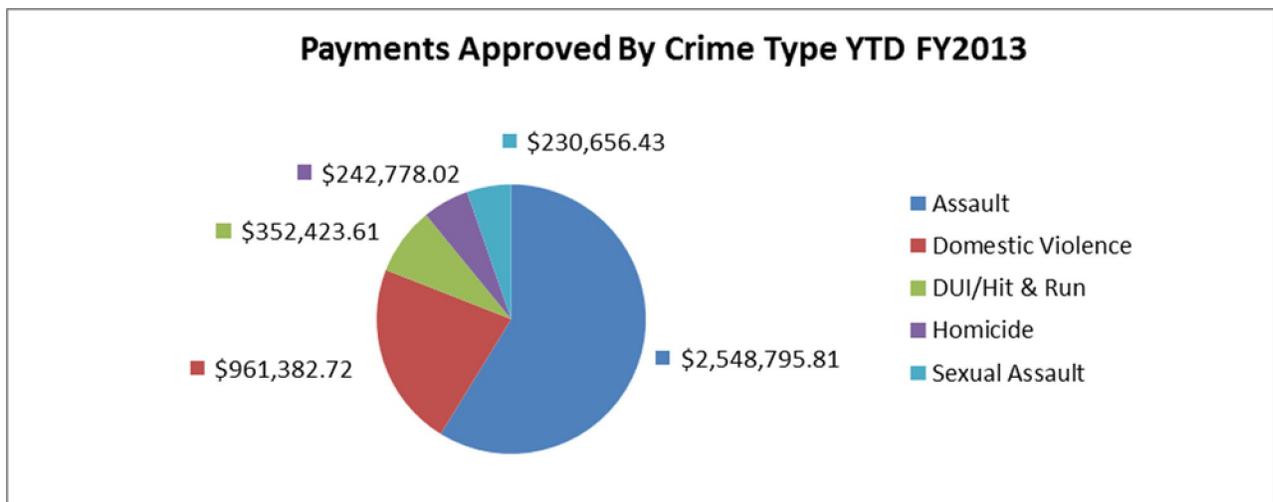
Payment Amounts by Type Fiscal Year 2013				
Type of Expense	Number of Bills	Total Victim Bills Submitted	Amount Saved by Bill Review	Amount Paid to Providers
Chiropractic	242	90,245.15	24,546.94	65,698.21
Counseling	1972	442,369.58	95,938.84	346,430.74
Survivor Benefits	23	29,400.00	0.00	29,400.00
Dental	176	340,970.25	76,002.65	264,967.60
Discretionary*	288	278,796.52	86.00	278,710.52
Funeral Expense	81	191,022.95	132.55	190,890.40
Lost Wages	166	164,162.60	0.00	164,162.60
Medical - Hospital	598	9,232,993.09	8,217,743.45	1,015,249.64
Medical - Other	2052	2,484,937.89	1,242,352.26	1,242,585.63
Prescription	233	30,034.37	2,970.80	27,063.57
Physical Therapy	111	52,703.80	9,994.88	42,708.92
Vision	97	41,763.45	5,083.91	36,679.54
Pending Priority Three Payments 3rd Quarter 2013	461	3,005,001.20	2,433,143.21	571,857.99
Total Payments YTD FY2013	6500	\$16,384,400.85	\$12,107,995.49	\$4,276,405.36

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

** There are **\$3,005,001.20** in pending Priority Three Claims (hospital bills, etc), which will be paid for **\$571,857.99**, which is 100% of the approved amount at the end of the 3rd quarter FY 2013 as provided for by VOCP policies.

Victim Payments by Crime Type Fiscal Year 2013

The following pie chart shows amounts approved for payment by crime type, during Fiscal Year 2013.



Financial Review Fiscal Year 2013

The following chart shows projected revenues and fund balances, including reserves for FY 2013, and recommendations for 4th quarter FY 2013 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 BOE adopted pursuant to NRS 217.130 and NRS 217.150.

Financial Position and Fourth Quarter 2013 Projections	
Projected Funds Available for Payments FY13 Less 45 Day Reserves	\$11,416,993.18
Less: First Quarter Payments	\$1,376,297.17
Less: Second Quarter Payments	\$1,600,400.09
3rd Quarter Priority 1 & 2 Payments	\$728,080.62
3rd Quarter Priority 3 Payments	\$571,857.99
Total 3rd Quarter Payments	\$1,299,938.61
Projected Funds Available for Remainder of FY13 Less 45 Day Reserves	\$7,140,357.31
Projected Payments 4th Quarter FY13*	\$1,481,222.11
Projected Funds Remaining After Payments - Add to FY14 Reserves	\$5,659,135.20
Recommended Priority 3 Payment Percentage 4th Quarter FY13	100%
*Average of last 6 quarters	

A 45 day operating expense reserve of \$941,560.82 is maintained to cover up to 45 days of victim's claims and administrative expenses.

As expected, revenues have been reduced due to the economic downturn. In 2010 overall revenues were \$1.2 million below projections. That trend continued in 2011, with overall revenues coming in \$400,000 below budgeted authority levels. The VOCP has seen significant decreases in revenue from Fines, Restitution, Wage Assessment, Court Assessment and Treasurers interest.

Fortunately the federal grant was considerably higher in FY 2012 .The program received \$4,541,000.00, which was \$1,570,000.00 higher than the FY 2011 grant of \$2,971,000.00. The federal grant received in FY 2013 was \$3,103,000.00. Based on our payment history, we do not expect to receive increased grant funds, so the extra grant funds received in fiscal year 2012 were reserved for future program expenditures. We expect to use these funds over the next four years.

Our current financial review shows that we have sufficient funding to cover remaining 3rd quarter Priority Three payments at 100%, and we are projecting sufficient funds to continue paying all claims at 100% in the fourth quarter of Fiscal Year 2013.

VOCP Recommendation

We are projecting 4th quarter priority one and two payments totaling **\$811,269.09** and projected priority three payments totaling **\$669,953.02**, for a total expense of **\$1,481,222.11**.

After reserving **\$941,560.82** for 45 days operating expenses, our budget shows VOCP revenues available for 4th quarter total **\$7,140,357.31**.

Based on these projections the VOCP recommends paying Priority One and Two claims at **100%**, and Priority Three claims at **100%** of the approved amount for the 4th quarter of FY 2013.