

Delaware Health Information Network
Profit and Loss Statement
FY2021 Budget vs. 2020 Actuals



*Accrual Basis

	<u>FY2021 Budget</u>	<u>FY2020 Actuals</u>	<u>Variance</u>
<u>Operating Revenue</u>			
<u>Core Services</u>			
Data Sender Bundle	\$4,223,094	\$4,687,287	(\$464,193)
Payer Bundle	\$3,039,229	\$3,077,767	(\$38,537)
Total Core Services	\$7,262,323	\$7,765,054	(\$502,730)
<u>Value Added Services</u>			
CHR - Viewing by Providers	\$110,200	\$115,116	(\$4,916)
Medication History Access	\$29,910	\$22,870	\$7,040
Encounter Notification Services	\$106,041	\$79,258	\$26,783
Image Viewing	\$29,589	\$14,619	\$14,970
CCD Exchange	\$10,940	\$4,083	\$6,857
Claims Database - Earned Revenue	\$275,000	\$124,380	\$150,620
Professional Services	\$135,624	\$200,417	(\$64,793)
Total Value-Added Services	\$697,303	\$560,743	\$136,560
Total Operating Revenue	\$7,959,627	\$8,325,797	(\$366,170)
<u>Non Operating Revenue</u>			
Medicaid FFP (HCCD)	\$1,588,388	\$870,370	\$718,018
State Appropriation for HCCD	\$289,676	\$506,423	(\$216,747)
Interest	\$36,000	\$38,347	(\$2,347)
Total Non Operating Revenue	\$1,914,064	\$1,415,140	\$498,924
Total Revenue	\$9,873,691	\$9,740,937	\$132,754
<u>Expenses</u>			
Personnel	\$4,949,476	\$4,463,601	\$485,875
Administration	\$658,047	\$547,614	\$110,433
Operations	\$0	\$0	\$0
Depreciation	\$15,763	\$63,420	(\$47,657)
Contractual (Non-Technical)	\$1,146,870	\$663,529	\$483,341
Ongoing License & Maintenance	\$3,061,410	\$2,858,129	\$203,281
Marketing	\$100,000	\$113,767	(\$13,767)
New Functions	\$596,000	\$90,021	\$505,979
New Functions Maintenance & License	\$0	\$0	\$0
Technology Refresh	\$0	\$10,715	(\$10,715)
Total Expenditures	\$10,527,566	\$8,810,796	\$1,716,770
Net Income	(\$653,875)	\$930,141	(\$1,584,016)

Key Variance Explanations - FY21 Budget vs. FY20 Actuals

- ❖ Data Sender Bundle Revenue is decreasing due to assumed decreased customer revenue due to the COVID-19
- ❖ Claims Database Earned Revenue - increasing due to key anticipated reports which include a Total Cost of Care/Transparency report for the DHCC as well as an Alzheimer's related study.
- ❖ Medicaid FFP (HCCD) and the State Appropriation - DHIN began Medicaid FFP funding in December 2019, resulting in a partial year amount of 90/10 match funding. The Medicaid FFP funding is assumed to occur for the full 12 months in FY21, resulting in a higher ratio of FFP to State match funding. As a result of the achieving the Medicaid FFP funding source, the State appropriation will now last until mid-FY23.
- ❖ Personnel expenditures are increasing due to the annualization of new HCCD staff hired during the later portion of FY20 as increased staff health insurance expenses.
- ❖ Administration expenditures are higher than budgeted due to increased ITIL education expenses, as well increased software and LAN support expenses to maintain HITRUST standards.
- ❖ Contractual expenses are increasing due to hiring of a consultant for a new 5-year strategic plan and an assessment and impact of DHIN's value to the community project. This budget category also includes Medicaid FFP-funded HCCD project management and analytics expenses.
- ❖ Ongoing License and Maintenance expenses are increasing due to increasing the capacity of DHIN's Master Patient Indices (MPI's) as a result of the inclusion of the claims database as well as national network expansion activities.
- ❖ New Functions expenses are increasing due to a Phase 2 expansion of DHIN's connectivity to a national exchange network that will allow DHIN users to query for patient records nationwide and include it in the DHIN Community Health Record. Also included are development costs for a Consent Registry which will meet ONC Consent Management requirements for Mental Health and Substance Abuse data.

Delaware Health Information Network
Balance Sheet
Projection for June 30, 2021



ASSETS

Restricted Cash	\$295,361
Unrestricted Cash	\$5,482,276
Restricted Accounts Receivable	\$0
Prepaid Expenses - Restricted	\$0
Equipment - Restricted	\$8,124 ¹
Other Assets - Lease Deposit	<u>\$6,979</u>
TOTAL ASSETS	<u><u>\$5,792,741</u></u>

LIABILITIES AND NET ASSETS

Accounts Payable	\$295,361 ²
Deferred Income	\$0
Board Restricted Net Assets	\$8,124
Unrestricted Net Assets	\$5,489,255 ³
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$5,792,741</u></u>

¹ Remaining value on DHIN's block of MPI's
1,000,000 MPI's purchased in April 2017 - 5 year useful life.

² Accrued performance incentives for DHIN staff.

³ Equates to 220 days of Operational Funding.