



STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Victims of Crime Program

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April 13, 2015

To: Jim Wells, Clerk, Board of Examiners
From: Bryan Nix, Coordinator, Victims of Crime Program
Re: VOCP 3rd Quarter FY 2015 Report, and 4th Quarter FY 2015 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 2015, by benefit type. As this chart shows the VOCP satisfied **\$9,266,310.19** in victim medical bills and claims for **\$3,380,254.82** of available funding. After bill review and application of Board Policies we have had a total savings of **\$5,886,055.37** over the billed amount in fiscal year 2015.

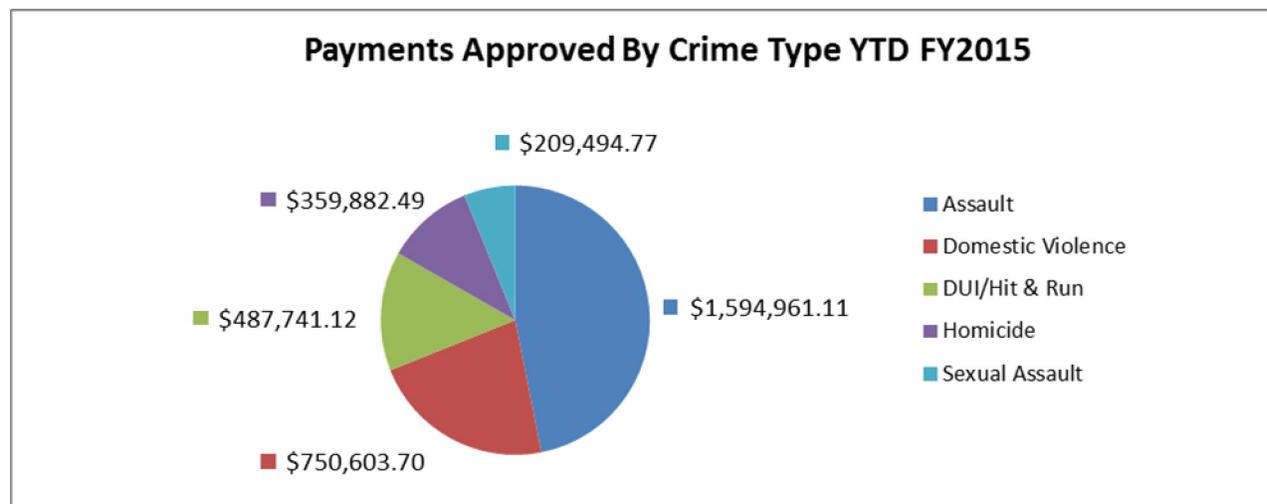
Payment Amounts by Type Fiscal Year 2015				
Type of Expense	Number of Bills	Total Victim Bills Submitted	Amount Saved by Bill Review	Amount Paid to Providers
Chiropractic/Physical Therapy	281	196,372.23	54,252.89	142,119.34
Counseling	1957	532,022.52	160,800.50	371,222.02
Survivor Benefits	40	37,607.31	0.00	37,607.31
Dental	140	314,511.77	89,504.09	225,007.68
Discretionary*	297	292,303.89	1,692.60	290,611.29
Funeral Expense	118	291,017.33	5,221.16	285,796.17
Lost Wages	311	331,512.57	510.76	331,001.81
Medical - Hospital	401	4,312,090.78	3,776,910.87	535,179.91
Medical - Other	1468	1,596,824.03	763,397.83	833,426.20
Prescription	166	31,407.05	14.52	31,392.53
Vision	42	20,734.54	4,072.75	16,661.79
Pending Priority Three Payments 2nd Quarter 2015	237	1,309,906.17	1,029,677.40	280,228.77
Total Payments YTD FY2015	5458	\$9,266,310.19	\$5,886,055.37	\$3,380,254.82

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

** There are **\$1,309,906.17** in pending Priority Three Claims (hospital bills, etc), which will be paid **\$280,228.77**, 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 2015.



Financial Review

The chart on the next page shows projected revenues and fund balances, including reserves for FY 2015, and recommendations for 4th quarter FY 2015 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 Fourth Quarter 2015 Projections	
Projected Funds Available for Payments FY15 Less 45 Day Reserves	\$13,056,266.78
Less: 1st Quarter Payments	\$1,198,830.95
Less: 2nd Quarter Payments	\$1,269,536.83
3rd Quarter Priority 1 & 2 Payments	\$631,658.27
3rd Quarter Priority 3 Payments	\$280,228.77
Total 3rd Quarter 2015 Payments	\$911,887.04
Projected Funds Available for Remainder of FY15 Less 45 Day Reserves	\$9,676,011.96
Projected Payments 4th Quarter FY15*	\$1,357,757.53
Projected Funds Available for FY16 Less 45 Day Reserves	\$8,318,254.43
Recommended Priority 3 Payment Percentage 4th Quarter FY15	100%
*Average of last 6 quarters	

As required, a 45 day operating expense reserve of \$814,097.22 is maintained to cover up to 45 days of victim's claims and administrative expenses.

The increased level of claims paid in FY 2010 resulted in a 52.8% increase in the Federal Grant awarded to Nevada in FY 2012. This allowed us to increase our reserves to an amount sufficient to see us through the economic downturn. We have also seen a significant decrease in hospital expenses due to changes made to Medicaid rules under the Affordable Care Act. Qualified applicants can now receive up to three months retroactive coverage. Since many applicants to our program qualify for Medicaid, their emergency treatment is now being paid by the state. Our reserves for future claims stand at \$8.3 million. We expect to use these reserves over the next five years as the amount of our Federal Grant decreases.

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 2015.

Recommendation

We are projecting Priority One and Two payments totaling **\$832,552.60** and projected Priority Three payments totaling **\$525,204.93**, for a total expense of **\$1,357,757.53** for the 4th quarter.

After reserving **\$814,097.22** for 45 days operating expenses, our budget shows VOCP revenues and reserves available for 4th quarter total **\$9,676,011.96**.

Based on these projections the VOCP recommends paying Priority One and Two and Three claims at **100%** of the approved amount for the 4th quarter of FY 2015.