Meeting of the

PRIORITY SETTING & RESOURCE ALLOCATION COMMITTEE

December 13, 2011
The Family Center, 315 W. 36th Street
9:45 – 11:35 pm

MINUTES

Members Present: Marya Gilborn (Co-chair) , Allan Vergara (Co-chair), Victor Benadava, Robert Cordero, Sharen Duke, Graham Harriman, Amanda Lugg, Hilda Mateo, Tracy Douglas Neil, Jan Carl Park, Tom Petro, Dorella Walters

Members Absent: Felicia Carroll, Nancy Cataldi, Joan Edwards, Steve Hemraj, Deb Marcano, Dena Rakower, Leonardo Vicente III

Staff Present: David Klotz, JoAnn Hilger, (DOHMH); Rachel Miller, Gucci Kaloo, Bettina Carroll (Public Health Solutions)

Agenda Item #1: Welcome/Introductions/Moment of Silence/Minutes

Ms. Gilborn opened the meeting followed by introductions. *Mr. Benadava* introduced the moment of silence. The minutes of the July 27, 2011 meeting were approved with no changes.

Agenda Item #2: Public Comment

Alissa Wassung (God's Love We Deliver): I support an application for a waiver of the 25% cap on non-core services. With the implementation of the Affordable Care Act (aka health care reform) and Medicaid redesign, this will allow us to fund needed services that are not paid by other funding streams and avoid under-spending. Also, a recent CHAIN study demonstrates the importance of food security to positive health outcomes.

Agenda Item #3: FY 2011 Carry-over Waiver request

Ms. Hilger presented the EMA's FY 2011 carry-over waiver request, which must be submitted to HRSA with the annual Federal Financial Report. The request is a formality to notify HRSA that the EMA may request to carry over up to 5% of the grant award in under-spending into the next fiscal year. The actual amount of carry-over will be far less, but will not be known until close-out is completed after the end of the fiscal year. A request to carry-over the final amount will be brought to the PSRA and full Council for approval next year. **A motion was made, seconded and carried to approve the FY 201 carry-over waiver request.**

Agenda Item #4: FY 2011 Reprogramming Plan Revisited

Mr. Vergara explained PSRA originally approved a version of the FY 2011 reprogramming plan

that gives the grantee authority to move funds between service categories in order to enhance high performing contracts, and only requires Council approval for enhancement over 15% of service category allocation in the original spending plan. This was amended by the Executive Committee (EC) to a version that requires PC approval for both enhancements and reductions. At its 8/4/11 meeting, the Council accepted during its discussion that approval should only be needed for enhancements, but the vote technically was for the EC-approved language that requires PC approval for both enhancements and reductions.

Requiring Council approval for reductions is not feasible due to timing issues, and it is unlikely that the Council would reject a reduction in an unspent category. Reductions are one-time – categories are restored to their original allocation for the following year. Details of under-spending by category are reviewed in detail by the Finance Committee and reported to the full PC. The Committee should revisit this and re-recommend approval of its original version, re-worded to make it unambiguous that prior Council approval is only required for enhancements over 15% of the original allocation.

There was discussion ensued about the criteria Public Health Solutions uses for enhancements based on spending and performance. Under-spending can be more than 15%, particularly in years when there are new contracts that start during the fiscal year. Unspent funds are pooled and reprogrammed evenly across categories. The Council can consider asking that funds be targeted first for reprogramming within the same category in which they were unspent.

A motion was made, seconded and carried to approve the revised reprogramming plan as presented.

Agenda Item #5: FY 2012 Scenario Planning

Ms. Gilborn explained that every year, the Committee develops scenarios for possible reductions in the grant award in advance of the official notice. The scenarios are based on the spending plan submitted in the grant application and the actual carrying costs of current programs.

Mr. Klotz explained that in last year's scenario planning process, PSRA agreed to apply the ranking tool-based formula to a combined base/MAI plan should both grants receive an increase or decrease in tandem. If one is increased and the other decreased, then base and MAI spending plans must be considered separately.

Mr. Kaloo reviewed updated carrying costs for FY 2011 programs. In the base portfolio, if ADAP were fully funded, as per the application spending plan, the allocation to this category would be $12.5M. This includes $1.9M in upfront reductions in FY 2011 that are being restored through reprogramming and an additional one-time reduction of $917K to the ADAP carrying cost made to compensate for a reduction in the base award. The AIDS Institute is in the process of completing its Part B application and will know by the next PSRA meeting how much of a reduction they could absorb should there be a reduction in the award, although it is ultimately the PSRA and Council's decision on their final allocation. Other changes in the base carrying costs are:

- Care Coordination reduction of $29,175, which represents the Outpatient Bridge Care component of the new Transitional Care Coordination contracts being re-classified correctly as Outpatient Medical Care.

- Mental Health service category reduced by $81,883 because of a contract termination. The terminated contract was a multi-service contract which was funded both by Mental Health and Harm Reduction dollars. The Harm Reduction funding was kept in the Harm Reduction category for the upcoming RFP.
- The $88,702 reduction to Housing Services is the net change (reduction) of shifting one housing program from Base to MAI, rate adjustments to the Base Housing Placement programs and increase of the Rental Assistance program.

