



**DEPARTMENT OF PUBLIC SAFETY AND
CORRECTIONAL SERVICES**

CRIMINAL INJURIES COMPENSATION BOARD

FY2013 Annual Report

March 12, 2014

Governor Martin O'Malley
Lt. Governor Anthony G. Brown
Secretary Gregg Hershberger
Chair Cynthia Pease
Executive Director D. Scott Beard



Department of Public Safety and Correctional Services

Criminal Injuries Compensation Board

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STATE OF MARYLAND

MARTIN O'MALLEY
GOVERNOR

ANTHONY G. BROWN
LT. GOVERNOR

GREGG HERSHBERGER
SECRETARY

PATRICIA DONOVAN
DEPUTY SECRETARY

CINDY PEASE
CICB BOARD CHAIR

D. SCOTT BEARD
EXECUTIVE DIRECTOR

March 12, 2014

The Honorable Gregg Hershberger
Secretary, Department of Public Safety and Correctional Services
300 E. Joppa Road, Suite 1000
Towson, Maryland 2186-3020

Re: Criminal Injuries Compensation Board's 2013 Annual Report

Dear Secretary Hershberger:

According to Criminal Procedure Article, §11-805(a)(8), Annotated Code of Maryland, the Criminal Injuries Compensation Board is to submit an annual report to the Governor and you. Please accept this report as the 2013 Annual Report of the Criminal Injuries Compensation Board.

The report details the activities of the Board for Fiscal Year 2013. The Board made awards in the amount of \$2,821,560 this fiscal year.

If I can be of any further assistance please do not hesitate to contact me.

Sincerely,

D. Scott Beard
Executive Director

cc: Deputy Secretary Patricia Donovan, DPSCS
CICB Chair Cynthia Pease
CICB Commissioners

General Program Information

Program Description

Pursuant to the authority granted to it by the Maryland Annotated Code, Criminal Procedure Article, §§11-801 through 11-819 and the Secretary of the Department of Public Safety and Correctional Services, the Maryland Criminal Injuries Compensation Board (CICB) provides financial assistance to crime victims who have suffered compensable injury or loss in the aftermath of victimization. The CICB, under the authority of the Secretary, consists of an appointed Board, which hears disputed claims and makes decisions regarding awards and denials, and an employed staff, which processes requests for compensation under the direction of CICB's Executive Director. The Criminal Injuries Compensation Fund (CICF) consists of a state special fund appropriation comprised of fees levied throughout the criminal justice process and a federal matching fund appropriation also comprised of fees levied on offenders in the federal criminal justice system.

Mission

The Criminal Injuries Compensation Board assists the Department and the Secretary in enhancing services to victims of crime by providing compassionate care and mitigating the impact on crime victims by providing financial assistance in the aftermath of criminal victimization.

Financial Overview – Special Fund

Revenue

During Fiscal Year 2013 the Criminal Injuries Compensation Board collected a total of **\$3,431,130** in revenue from Special Funds appropriated by the General Assembly. The breakdown of collection sources is as follows:

- As a result of the Criminal Injuries Compensation Board's revenue recovery program, the Criminal Injuries Compensation Fund received a total of **\$88,139**, which consists of restitution owed by offenders as a result of a restitution order or under CICB's right to subrogation and monies collected from offenders who are requested reimbursement under the CICB statute. This represents **2.6%** of the total Special Funds revenue collected by the Criminal Injuries Compensation Fund.
- Pursuant to Courts and Judicial Proceedings Article §7-409(b), the Criminal Injuries Compensation Fund received **\$183,085** from Circuit Court criminal case, which represents **5.3%** of the total revenue collected by the Criminal Injuries Compensation Fund.
- Pursuant to Courts and Judicial Proceedings Article §7-409(c), the Criminal Injuries Compensation Fund received a total of ***\$3,136,702** from District Court traffic cases. District Court traffic court case revenue represents **91.4%** of the total revenue collected by the Criminal Injuries Compensation Fund. **\$500,000.00 of this amount was received from a reoccurring annual transfer of funds from the Courts.*
- Interest earned on the fund during FY13 on the Criminal Injuries Compensation Fund equaled **\$8,972** which represents **0.3%** of the total revenue collected by the Criminal Injuries Compensation Fund.
- Pursuant to Courts and Judicial Proceedings Article §7-409(c), the Criminal Injuries Compensation Fund received **\$4,476** from District Court criminal cases, which represents **0.1%** of the total revenue collected by the Criminal Injuries Compensation Fund.
- Pursuant to Courts and Judicial Proceedings Article §7-409(c), the Criminal Injuries Compensation Fund received a total of **\$9,752** from Refunds of CICB Awards, which represents **0.3%** of the total revenue collected by the Criminal Injuries Compensation Fund.

