

Buncombe County Agenda Item Information Sheet

| | |
|---|--------------------|
| AGENDA ITEM: Vaya Health (formerly Smoky Mountain) Financial Reporting | |
| MEETING DATE: 11/7/2017 | |
| REQUESTED BY: Tim Flora, Finance Director | |
| Background information: NC General statute § 122C-117 requires the following of the areas Local Management Entity: (a) The area authority shall do all of the following: (4) Develop plans and budgets for the area authority subject to the approval of the Secretary. The area authority shall submit the approved budget to the board of county commissioners and the county manager and provide quarterly reports on the financial status of the program in accordance with subsection (c) of this section. GS §122C-3(33): "Secretary" means the Secretary of the Department of Health and Human Services. (c) Within 30 days of the end of each quarter of the fiscal year, the area director and finance officer of the area authority shall provide the quarterly report of the area authority to the county finance officer. The county finance officer shall provide the quarterly report to the board of county commissioners at the next regularly scheduled meeting of the board. The clerk of the board of commissioners shall notify the area director and the county finance officer if the quarterly report required by this subsection has not been submitted within the required period of time. This information shall be delivered to the county and, at the request of the board of county commissioners, may be presented in person by the area director or the director's designee. | |
| Pro's NA | Con's NA |
| Funds required in current budget: NA | |
| Funds required in future budgets: NA | |
| Alternatives NA | |
| Action recommended: No action is necessary for this agenda item | |

1. REPORT OF BUDGET VS. ACTUAL

| ITEM | Basis of Accounting: (check one) | Modified Accrual Accrual | X | PRIOR YEAR | | CURRENT YEAR | | BALANCE (Col. 3-4) | ANNUALIZED PERCENTAGE ** |
|---|-------------------------------------|-----------------------------|---|-------------------|------------------|-------------------|----------------|-----------------------|-----------------------------|
| | | | | 2016-2017 | | BUDGET | ACTUAL | | |
| | | | | BUDGET | ACTUAL | BUDGET | YR-TO-DATE | | |
| REVENUE | | | | | | | | | |
| Service Fees from LME-Delivered Services | | | | 359,750 | 459,403 | 48,000 | 2,009 | 45,991 | 16.74% |
| Medicaid Pass Through Funds | | | | 80,000 | 42,164 | - | - | - | - |
| Interest Earned | | | | 221,000 | 254,285 | 200,558 | 69,266 | 131,292 | 138.15% |
| Rental Income | | | | 53,772 | 53,772 | 53,772 | 13,443 | 40,329 | 100.00% |
| Budgeted Fund Balance * (Detail in Item 4, below) | | | | 35,333,836 | - | 19,380,771 | - | 19,380,771 | 0.00% |
| Other Local | | | | 2,364,751 | 2,158,015 | 1,612,437 | 284,868 | 1,327,569 | 70.67% |
| Total Local Funds | | | | 38,413,109 | 2,967,639 | 21,295,538 | 369,586 | 20,925,952 | 6.94% |

