



STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Victims of Crime Program

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July 26, 2013

To: Jeff Mohlenkamp, Clerk, Board of Examiners
From: Bryan Nix, Coordinator, Victims of Crime Program
Re: VOCP 4th Quarter FY 2013 Report, and 1st Quarter FY 2014 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 2013, by benefit type. As this chart shows the VOCP satisfied **\$24,706,076.32** in victim medical bills and claims for **\$5,946,363.22** of available funding. After bill review and application of Board Policies we have had a total savings of **\$18,759,713.10** over the billed amount in fiscal year 2013.

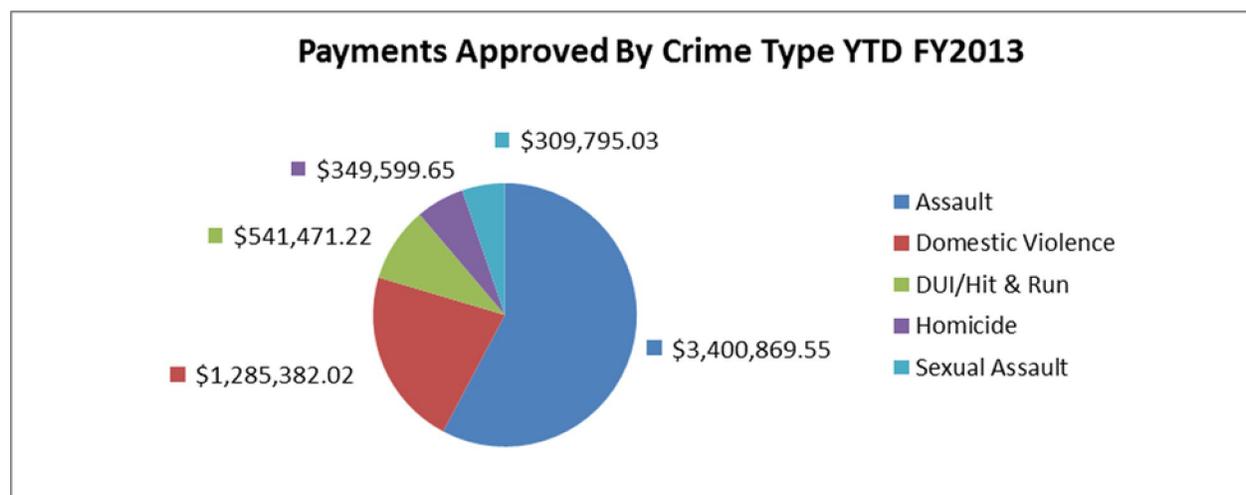
Payment Amounts by Type Fiscal Year 2013				
Type of Expense	Number of Bills	Total Victim Bills Submitted	Amount Saved by Bill Review	Amount Paid to Providers
Chiropractic	336	129,883.98	31,888.44	97,995.54
Counseling	2702	606,706.55	133,709.96	472,996.59
Survivor Benefits	26	33,600.00	0.00	33,600.00
Dental	244	493,294.54	108,697.72	384,596.82
Discretionary*	418	390,304.51	171.00	390,133.51
Funeral Expense	117	289,788.64	5,322.28	284,466.36
Lost Wages	197	201,102.83	0.00	201,102.83
Medical - Hospital	811	12,535,862.05	11,189,434.66	1,346,427.39
Medical - Other	2861	3,233,389.13	1,518,619.42	1,714,769.71
Prescription	347	48,618.12	3,002.14	45,615.98
Physical Therapy	137	70,882.70	13,099.93	57,782.77
Vision	122	66,898.13	6,390.18	60,507.95
Pending Priority Three Payments 4th Quarter 2013	636	6,605,745.14	5,749,377.37	856,367.77
Total Payments YTD FY2013	8954	\$24,706,076.32	\$18,759,713.10	\$5,946,363.22

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

** There are **\$6,605,745.14** in pending Priority Three Claims (hospital bills, etc), which will be paid **\$856,367.77**, 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 2013.



Financial Review

The chart on the next page 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 Board.

Financial Position and First Quarter 2014 Projections	
Projected Funds Available for Payments FY13 Less 45 Day Reserves	\$11,385,854.64
1st Quarter 2013 Payments	\$1,376,297.17
2nd Quarter 2013 Payments	\$1,600,400.09
3rd Quarter 2013 Payments	\$1,299,938.61
4th Quarter Priority 1 & 2 Payments	\$813,359.58
4th Quarter Priority 3 Payments	\$856,367.77
Total 4th Quarter 2013 Payments	\$1,669,727.35
Reserves Available for Future Claims	\$5,439,491.42
Projected Funds Available for FY14 Less 45 Day Reserves	\$11,434,940.64
Projected Funds Available for 1st Quarter FY14 Claims	\$2,858,735.16
Projected Payments 1st Quarter FY14*	\$1,510,967.86
Projected Quarterly Funds Remaining After Payments - Add to Reserves	\$1,347,767.30
Recommended Priority 3 Payment Percentage 1st Quarter FY14	100%
*Average of last 6 quarters	

A 45 day operating expense reserve of \$968,230.36 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 4th quarter Priority Three payments at 100%, and we are projecting sufficient funds to continue paying all claims at 100% in the first quarter of fiscal year 2014.

Recommendation

We are projecting Priority One and Two payments totaling **\$818,291.79** and projected Priority Three payments totaling **\$692,676.07**, for a total expense of **\$1,510,967.86** for the 1st quarter.

After reserving **\$968,230.36** for 45 days operating expenses, our budget shows VOCP revenues available for 1st quarter total **\$2,858,735.16**.

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 2014.