With the modifications to the carrying cost and ADAP at its full allocation, flat funding in the base award would mean a deficit of $2.7M. It will be the decision of PSRA how to address that (e.g., through reductions to ADAP and application of the formula).

Modifications to the carrying cost of the MAI portfolio are:

- Care Coordination reduction of $268,447 represents contracts negotiated for less.
- The increase of $21,980 in the Housing Services category that is the result of the rate and service adjustments in FY 2011 for the Housing Placement program. The increase to this category is being covered by a portion of the reduction from Care Coordination.
- The $8,988 reduction to Early Intervention services is a result of the newly awarded Testing programs negotiated for less.

Mr. Park noted that the Council may have the authority to set the percentage allocation for Tri-county, which is currently based on State surveillance numbers of living HIV cases. The latest data shows a reduction from 4.7% to 4.6%, which would mean a loss of about $100,000 under a flat funding scenario. This would necessitate the loss of an essential administrative staff at a time when that person is needed to implement the HRSA monitoring standards. Also, Tri-county service needs continue to increase, particularly in the area of food security. The Tri-county allocation will be discussed at the next Committee meeting.

In response to a question from Mr. Cordero, *Mr. Harriman* explained that DOHMH monitors directly funded DOHMH early intervention programs (e.g., Positive Life Workshop, Testing at Riker's Island) through line item budgets, narrative reports and data submitted through the eShare reporting system.

At the next PSRA meeting, after more information is known from the State, the Committee will look at various reduction scenarios and make recommendations to the EC and full Council.

Agenda Item #6: Non-core Services Waiver Process

Mr. Harriman presented an overview of the process for applying for a waiver from the 25% cap on non-core services. The EMA may want to consider a waiver given changes in the health care financing environment. HRSA Monitoring Standards become effective April 1, 2011 and require Medicaid certification for all Part A and Part B programs providing potentially reimbursable services. Implementation of the Patient Protection and Affordable Care Act ("health care reform") and Medicaid Redesign (including Health Homes for Medicaid clients with chronic conditions that includes comprehensive care management, care coordination, health promotion, individual and family support, referral to community and social support services; and expanded access to Medicaid will mean that the EMA will face new payer of last resort issues.

HRSA established four requirements for waiver eligibility and the development and submission of application for a waiver. A waiver request, signed by the CEO (for our EMA, Commissioner Farley), is submitted with the annual grant application and certifications and narrative description of the process and evidence are included. Grantees will be notified of waiver approval no later than date of Notice of Grant Award (NGA). Waivers will be effective for a one-year period consistent with grant award period.

HRSA requirements include:

- Certification from the Part B State Grantee that there is no current or anticipated ADAP services waiting lists in the State for the year in which such waiver request is made.
- Certification that all core medical services listed in the Ryan White statute, regardless of whether such services are funded by Ryan White, are available within 30 days for all identified and eligible individuals with HIV/AIDS in the service area.
- Evidence that a public process was conducted to seek public input on availability of core medical services (the public process may be conducted by the Planning Council).
- Evidence that receipt of the core medical services waiver is consistent with the grantee's application (e.g., "Description of Priority Setting and Resource Allocation Processes" and "Unmet Need Estimate and Assessment").

HRSA also requires a narrative that addresses: local/state underlying issues that influence the grantee's decision to request a waiver and how documentation supports the assertion that services are available and accessible; how the approval of a waiver will impact the grantee's ability to address unmet needs and perform outreach to HIV-positive individuals not in care; and the consistency of the waiver with the grantee's application.

Mr. Harriman reviewed the HRSA-defined core and non-core service categories that are currently funded in the EMA and a timeline for discussing and possibly pursuing a waiver for FY 2013. Topics for discussion through the process include:

1. To what degree can the EMA's healthcare system provide for the core medical service needs of PLWHA through other funding sources (i.e. Medicare and Medicaid)?
2. How will our healthcare system's ability to provide for the needs of PLWHA change as a result of healthcare reform? (Implementation of Health Homes, increase of Medicaid eligibility to 133% Federal Poverty Level in 2014).
3. How will the NY EMA be affected by health insurance exchanges which will be implemented in 2014?
4. How do we document that all core medical services (even those not funded through Ryan White) are available to eligible clients within 30 days?
5. How should we review the service portfolio in light of these changes and identify new needs?
    - How much time is needed to reassess the service portfolio, re-allocate funds and re-bid services?
    - What data sources are needed to accomplish this?
    - Which committees will be involved?
    - Are there short-term and long-term plans that might be considered?
6. Based on available data and experience, what do Planning Council members, clients, providers and other stakeholders think about requesting a waiver?

Mr. Harriman stressed that this is the beginning of a long discussion that will continue through the planning cycle. Committee members raised the following issues:

- What happens if HRSA does not approve the waiver request?
- What are the political implications for reauthorization if the largest EMA applies for a waiver?

Agenda Item #7: PSRA Tool Criteria Weighting

Mr. Klotz explained that the committee will review the weighting for the five criteria in the ranking tool for possible revision for the FY 2013 priority setting process.

The next PSRA meeting will take place on Friday, January 20th, 9:30-11:30am at The Family Center.

There being no further business, the meeting was adjourned.