| County Appropriations (by county, includes ABC Funds): | | | | | | | | | |
|--|------------------|------------------|------------------|----------------|------------------|---------------|--|--|--|
| Alexander County | 50,000 | 50,000 | 50,000 | 12,500 | 37,500 | 100.00% | | | |
| Alleghany County | 115,483 | 115,483 | 115,483 | 28,871 | 86,612 | 100.00% | | | |
| Ashe County | 189,566 | 189,566 | 189,566 | 47,392 | 142,175 | 100.00% | | | |
| Avery County | 89,600 | 89,600 | 89,600 | 22,400 | 67,200 | 100.00% | | | |
| Buncombe County | 600,000 | 600,000 | 600,000 | 150,000 | 450,000 | 100.00% | | | |
| Caldwell County | 119,628 | 119,638 | 119,628 | 29,922 | 89,706 | 100.05% | | | |
| Cherokee County | 75,000 | 75,000 | 75,000 | 18,750 | 56,250 | 100.00% | | | |
| Clay County | 15,000 | 15,000 | 15,000 | 3,750 | 11,250 | 100.00% | | | |
| Graham County | 6,000 | 6,000 | 6,000 | 1,500 | 4,500 | 100.00% | | | |
| Haywood County | 101,900 | 100,387 | 101,900 | 23,606 | 78,294 | 92.66% | | | |
| Henderson County | 528,612 | 528,612 | 528,612 | 132,153 | 396,459 | 100.00% | | | |
| Jackson County | 123,081 | 123,081 | 123,081 | 30,770 | 92,311 | 100.00% | | | |
| Macon County | 106,623 | 106,623 | 106,623 | 26,656 | 79,967 | 100.00% | | | |
| Madison County | 30,000 | 30,000 | 30,000 | 7,500 | 22,500 | 100.00% | | | |
| McDowell County | 67,856 | 67,856 | 67,856 | 16,964 | 50,892 | 100.00% | | | |
| Mitchell County | 18,000 | 18,000 | 18,000 | 4,500 | 13,500 | 100.00% | | | |
| Polk County | 77,991 | 78,510 | 78,491 | 19,690 | 58,801 | 100.34% | | | |
| Rutherford County | 102,168 | 102,168 | 102,168 | 25,542 | 76,626 | 100.00% | | | |
| Swain County | 32,260 | 26,025 | 24,091 | 6,863 | 17,228 | 113.95% | | | |
| Transylvania County | 99,261 | 99,261 | 99,261 | 24,815 | 74,446 | 100.00% | | | |
| Watauga County | 171,194 | 171,194 | 171,194 | 42,799 | 128,396 | 100.00% | | | |
| Wilkes County | 266,810 | 266,327 | 267,354 | 66,875 | 200,479 | 100.06% | | | |
| Yancey County | 26,000 | 26,000 | 26,000 | 6,500 | 19,500 | 100.00% | | | |
| Total County Funds | 3,012,033 | 3,004,331 | 3,004,908 | 750,317 | 2,254,591 | 99.88% | | | |

| | | | | | | |
|---|--------------------|--------------------|--------------------|-------------------|--------------------|----------------|
| LME Systems Admin. Funds (Cost Model) | | | | | | |
| DMH/DD/SAS Administrative Funds (% basis) | 138,494 | 138,494 | - | - | - | - |
| DMH/DD/SAS Services Funding | 62,146,875 | 59,899,876 | 61,776,871 | 15,563,141 | 46,213,730 | 100.77% |
| DMA Capitation Funding | 317,256,174 | 320,350,760 | 321,080,065 | 79,775,317 | 241,304,748 | 99.38% |
| DMA Risk Reserve Funding | 6,474,616 | 6,467,872 | 6,552,654 | 1,618,969 | 4,933,685 | 98.83% |
| All Other State/Federal Funds | 17,000 | 19,960 | - | 47,823 | (47,823) | - |
| Total State and Federal Funds | 386,033,159 | 386,876,962 | 389,409,590 | 97,005,250 | 292,404,340 | 102.66% |

| | | | | | | |
|----------------------|--------------------|--------------------|--------------------|-------------------|--------------------|---------------|
| TOTAL REVENUE | 427,458,301 | 392,848,932 | 413,710,037 | 98,125,153 | 315,584,883 | 94.87% |
|----------------------|--------------------|--------------------|--------------------|-------------------|--------------------|---------------|

| EXPENDITURES: | | | | | | |
|--|--------------------|--------------------|--------------------|-------------------|--------------------|---------------|
| System Management/Administration/Care Coordination | 61,766,160 | 49,057,232 | 59,358,939 | 11,130,181 | 48,228,758 | 75.00% |
| LME Provided Services | 2,859,229 | 3,275,392 | 1,653,575 | 372,401 | 1,281,174 | 90.08% |
| Provider Payments (State Funds) | 347,856,105 | 340,101,325 | 339,166,733 | 82,486,495 | 256,680,238 | 97.28% |
| Provider Payments (Federal Funds) | 9,982,671 | 8,858,430 | 9,778,565 | 2,784,325 | 6,994,240 | 113.90% |
| Provider Payments (County/Local) | 3,284,486 | 3,204,924 | 3,004,908 | 652,205 | 2,352,703 | 86.82% |
| All Other | 1,709,650 | 1,526,012 | 747,317 | 198,689 | 548,628 | 106.35% |
| TOTAL EXPENDITURES | 427,458,301 | 406,023,315 | 413,710,037 | 97,624,296 | 316,085,741 | 94.39% |