Expenditures

During Fiscal Year 2013, the Criminal Injuries Compensation Board awarded a total of **\$2,821,560** to crime victims. These awards to victims were paid out as follows: **\$277,604** in federal funds and **\$2,543,955** in state special funds. Also, **\$899,847** was used for operating expenses to manage the agency. Operating expenses represent only **23.9%** of CICB expenses, while over **75.2%** of the budget is disbursed directly to crime victims.

Program Overview

The main function of the CICB is to fairly and efficiently process claims according to the laws of the state of Maryland. The claims examination program of CICB serves the Mission of the agency by maintaining responsibility for financial assistance to crime victims. It is the goal of CICB's claims examination process to provide resources for each claimant, whether through an award of CICF money to eligible claimants and victims or through a referral to other resources for claimants and victims who do not meet the CICF eligibility requirements.

There are eight full-time claims examiner positions, and two full-time claims processor positions responsible for the claims examination process within CICB.

The claim examination team is responsible for the following areas: (1) receiving applications for compensation; (2) communicating with the victim and claimant about the claims process; (3) efficiently processing the claim for compensation so that the claimant receives the compensation award in the most expedient manner possible; (4) providing referrals to other programs for financial reimbursement where there is no eligibility for compensation; and, (5) processing the claim award for payment through the Department of Public Safety and Financial Services Division of Financial Services.

During Fiscal Year 2013, the agency:

- Received **1,339** claims for compensation from crime victims in Maryland;
- Approved a total of **662** awards for compensation; and
- Awarded a total of **\$2,821,560** to crime victims who had compensable injuries as the result of crime.

In addition to providing awards and/or other financial assistance to each crime victim, it is a key goal of the CICB to provide those awards, and process the claims, in an expedient and efficient manner. During Fiscal Year 2013, the CICB staff continued to process claims on a priority basis to individual crime victims and small businesses. The staff at CICB is working to negotiate medical claims, maximize third party payments on claims, and engage in other cost saving measures in an effort to ensure funding availability for future victims of crime.

Revenue Recovery

The main purpose of the Revenue Recovery program is to recover revenue owed to victims as the result of a court order for restitution upon a defendant's conviction. The Revenue Recovery Program is staffed by one individual. When CICB pays for a victim's reimbursable expenses, MD. CODE ANN., CRIM. PROC. §11-817 creates a right of subrogation which allows CICB to recover the costs that may otherwise be paid out to a victim or a claimant. It is the goal of CICB's revenue recovery program to ensure that the claims examination program is able to function in the best interest of victims by recovering revenue sufficient to supplement the funds generated through the court fee legislation described above.

The revenue recovery team is responsible for tracking offenders through the criminal justice process and, if necessary, working with prosecutors to request restitution. The team also initiates collection efforts after a restitution judgment is entered and works collaboratively with the Division of Parole and Probation to hold offenders accountable to their full court-ordered sentence.

Victim Services

Another important program of the CICB is the Victim Services program. The Victim Services program is also staffed by one individual. The purpose of the Victim Services program is to ensure that victims of crime are receiving all of the rights to which they are entitled throughout the compensation process. The victim services specialist works collaboratively with the claims examination team to help ensure that victims are restored financially, whether through CICB compensation or other sources. The victim services specialist also works collaboratively with the revenue recovery team to ensure that victims know of and are granted their rights to request and receive restitution from offenders. Additionally, the victim services specialist provides outreach to community and criminal justice-based allied professionals, assists victims and claimants through the compensation process, and provides continuing education on emerging victim-related issues to the CICB team.

Conclusion

In FY11, CICB experienced a significant back log in claims and was forced to delay payment of awards. This year, CICB has made great strides to process claims in a timely manner and bring awards up to date to compensate victims and third parties. This was achieved through enforcing its position as payer of last resort and by negotiating medical claims pursuant with statute.

Since 2005 CICB has observed a trend of increasing claims against the fund versus relatively stagnant revenue growth. The legislation that created the Special Fund appropriation dedicated to CICB was last amended in 1997. Under the current funding levels provided through court fees, the CICB expects expenditures to exceed revenues for the foreseeable future. The CICB will continue to closely monitor this trend and take action as necessary to ensure the viability of the CICF. While negotiating medical claims and enforcing its position of last resort has resulted in a significant cost-savings for the CICB, the fund's capacity to pay all eligible claims may be an issue in the near future.