

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

MEETING DATE: June 4, 2012

SUBJECT: Western Highlands Area Authority – Quarterly Fiscal Monitoring Report (FMR) for the quarter ended March 31, 2012

PRESENTER: J. Carey McLelland, Finance Director

ATTACHMENTS: Fiscal Monitoring Report (FMR) – March 31, 2012

SUMMARY OF REQUEST:

N.C.G.S. 122C-117(c) requires the staff of the local area mental health authority to provide the County Finance Officer with the quarterly Fiscal Monitoring Report (FMR) within 30 days of the end of the quarter. The County Finance Officer is then required to provide the FMR to the Board of Commissioners at the next regularly scheduled meeting of the board. The attached FMR for Western Highlands Area Authority was received by the County Finance Officer on May 10, 2012.

BOARD ACTION REQUESTED:

Request that the Board consider approving the Fiscal Monitoring Report of Western Highlands Area Authority for the quarter ended March 31, 2012.

Suggested Motion:

I move that the Board of Commissioners approve the Western Highlands Area Authority Fiscal Monitoring Report for the quarter ended March 31, 2012.



Western Highlands Network
A LOCAL MANAGEMENT ENTITY

Rec'd
5/10/12

May 07, 2012

Carey McLelland
Finance Director
Henderson County
113 N Main Street
Hendersonville, NC 28792

Dear Mr. McLelland:

Enclosed please find the Western Highlands Area Authority's Fiscal Monitoring Report for the 2012 fiscal year 3rd quarter, ending March 31, 2012. State Law requires the LME to provide the quarterly FMR to the County Finance Officer. This report is to be provided to the Board of County Commissioners at the next regularly scheduled meeting of the Board. I have cited Legislative Bill H2077 for easy reference:

SECTION 3(a) G.S. 122C-117(c) reads as rewritten:

"(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 presented in a format prescribed by the county. At least twice a year, this information shall be presented in person and shall be read into the minutes of the meeting at which it is presented. In addition, the area director or finance officer of the area authority shall provide to the board of county commissioners ad hoc reports as requested by the board of county commissioners."

Please don't hesitate to call if you have any questions.

Cordially,

Western Highlands Area Authority



Sharon K. Lentz, CPA
Chief Financial Officer

Quarterly Fiscal Monitoring Report - DMHDDSAS

LME / MCO NAME:

Western Highlands Area Authority

FOR THE PERIOD ENDING:

3/31/2012

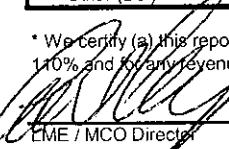
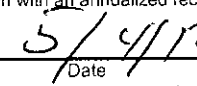
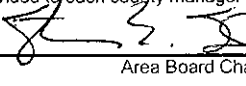
of month in the fiscal year (July = 1, August = 2, . . . , June = 12) =====>

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1. REPORT OF BUDGET VS. ACTUAL

