



Meeting of the
PRIORITY SETTING & RESOURCE ALLOCATION COMMITTEE

Wednesday, April 11, 2012
DOHMH, 2 Gotham, Long Island City, Room 5-22
3:10 – 5:00 pm

MINUTES

Members Present: Marya Gilborn (Co-chair), Sharen Duke, Joan Edwards, Graham Harriman, Deb Marcano, Jan Carl Park, Tom Petro, Dena Rakower

Members Absent: Victor Benadava, Felicia Carroll, Nancy Cataldi, Robert Cordero, Peter Laqueur, Amanda Lugg, Hilda Mateo, Tracy Douglas Neil, Allan Vergara, Leonardo Vicente III, Dorella Walters

Staff Present: David Klotz, Rafael Molina, Mary Kay Diakite, (DOHMH); Rachel Miller, Gucci Kaloo (Public Health Solutions)

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

Mr. Vergara and Ms. Gilborn opened the meeting followed by introductions and a moment of silence. The minutes of the March 14, 2012 meeting were approved with no change.

Agenda Item #2: FY 2012 Reprogramming Plan

The Committee reviewed the draft FY 2012 reprogramming plan. Due to the AIDS Institute's new billing system, they are no longer able to accept enhancements after close-out, which eliminates the traditional third reprogramming item to reallocate remaining unspent funds after enhancements to the ADAP pools. Options presented to the Committee for discussion included fully restoring ADAP to their allocation amount (\$2,768,244) before other program enhancements, or partially restoring ADAP (\$2,277,726), then including ADAP among other program enhancements. The difference between the partial and full restoration of ADAP is \$490,518, which is the cut that ADAP sustained in order to prevent cuts to other programs due to the decrease in the grant award.

Highlights of the ensuing discussion were:

- In FY 2011 there was not much left over after enhancements. Public Health Solutions must project the amount available for the ADAP pools, giving them a portion of the funds and leaving aside a portion for enhancements at close-out.

- Programs that over-perform take a risk that they will not be able to recoup costs through enhancements after close-out. In recent years, fewer dollars have been available in the 3rd quarter for enhancements due to higher spending rates.
- While ADAP is the only program that was cut in the initial spending plan, the State agreed at the beginning of the year that they can sustain a \$490,518 cut to their allocation, but are also able to absorb additional funds. That amount would have a greater impact on smaller programs.
- There might be higher than usual under-spending this year due to implementation of Medicaid certification.
- The EMA has the option of carrying over up to 5% of the grant award without penalty and can plan for how to use that in the following year's spending plan.

There was a consensus to restore ADAP initially at its partial amount, and the include ADAP in the mix of program enhancements after other programs have been considered for enhancement. The plan will be forwarded to the EC and full Council for approval.

Agenda Item #3: FY 2013 Ranking Tool

Mr. Klotz presented four versions of the priority ranking tool with a variety of changes to the criteria factor weights. Previous discussion in the Committee that indicated that payer of last resort (POLR) would take on an increased importance with the advent of new payers due to the implementation of Health Homes, the Affordable Care Act and Medicaid expansion. All revised versions of the tool increase POLR from 15% to 25%. Most versions reduce the Access to Care criterion. Three versions also reduce the Core Services criterion (two of them eliminate this criterion). In general, the scores of the top and bottom ranked categories (e.g., ADAP, Home Care) are not affected by changes to the criteria weights.

Increasing POLR has the effect of substantially raising the ranking of Harm Reduction, Housing and Food & Nutrition. Eliminating Core Services as a factor increases the ranking of Mental Health and further boosts the rankings of Food & Nutrition and Housing. It also increases the point scores of non-core services, which would result in smaller proportionate cuts to those programs should there be a cut in the grant award and the new scores applied to the spending plan.

Highlights of the ensuing discussion were:

- POLR and Core Services are the only two criteria that are related to specific elements of the Ryan White legislation and HRSA policy.
- There is a general sense that POLR is becoming increasingly important and will affect core services more, especially Mental Health and Medical Case Management. Programs are already seeing an impact on reimbursement issues due to changes in Medicaid and SNPs.
- Medicaid certification is causing major changes that put a larger focus on POLR issues, justifying a greater weight.

- The criteria have always been considered based on their broader, community-wide impact, rather than limited to Part A clients (as all Part A services must be payer of last resort).
- The inclusion of the Core Services criteria was based on the idea that HRSA would look favorably on giving a greater weight to core services.
- The issue of a change in weights which might increase the percentage of non-core services above 25% is linked to the issue of applying for a waiver.
- There is a timing issue – planning for a waiver must be done in conjunction with planning for the application spending plan. Having a waiver would give the EMA the option of going below the 75% core services requirement in the application, even if the eventual spending plan was in compliance. Not having a waiver would mean less flexibility.
- Political implications of a waiver should not be a factor; Boston was not penalized for it.
- The Council can advocate for a waiver, but the Commissioner of Health must sign off on a waiver. He is aware of the issue.
- There are many uncertainties that will affect the health care environment, including the pending Supreme Court decision on the Affordable Care Act. This will affect our planning for how POLR issues will impact services and the potential need for a waiver.

The Committee agreed to continue the discussion at the next meeting on Wed., May 9th.

There being no further business, the meeting was adjourned.