Meeting of the

PRIORITY SETTING & RESOURCE ALLOCATION COMMITTEE

July 13, 2011
The Family Center, 315 W. 36th St.
2:15 – 5:15 pm

MINUTES

Members Present: Marya Gilborn (Co-chair), Allan Vergara (Co-chair), Victor Benadava, Felicia Carroll, Nancy Cataldi, Lucy Grugett (for Dena Rakower), Graham Harriman, Peter Laqueur, Amanda Lugg, Deb Marcano, Hilda Mateo, Jan Carl Park, Tom Petro, Leonardo Vicente III

Members Absent: Sean Cahill, Sharen Duke, Steve Hemraj, Linda Fraser, Kali Lindsey, Matthew Lesieur

Staff Present: David Klotz, JoAnn Hilger, John Rojas, Benjamin Tsoi, M.D., Nina Rothschild, Rafael Molina (DOHMH); Bettina Carroll (Public Health Solutions); *By phone:* Christine Rivera, Ira Feldman, Frank Laufer (NYS DOH AIDS Institute)

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

Ms. Gilborn and *Mr. Vergara* opened the meeting followed by introductions. *Mr. Laqueur* introduced the moment of silence. The minutes of the June 28, 2011 meeting were approved with one change.

Agenda Item #2: FY 2011 Grant Award Update

Mr. Park reported that the FY 2011 base award was received and that the EMA received $128,061,893 (in addition to a partial MAI award of $4,219,931). This is an increase in the base award of $15,413,148 (13.7%). The full MAI amount will be known on July 22nd. *Ms. Hilger,* in response to a question, said that if there is a decrease in the MAI award, it can be offset by moving a contract to base funding, as was done last year.

Due to the unexpected increase and the timing of the awards, PSRA will devote this meeting to ranking the categories for the FY 2012 application. The next meeting, on July 27th, will be devoted to approving a final FY 2011 spending plan, which will be the basis for the FY 2012 application spending plan.

Agenda Item #3: FY 2012 Service Category Priority Ranking Scores

Ms. Gilborn introduced the discussion of the annual ranking exercise for the service portfolio. At the previous meeting, the PSRA identified additional data that would be needed to complete the exercise.

ADAP/ADAP+. This category is already ranked as high as possible. *Ms. Rivera* reported that the State is awaiting its Part B award, but that there is only a $10M increase nationally to all ADAPs (additional money was appropriated to states with waiting lists, which New York does not have). Enrolment in NYS is up (currently over 19,000 clients) and expenses increasing faster. The State has been able to control costs by transitioning clients to over coverage (e.g., Medicaid, private insurance) and currently has not had to implement any cost containment strategies. Major changes are coming in the future due to the Affordable Care Act ("health care reform"). For FY 2011 and 2012, normalized levels of utilization are expected, but it is difficult to project for the future. A 4 to 7% annual increase in enrolment is anticipated. A small number of consumers use a disproportionate amount of the resources. The State is negotiating with drug companies for discounts. Also, the cost of the Insurance Continuation Program, which keeps the cost of the ADAP medication and outpatient care programs down, is increasing. The PSRA discussed the possibility of using a portion of the award for Insurance Continuation and will discuss this at the next PSRA meeting, at which Ms. Rivera will be present. The Committee agreed to re-affirm the ranking scores for ADAP and ADAP+.

Medicaid Changes (multiple service categories). Mr. Feldman reported that, while there are still many unknowns regarding NYS Medicaid redesign, health care benefits will not change, but reimbursement will change. Long term changes include proposals to move all Medicaid to managed care plans, but the effects will not be for over a year. The benefit for mental health and substance abuse treatment will not be reduced, but will be managed differently, with all mental health patients moved into special needs managed care plans. There will be a reduction in the hours of home health aides. In response to a question from Mr. Park, Mr. Feldman explained that consumers will have their service plans reassessed and can appeal if they feel that they have not been assessed correctly. This is not a new issue.

A huge change, in response to health care reform, will be enhanced benefit for care coordination. The intent is to move all Medicaid clients into a "Health Home", which is a care coordination model similar to COBRA and Part A Medical Case Management. What Health Homes will be able to do will be expanded (e.g., providing escort services). This will be a 2-year transition that will mean COBRA programs either being phased out or converting to Health Homes. A Health Home can be an outpatient clinic, a day treatment center, SNP or other provider. HIV patients will begin the transition to Health Homes in October 2011. Draft standards of care for Health Homes are currently on the NYSDOH website.

With the move to managed care, Medicaid benefit for prescriptions will not change. While anti-retroviral drugs are not exempt from pre-approval, since there are no generics for any of them there will be no restrictions. One possible restriction will be on nutritional supplements.

In response to a question, *Mr. Laufer* reported that SNPs are exceeding enrolment targets and currently have about 15,300 clients (50% of capacity on NYC). Quality of care indicators for SNPs have been very good, with efficient utilization of services. SNPs are being expanded into difficult populations, such as homeless and hepatitis C co-infected. Mr. Feldman noted that most Medicaid costs for HIV+ enrollees are for non-HIV care. The only major restriction on utilization in managed care will for occupational therapy. Also, dentistry/oral health care reimbursement is being reduced (although not the benefit). Mr. Park said that oral health needs are much greater among PLWHA and that there could be an opportunity to put more Part A resources into this

category. Ms. Hilger noted that Part A can not be used to reimburse for oral health if there is another payer, even if that payer has reduced the amount of their reimbursement.

Ms. Hilger reported that DOHMH has engaged a consultant to conduct a study on Medicaid changes and their affect on Ryan White services. There was a consensus that the PSRA should examine all HRSA service categories for possible funding in the future as health care reform is phased in. A vote was taken and the current score for Medical Case Management was re-affirmed. The scores for MCM will be re-examined for FY 2013 and beyond.

Mental Health Services. The PSRA reviewed the newly issued report cards for MH services, noting that expenditures have increased but the number of contracts decreased from 2008-10. Projected units of service decreased and actual units were higher than projected, mostly due to a rate change in 2010 for the 12 performance-based contracts. The PSRA agreed to re-affirm the current MH scores and to re-examine the category as a new service model is developed for FY 2013 and as Medicaid changes are phased in over the next two to three years.

Housing. Mr. Rojas reported that 85% of HOPWA funds are used for supportive housing and 15% for rental assistance (the Sustainable Living Fund) and housing placement assistance. There is also a small eviction prevention program to pay rent arrears. Most of the funds are funneled through HASA. The major recent change in the program is that HASA now requires that broker fees and security deposits be paid through a voucher, rather than in cash, which some landlords are reluctant to accept, and thus some HASA clients may take longer to find housing. This is not true for Ryan White funded housing. Housing is now coordinated by COBRA programs, and it is unclear how this will be handled by Health Homes. There is a study underway that will look at why clients are not moving in greater numbers into permanent housing. Preliminary data shows that substance use and interpersonal conflicts (particularly for prison releasees) are major factors. HOPWA housing is coordinated with Ryan White housing, so there is no duplication of services, but there is a waiting list for RW housing. