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DEPARTMENT OF ADMINISTRATION
VICTIMS OF CRIME

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August 11, 2017

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 2017 Report, and 1st 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 – 4th Quarter FY 2017				
Type of Expense	Number of Bills	Total Victim Bills Submitted	Amount Saved by Bill Review	Amount Paid to Providers
Priority 1 & 2 Payments	1422	1,194,285.31	383,177.39	811,107.92
Priority 3 Payments	258	3,630,220.44	3,221,871.00	408,349.44
Total 4 th Quarter Payments	1680	\$4,824,505.75	\$3,605,048.39	\$1,219,457.36

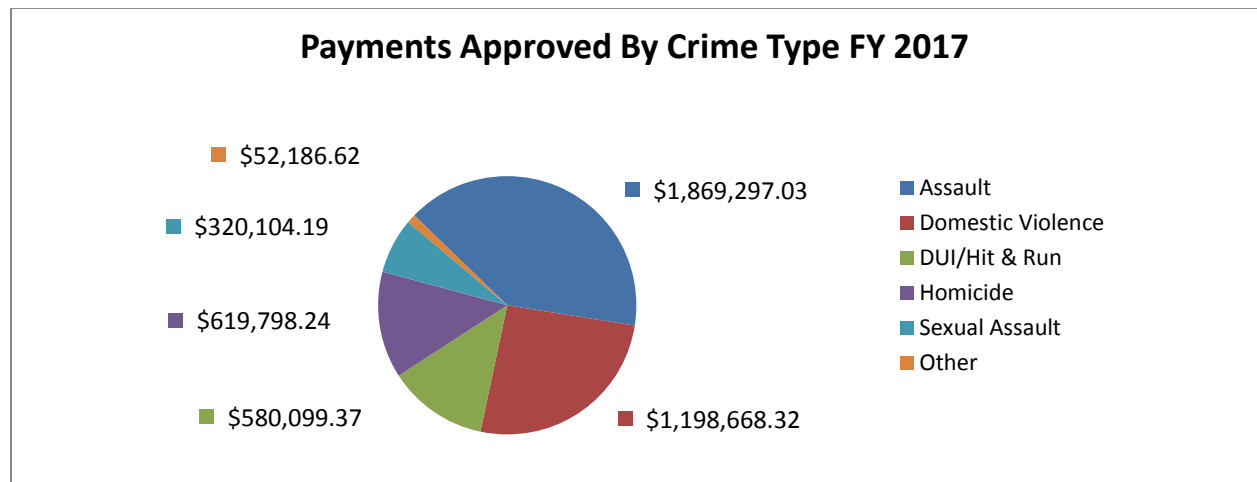
Claim Payments

The following chart shows claim payments made in FY 2017 by benefit type. As this chart shows, the VOCP satisfied \$13,219,362.60 in victim medical bills and claims for \$4,662,175.43 of available funding. After bill review and application of Board Policies we have had a total savings of \$8,557,187.17 over the billed amount in fiscal year 2017.

Payment Amounts by Type Fiscal Year 2017				
Type of Expense	Number of Bills	Total Victim Bills Submitted	Amount Saved by Bill Review	Amount Paid to Providers
Chiropractic/Physical Therapy	250	114,316.33	24,834.19	89,482.14
Counseling	1995	609,316.65	172,219.99	437,096.66
Survivor Benefits	117	91,205.00	1,470.00	89,735.00
Dental	144	248,739.94	76,748.69	171,991.25
Discretionary*	1064	968,542.20	2,741.83	965,800.37
Funeral Expense	183	575,953.07	17,109.18	558,843.89
Lost Wages	515	484,035.40	454.96	483,580.44
Medical - Hospital	417	8,564,543.95	7,741,749.82	822,794.13
Medical - Other	1539	1,486,221.88	517,226.50	968,995.38
Prescription	134	27,348.23	0.62	27,347.61
Vision	75	49,139.95	2,631.39	46,508.56
Total Payments YTD FY2017	6433	\$13,219,362.60	\$8,557,187.17	\$4,662,175.43
*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 2017.



Financial Review

The chart below shows projected revenues and fund balances, including reserves for FY 2018, and recommendations for 1st 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 First Quarter 2018 Projections	
Projected Funds Available for Payments FY17 Less 45 Day Reserves	\$16,390,477.30
Less: 1 st Quarter Payments	\$1,134,679.62
Less: 2nd Quarter Payments	\$1,106,675.62
Less: 3rd Quarter Payments	\$1,219,267.87
4th Quarter Priority 1 & 2 Payments	\$811,107.92
4th Quarter Priority 3 Payments	\$408,349.44
Total 4th Quarter 2017 Payments	\$1,219,457.36
Projected Funds Available for FY18 Less 45 Day Reserves	\$13,127,536.30
Projected Payments 1st Quarter FY18 *	\$1,430,866.84
Projected Funds Available after 1st Quarter Payments	\$11,696,669.46
Recommended Priority 3 Payment Percentage 1st Quarter FY18	100%
*Based on average of last 6 quarterly periods plus estimated impact of AB 122 & DNA testing	

As required, a 45 day operating expense reserve of \$807,348.70 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 each year, we have seen significant decreases 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 \$11 million, and we anticipate Revenues of almost \$5 million for FY 2018. Before adding estimated expenses we may incur implementing AB 122, and allocated expenses for DNA testing, our expenses were projected to total \$4.1 million in FY 2018. This would leave the program with \$11.1 million in Reserves after budgeted expenses are covered. Estimated financial impact from the adoption of AB 122 in FY 2018 is \$1.1 million, and expected allocated DNA testing expense for FY 2018 is \$170 thousand, so we expect to end FY 2018 with \$10 million in Reserves. These Reserves will allow us to pay existing crime related expenses at 100% for the foreseeable future.

Recommendation

We are projecting Priority One and Two payments totaling **\$816,833.03** and projected Priority Three payments totaling **\$299,810.82** for the 1st quarter. We estimate additional expenses totaling **\$314,223.00** may be incurred related to AB 122 and DNA testing, which would bring our total expenses to **\$1,430,866.84** for the 1st quarter.

After reserving **\$807,348.70** for 45 days operating expenses, our budget shows VOCP revenues and reserves available for 1st quarter total **\$13,127,536.30**.

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 2018.