



Meeting of the  
**PRIORITY SETTING & RESOURCE ALLOCATION COMMITTEE**

March 2, 2011  
The Family Center, 315 W. 36<sup>th</sup> Street  
3:10 – 4:45 pm

**MINUTES**

**Members Present:** Marya Gilborn (Co-chair), Allan Vergara (Co-chair), Victor Benadava, Felicia Carroll, Nancy Cataldi, Sharen Duke, Joan Edwards, Steve Hemraj, JoAnn Hilger (for Fabienne Laraque, MD, MPH), Julie Lehane, PhD (for Tom Petro), Matthew Lesieur, Sharon Mannheimer, MD, Deb Marcano, Jan Carl Park, Lyndel Urbano (for Sean Cahill, PhD), Leonardo Vicente

**Members Absent:** Linda Fraser, Terry Hamilton, Judy Juster, Amanda Lugg, Hilda Mateo, Dena Rakower, Susan Wayne

**Staff Present:** David Klotz, Graham Harriman (DOHMH); Gucci Kaloo, Bettina Carroll (Public Health Solutions)

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

Ms. Gilborn and Mr. Vergara opened the meeting followed by introductions. Mr. Benadava introduced the moment of silence. Mr. Klotz reviewed the meeting packet. The minutes of the February 7, 2011 meeting were approved with no changes. Mr. Park reviewed the schedule for HSRA's site visit, including trainings for Council and committee members. Mr. Klotz reviewed the conflicts of interest guidelines.

**Agenda Item #2: FY 2011 Scenario Planning**

Mr. Kaloo reviewed a spending plan that combines both base and MAI categories for the purposes on applying possible reductions to both parts of the grant award, as requested at the previous meeting. The combined plan shows that in a scenario where both base and MAI are reduced by 5%, the MAI awards are cushioned from what would have been a substantially larger cut by the base awards taking a marginally larger cut. For example, in a combined scenario, both base and MAI Early Intervention programs take a 4.15% cut. If computed separately, MAI programs would take a 7.29% cut, and base programs would take a 3.87% cut.

In a combined 5% reduction scenario, there would be a surplus of about \$200,000 in base funding and an equal deficit in MAI funding. This could be remedied by moving one program

from MAI to base funding, which would have no affect on services. It was pointed out that virtually all base programs would qualify for MAI funding, and that programs have been moved between the two funding sources in the past in order to preserve services.

There was some discussion about the fairness of this proposal. Points made during the discussion included:

- MAI programs should not be penalized more than base programs, since both are providing the same services to the same populations. Providers did not apply for funding under a particular source of funding, but are assigned after the grant awards are made. Also, the initial planning and category ranking is done by service category, and not divided by source of funding, and so the entire portfolio should be considered as unified (i.e., blind to the source of funding).
- Base categories that do not have corresponding MAI categories would be, in effect, subsidizing a loss in the three categories that have both MAI and base funding, although the additional amounts would be relatively small (none greater than about 0.5%).
- Base categories alone benefit from the upfront reduction in ADAP.
- There are a number of MAI contracts under \$200,000 that can be moved to base. And remaining deficit can be allocated to ADAP.
- The combined scenario only works if either both sources of funding are cut or both receive an increase. If only MAI receives an increase, then those funds are required to be allocated to MAI categories only.

**A motion was made, seconded and approved to use the combined base and MAI goal-seeking formula in the event of a reduction in both base and MAI, or an increase in both awards, with the first step to address any deficit in one source being the transfer of a whole contract from one source of funding to the other.**

It was pointed out that, with Congress still working on a final budget and possible continuing resolutions, the Committee may have to reconvene to create a final spending plan after the entire award is known if only one source of funding gets an increase or decrease. Other upcoming work for the Committee in the spring will include FY 2011 reprogramming and the FY 2012 ranking.

There being no further business, the meeting was adjourned.