ITEM	Basis of Accounting: (check one) Cash Accrual	(1)	(2)	(3)	(4)	(5)	(6)
		PRIOR YEAR		CURRENT YEAR			
		2010-2011		BUDGET	ACTUAL	BUDGET	ACTUAL
		BUDGET	ACTUAL	BUDGET	YR-TO-DATE	(Col. 3-4)	PERCENTAGE **
REVENUE							
Service Fees from LME-Delivered Services						-	#DIV/0!
Medicaid Pass Thru		11,275,872	7,934,802	6,550,000	3,645,502	2,904,498	74.21%
Interest Earned		20,000	17,566	32,500	6,838	25,662	28.05%
Rental Income				-	-		#DIV/0!
Budgeted Fund Balance * (Detail in Item 4, below)		1,516,260		6,118,350		6,118,350	0.00%
Other Local		16,500	131,292		128,535	(128,535)	#DIV/0!
Total Local Funds		12,828,632	8,083,680	12,700,850	3,780,875	8,919,975	39.69%
County Appropriations (by county, includes ABC Funds):							
Buncombe County		600,000	600,000	600,000	600,000	-	133.33%
Henderson County		528,612	528,612	528,612	353,709	174,903	89.22%
Madison County		30,000	30,000	30,000	30,000	-	133.33%
Mitchell County		18,000	18,000	18,000	-	18,000	0.00%
Polk County		74,991	74,991	74,991	74,991	-	133.33%
Rutherford County		102,168	102,168	102,168	102,168	-	133.33%
Transylvania County		99,261	99,261	99,261	99,261	-	133.33%
Yancey County		26,000	26,000	26,000	19,500	6,500	100.00%
Total County Funds		1,479,032	1,479,032	1,479,032	1,279,629	199,403	115.36%
LME Systems Admin. Funds (Cost Model)		6,047,351	6,047,352	3,023,676	3,023,676	-	133.33%
DMH/DD/SAS Administrative Funds (% basis)				1,800,909	931,751	869,158	68.98%
DMH/DD/SAS Risk Reserve Funds (% basis)				300,152	-	300,152	0.00%
DMH/DD/SAS Services Funding		32,717,876	31,723,408	30,226,309	21,777,746	8,448,563	96.07%
DMA Capitation Funding				65,355,719	32,691,863	32,663,856	66.70%
DMA Risk Reserve Funding				1,333,790	667,181	666,609	66.70%
All Other State/Federal Funds		265,000	242,312	265,000	174,855	90,145	87.98%
Total State and Federal Funds		39,030,227	38,013,072	102,305,555	59,267,072	43,038,483	77.24%
TOTAL REVENUE		53,337,891	47,575,784	116,485,437	64,327,576	52,157,861	73.63%
EXPENDITURES:							
System Management/Administration/Care Coordination		7,849,504	7,265,436	15,210,276	7,606,999	7,603,277	66.68%
LME Provided Services						-	#DIV/0!
Provider Payments		43,852,411	37,613,992	96,428,118	55,389,817	41,038,301	76.59%
Merger Expenses						-	#DIV/0!
MCO Start-Up Expenses				3,238,782	2,068,308	1,170,474	85.15%
All Other		1,635,976	1,506,747	1,608,261	1,377,366	230,895	114.19%
TOTAL EXPENDITURES		53,337,891	46,386,176	116,485,437	66,442,490	50,042,947	76.05%
CHANGE IN CASH BALANCE			1,189,608		(2,114,914)		
Beginning Unrestricted Fund Balance			6,904,158		6,125,241		
Balance in DMH/DD/SAS Risk Reserve					-		
Balance in DMA Risk Reserve					667,240		
Current Estimated Unrestricted Fund Balance and percent of budgeted expenditures		11.48%	6,125,241	3.65%	4,247,548		
2. CURRENT CASH POSITION							
		(1)	(2)	(3)	(4)	(5)	Allowance for Uncollectible Receivables
		30 DAYS	60 DAYS	90 DAYS	OVER 90 DAYS	TOTAL	
Accounts Payable (Accrual Method)		10,740,152	-				
Account Receivable (Accrual Method)		(452)	2,244	22,525	319,178	\$ 343,494	\$ 276,412
Current Cash in Bank							
3. SERVICE EXCEPTIONS (Provided Based on System Capability)							
Services authorized but not billed							
4. DETAIL ON BUDGETED FUND BALANCE							
				Budgeted	Year-to-Date	Balance	%
Payments to Providers				2,750,339	1,053,449	1,696,890	51.07%
MCO Start-up Expense				3,238,782	2,068,308	1,170,474	85.15%
LME Merger Expense							#DIV/0!
Other (List):				129,229	56,321	72,908	58.11%

* 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."

LME / MCO Director Date: 5/4/12 LME/MCO Finance Officer Date: 5-2-12 Area Board Chair Date: 5/4/12

cc: County Manager for each county within the catchment area.

Division of Mental Health, Developmental Disabilities & Substance Abuse Services
Quarterly Fiscal Monitoring Report - Explanation of Revenue and Expenditure Variances
 enter LME name Western Highlands Area Authority Local Management Entity

for the period ending: March 31, 2012

ITEM	Explanation
Revenues	
<u>Medicaid Pass Thru:</u>	Actual cash revenues have not met projections. Providers have 365 days to bill Medicaid. We will monitor this budget and adjust accordingly.
<u>Interest Earned:</u>	Actual interest earned has not met projections. We will monitor this budget and adjust accordingly.
<u>County Appropriations:</u>	We had not received Maintenance of Effort funds from Mitchell County and have received 66% from Henderson County as of March 31, 2012.
<p>Note: Western Highlands implemented the Medicaid Waiver on January 3, 2012. As such, the State funds were budgeted for a full year and the Medicaid funds budgeted for 1/2 year. This is causing many of the variances.</p> <p>DMH/DD/SAS Administrative Funds: Variance caused from full year and half year budgeting. DMH/DD/SAS Risk Reserve: As of March 31st, WHN had not received payment which included Risk Reserve. DMA Capitalation: Based on a 6 month budget DMA Risk Reserve: Based on a 6 month budget All Other State/Federal Funds: Represents the Shelter Plus Care contract directly with the Federal govt. The funding billed can vary given the number of participants in the program. Our budgeted numbers represent the maximum grant.</p>	
Expenditures	
All Other	This represents MOE funds for which most is paid out immediately when received.