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DEPARTMENT OF ADMINISTRATION
VICTIMS OF CRIME

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July 15, 2016

To: James Wells, Clerk, Board of Examiners
Through: Patrick Cates, Director of Administration
From: Bryan Nix, Coordinator, Victims of Crime Program
Re: VOCP 4th Quarter FY 2016 Report, and 1st Quarter FY 2017 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 - 4th Quarter FY 2016				
Type of Expense	Number of Bills	Total Victim Bills Submitted	Amount Saved by Bill Review	Amount Paid to Providers
Priority 1 & 2 Payments	1383	1,355,792.15	522,621.11	833,171.04
Priority 3 Payments	264	1,311,679.93	633,195.56	260,810.37
Total 4th Quarter Payments	1647	\$2,667,472.08	\$1,155,816.67	\$1,093,981.41

Claim Payments

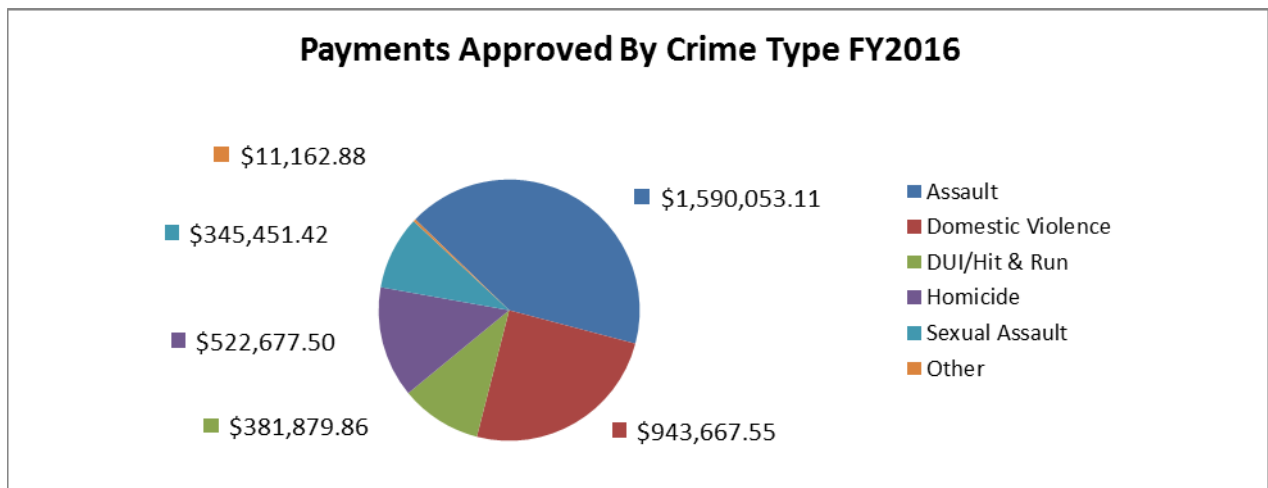
The following chart shows claim payments made in FY 2016, by benefit type. As this chart shows the VOCP satisfied \$9,952,128.08 in victim medical bills and claims for \$4,051,916.70 of available funding. After bill review and application of Board Policies we have had a total savings of \$5,482,537.38 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	289	153,869.35	35,645.23	118,224.12
Counseling	2423	651,641.54	173,223.83	478,417.71
Survivor Benefits	24	23,050.00	0.00	23,050.00
Dental	138	282,317.90	77,307.75	205,010.15
Discretionary*	727	652,358.72	2,885.42	649,473.30
Funeral Expense	149	495,189.54	19,861.24	475,328.30
Lost Wages	339	360,324.72	1,008.85	359,315.87
Medical - Hospital	379	5,717,478.52	4,599,986.76	681,999.54
Medical - Other	1716	1,548,256.10	569,834.27	996,240.05
Prescription	162	19,753.36	0.30	19,753.06
Vision	97	47,888.33	2,783.73	45,104.60
Total Payments YTD FY2016	6443	\$9,952,128.08	\$5,482,537.38	\$4,051,916.70

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

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 2017, and recommendations for 1st quarter FY 2017 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 2016 Projections	
Projected Funds Available for Payments FY16 Less 45 Day Reserves	\$14,762,689.77
Less: 1st Quarter Payments	\$1,071,046.08
Less: 2nd Quarter Payments	\$970,715.19
Less: 3rd Quarter Payments	\$916,299.80
4th Quarter Priority 1 & 2 Payments	\$833,171.04
4th Quarter Priority 3 Payments	\$260,810.37
Less Total 4th Quarter 2016 Payments	\$1,093,981.41
Funds Carried Over to FY16 Less 45 Day Reserves	\$11,626,947.09
Projected Payments 1st Quarter FY17	\$971,385.71
Projected Reserves Available Less 1st Quarter Payments	\$10,655,561.38
Recommended Priority 3 Payment Percentage 1st Quarter FY17	100%

*Based on average of last 6 quarterly periods.

As required, a 45 day operating expense reserve of \$1,047,880.23 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. While the number of applications received by the program has increased by more than 7%, 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 \$10 million, and we anticipate Revenues of \$8 million for FY 2017. Our expenses are projected to total \$6 million in FY 2017, which would leave the program with \$12 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 also allow us to continue 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 **\$718,988.93** and projected Priority Three payments totaling **\$252,396.78**, for a total expense of **\$971,385.71** for the 1st quarter.

After reserving **\$1,047,880.23** for 45 days operating expenses, our budget shows VOCP revenues and reserves available for 1st quarter total **\$11,626,947.09**.

Based on these projections the VOCP recommends paying Priority One and Two and Three claims at **100%** of the approved amount for the 1st quarter of FY 2017.