| | | | | | | |
|--|--|---------------------|--|----------------|--|--|
| Net Income (from Operations and Risk Reserve) | | (13,174,381) | | 500,858 | | |
|--|--|---------------------|--|----------------|--|--|

| | | | | | | |
|---|--|-------------------|--|-------------------|--|--|
| Beginning Unrestricted/Unassigned Fund Balance | | 8,031,041 | | 15,692,872 | | |
| Balance in Restricted DMA Risk Reserve | | 31,345,510 | | 32,964,479 | | |

| | | | | | | |
|--|--------------|-------------------|--------------|------------------|--|--|
| Current Estimated Unrestricted/Unassigned Fund Balance and percent of budgeted expenditures | 3.67% | 15,692,872 | 0.79% | 3,276,901 | | |
|--|--------------|-------------------|--------------|------------------|--|--|

2. CURRENT CASH POSITION

| | |
|--|--------------------|
| Current Cash in Bank (Including Risk Reserve) | 105,525,018 |
|--|--------------------|

3. SERVICE EXCEPTIONS (Provided Based on System Capability)

| | |
|---|-------------------|
| Services authorized but not billed (IBNR) | 17,258,549 |
|---|-------------------|

LME / MCO NAME: VAYA HEALTH FOR THE PERIOD ENDING: September 30, 2017
 # of month in the fiscal year (July = 1, August = 2, . . . , June = 12) =====> 3

| 4. DETAIL ON BUDGETED FUND BALANCE | | Budgeted | Utilized Year-to-Date | Remaining Balance | % Utilized |
|---|--|-------------------|--------------------------|----------------------|---------------|
| Pymt to Providers/Admin | Single Stream Replacement Funding | 7,449,987 | 1,862,497 | 5,587,490 | 25.00% |
| Payments to DMA | Risk Reserve Match Contribution | 2,315,471 | 578,868 | 1,736,603 | 25.00% |
| Other Initiatives | Admin Replacement Funding | 3,480,274 | 0 | 3,480,274 | 0.00% |
| Other Initiatives | Integrated Collab Care Svc Initiatives | 3,835,039 | 861,640 | 2,973,399 | 22.47% |
| Other Initiatives | Admin Office - Expansion Project | 2,300,000 | 318,094 | 1,981,906 | 13.83% |
| Total Fund Balance Appropriated/Utilized to Date | | 19,380,771 | 3,621,099 | 15,759,673 | 18.68% |

* We certify (a) this report to contain accurate and complete information, (b) explanations are provided for any expenditure item with an annualized expenditure rate greater than 110% and for any revenue item with an annualized receipt rate of less than 90%, and (c) a copy of this report has been provided to each county manager in the catchment area".

10/31/2017

| | | | | | |
|--------------------|------|-------------------------|------|------------------|------|
| LME / MCO Director | Date | LME/MCO Finance Officer | Date | Area Board Chair | Date |
|--------------------|------|-------------------------|------|------------------|------|

Quarterly Fiscal Monitoring Report - Explanation of Revenue and Expenditure Variances

VAYA HEALTH
 For the period ending: September 30, 2017

| ITEM | Explanation |
|--|--|
| Revenues Less than 90% | |
| Service Fees from LME Delivered Svcs (16.7%) | Money Follows the Person, Hotel Pilot, and Duke Endowment funds not fully being utilized yet. |
| Fund Balance Appropriated (0.00%) | Fund Balance Appropriation is budgeted - but no actual will be recorded on the financial statements. |
| Other Local (70.67%) | Trillium Fees not recorded. |
| Expenditures Exceeding 110% | |
| Provider Payments (113.9%) | In programs such as GERO and Housing, the Federal portion is utilized first causing the overutilization as of 9/30/2017. (This variance will decrease as the year continues) |

Other Notes

ABC funds collected will be shown in the same line as MOE funds for that county. ABC Funds are recorded on a Cash Basis.
 County MOE funds are recorded on an accrual basis, therefore the amount shown in the report above may not reflect the actual amount of funds received from each county.
 If County Funds of less than 25% of the Annual Budgeted amount have been received, the remaining has been accrued and is considered a receivable at 9/30/2017.
 If County MOE funds in excess of 25% of the Annual Budgeted amount have been received, the excess has been deferred and not reflected as income as of 9/30/2017.