

Delaware Health Information Network
Statement of Cash Flows
January 2014 to March 2014



Cash at Beginning of Period	\$4,051,949
OPERATING ACTIVITIES	
Net Income	(\$434,071)
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	(\$37,230)
Deferred Income	(\$250,000) ¹
Accounts Payable	\$43,203
Net cash provided by Operating Activities	(\$678,097)
INVESTING ACTIVITIES	
Furniture and Equipment	\$1,205
Net cash provided by Investing Activities	\$1,205
Cash at End of Period	\$3,375,056
Net Cash Increase For Period	(\$676,893)

¹ Represents revenue recognized during the quarter, offsetting cash previously received. Highmark/BCBSDE.

Delaware Health Information Network
Profit and Loss Statement
FOR THE PERIOD ENDING MARCH 2014



*Accrual Basis

	Quarter To Date Actuals	Quarter To Date Reforecast	Variance	Year To Date Actuals	Year To Date Reforecast	Variance	Full Year Reforecast
Revenue							
Data Senders	\$740,476	\$740,474	\$2	\$2,299,462	\$2,298,410	\$1,052	\$3,038,884
Payers	\$958,241	\$956,946	\$1,295	\$2,883,404	\$2,882,109	\$1,296	\$3,839,984
Grants	\$36,192	\$20,561	\$15,631	\$1,869,120	\$1,861,145	\$7,975	\$1,861,145
Providers	\$1,400	\$0	\$1,400	\$12,080	\$9,980	\$2,100	\$10,310
Professional Services	\$47,327	\$0	\$47,327	\$59,611	\$12,284	\$47,327	\$12,284
Interest	\$1,218	\$750	\$468	\$2,493	\$2,025	\$468	\$2,625
Total Revenue	\$1,784,854	\$1,718,731	\$66,123	\$7,126,172	\$7,065,953	\$60,219	\$8,765,233
Expenses							
Personnel	\$486,926	\$522,057	\$35,132	\$1,391,707	\$1,415,119	\$23,412	\$2,071,718
Administration	\$83,443	\$92,636	\$9,193	\$202,758	\$226,314	\$23,556	\$293,025
Operations	\$275,773	\$275,074	(\$700)	\$829,922	\$829,218	(\$704)	\$1,118,788
Depreciation	\$1,205	\$1,205	\$0	\$3,801	\$3,801	\$0	\$5,006
Contractual (Non-Technical)	\$635,002	\$686,875	\$51,873	\$1,249,856	\$1,348,902	\$99,046	\$1,528,835
Marketing	\$17,155	\$25,000	\$7,845	\$61,448	\$67,544	\$6,096	\$100,000
Ongoing License & Maintenance	\$266,598	\$295,064	\$28,467	\$799,791	\$829,220	\$29,430	\$1,118,518
New Functions	\$374,487	\$652,600	\$278,113	\$1,092,846	\$1,317,798	\$224,952	\$1,457,458
New Functions Maintenance & License	\$78,335	\$61,336	(\$17,000)	\$297,316	\$280,316	(\$17,000)	\$359,805
Total Expenses	\$2,218,924	\$2,611,847	\$392,923	\$5,929,445	\$6,318,232	\$388,787	\$8,053,152
Net Income	(\$434,071)	(\$893,116)	\$459,046	\$1,196,727	\$747,721	\$449,006	\$712,081

Explanation of Budget Categories

- ❖ Personnel expenses are for DHIN staff people-related items.
- ❖ Administration expenses are for non-people related overhead expenses (lease, computer support, supplies, etc.).
- ❖ Operations expenses consist of Data Center and Help Desk functions from DHIN's technology provider, Medicity.
- ❖ Contractual (Non-Technical) expenses are for:
 - Contract and Project Management from Medicity, DHIN's technology provider
 - Planning contractors to support the State in connecting the DHIN to several State systems
 - DHIN Evaluation project development
- ❖ Ongoing License and Maintenance expenses are related to functions implemented in prior years.
- ❖ Marketing expenses are for provider outreach materials, consumer educational materials, and brand awareness.
- ❖ New Functions expenses include the implementation of new functions, new data types, EMR vendor interfaces, and new data senders.
- ❖ New Function Maintenance and License expenses are related to projects implemented in the current fiscal year.

Year To Date Key Variance Explanations

- ❖ Professional Services revenue is ahead of forecast due to the early completion of work for a CDC Immunization grant sponsored by the State. This is incremental revenue for DHIN.
- ❖ Personnel and Administration expenses are favorable to plan due to headcount being lower than plan. DHIN will be at full complement in May 2014.
- ❖ Contractual expenses are below plan due to the cancellation in implementing internal project management software and lower than expected legal expenses.
- ❖ New Functions expenses are favorable to plan due to:
 - A delay in implementing the ability to add state immunization registry information to DHIN's Community Health Record when a Continuity of Care Document (CCD) extract is created.
 - The ability for consumers to receive DHIN information via the iTriage application. This project has been postponed indefinitely, pending another solution.
 - Savings in completing integration work (via the Mirth integration engine) in-house versus using an external vendor.
 - A delay in implementing the ability for Maryland and Delaware to exchange corresponding ADT documents for the other state's patients. (In progress).

Delaware Health Information Network
Balance Sheet
As of March 31st, 2014



ASSETS

Restricted Cash	\$176,608
Unrestricted Cash	\$3,198,433
Restricted Accounts Receivable	\$620,855 ¹
Equipment - Restricted	\$7,500
Other Assets - Lease Deposit	<u>\$6,979</u>
TOTAL ASSETS	<u><u>\$4,010,376</u></u>

LIABILITIES AND NET ASSETS

Accounts Payable	\$125,358 ²
Deferred Income	\$250,000 ³
Board Restricted Net Assets	\$51,250 ⁴
Unrestricted Net Assets	\$3,583,768
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$4,010,376</u></u>

¹ Restricted Accounts Receivable includes \$174k due from Highmark/BCBSDE for its Per Member Per Month (PMPM) payments in support of State of Delaware Employees. \$173k is due from a data sender who has not made a payment yet in FY2014. DHIN expects these funds to be received and has maintained contact with the data sender. Remaining receivables (short term in nature) are from DHIN's data senders for results delivery services performed.

² Represents payment due to a State subcontractor for work to integrate Newborn Screening information into the DHIN Community Health record.

³ Represents revenue not yet recognized from Highmark/BCBSDE related to a \$1MM payment received. Income is recognized monthly in 12 equal amounts.

⁴ Board Restricted Net Assets include expenses related to funds received from DHN for outstanding grant work and contracted/obligated work with EMR vendors to implement results delivery, immunization exchange, and CCD functionality in several DHIN Beta practices.