



Meeting of the
PRIORITY SETTING & RESOURCE ALLOCATION COMMITTEE

Monday, May 12, 2014
AIDS Service Center of NYC, 85 University Pl., 5th Floor
2:20 – 3:30 pm

MINUTES

Members Present: Sharen Duke, Sam Rivera (Co-Chairs), Matthew Baney, Randall Bruce, Nancy Cataldi, Joan Edwards, Graham Harriman, Peter Laqueur, Deb Marcano, Jan Carl Park, Tom Petro, Allan Vergara, Leonardo Vicente III

Other Council Members Present: Billy Fields, David Martin

Members Absent: Felicia Carroll, Robert Cordero, Jan Hudis, Amanda Lugg, L. Freddy Molano, M.D., Daniel Pichinson

Staff Present: David Klotz, Rafael Molina, Amber Casey, (DOHMH)

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

Ms. Duke and *Mr. Rivera* opened the meeting followed by introductions. *Mr. Park* led a moment of silence in memory of Oliver Martin. The draft minutes of the March 10, 2014 meeting were approved with no changes.

Agenda Item #2: FY 2014 Final Spending Plan

Mr. Klotz reviewed the draft spending plan. The EMA received a \$1.2M increase in the award, and the draft spending plan is based on the decisions approved by the PSRA and full Council in the spending scenarios in March and in the application spending plan last summer. In a change from previous years, the Quality Management (QM) allocation is taken off the top of the award, before the Tri-county percentage is calculated. This reduces the amount (but not the percentage) of the TC allocation, which covers most of the surplus in the TC budget that was created through contract terminations. It also results in an additional ~\$100K for programs in NYC. Also, all TC funds come from the Base award, which reduced the reporting burden.

The plan includes the following changes to the FY 2013 carrying cost:

- \$2.76M reduction to ADAP, as approved by PSRA and the PC in March. This amount has been reaffirmed with the NYSDOH AIDS Institute.
- \$4.7M reduction to EIS, as approved by PSRA and the PC in March.

- Increases from the FY 2014 application spending plan approved by PSRA and PC last summer:
 1. \$400K additional to Transitional Support for Inmates (TCC/Riker's Program) to support expansion of this service to releases.
 2. \$1.6M for the new non-Medical Case Management/General Population (nMCM) Category that IOC developed and the PC approved last year to address new and emerging needs.
 3. \$605K to bring Health Education and Risk Reductions/Positive Life (HERR) up to \$1M to fund up to 4 community-based contracts.
 4. \$197K increases each to Food & Nutrition and Housing (this was what was left over from the \$3M PSRA originally reallocated from EIS in the application spending plan).

Since the Council took an additional \$1.7 down from EIS and are reducing ADAP by \$2.76, that leaves a surplus of \$4.5M. This is redistributed using the ranking-based formula to the rest of the portfolio as proportionate increases based on the ranking scores. There are no proportionate increases for categories that were cut (ADAP, EIS) or for categories that got large targeted increases (TCC, nMCM, HERR). For FNS and Housing, proportionate increases are calculated based on the FY 2013 carrying cost plus the targeted increase.

Contracts in categories that receive proportionate increases will be able to use them for a combination of cost-of-living increases or increases in services, based on negotiations with Public Health Solutions.

It was reported that HRSA has approved the EMA's core services waiver. The final plan is 65%/35% core/non-core.

A motion was made, seconded and approved unanimously to accept the FY 2014 spending plan as presented.

Agenda Item #2: FY 2014 Reprogramming Plan

It was explained that EIS will require about 5 months of spending (est. \$1.9M) for the 24 contracts that are being terminated. This includes money already spent by contractors due to late notification of the award, plus about two months for close-out so that terminated contractors can finish serving clients (or transfer them to other programs) and close up shop (this includes concluding labor agreements with staff and possibly finding alternative grant funding). Funds for this are not accounted for in the spending plan. These funds can be paid with one-time funding through the reprogramming plan. There should be significant uncommitted funds, as the new nMCM and HERR contracts will start late in the year. This is why the FY 2014 reprogramming plan needs to be considered concurrently with the spending plan. It was agreed that paying for EIS close-out would be the first item in the reprogramming plan.

It was pointed out that, as ADAP agreed to a cut to their carrying cost, there is no need to promise a "restoration" of ADAP funding. Enhancements to ADAP can be considered as part of the reprogramming item to give the grantee flexibility to move funds between contracts. It was

agreed to take the ADAP restoration out of the plan and leave the language in the second item as is, so that ADAP is enhanced after other program categories, but not subject to the 15% cap.

A motion was made, seconded and approved unanimously to accept the FY 2014 reprogramming plan as amended.

The chairs and Mr. Harriman thanked the committee for a thoughtful and productive planning process.

Agenda Item #3: Other Business

Mr. Klotz said that, as major changes were made to the rankings for this year, there is no need to re-rank the entire portfolio. Any new service directives (e.g., Mental Health) will need to be re-scored. *Mr. Harriman* pointed out that an extensive payer of last resort tool was done for the ranking process last year and will not be revised for the current cycle. *Mr. Laqueur* suggested examining data related to the implementation of Health Homes, particularly as it affects MCM enrolment.

Mr. Baney raised the issue of Article 28 clinics without waivers not being able to accept clients with commercial insurance obtained under the Affordable Care Act exchanges. ADAP is requiring that clients obtain insurance (they will pay for premiums and co-pays), but Article 28s are not able to get reimbursed for care for those ADAP clients who are moving to commercial plans. *Ms. Edwards* and *Mr. Laqueur* said they will bring this issue to the attention of *Ira Feldman* at NYSDOH.

There being no further business, the meeting was adjourned.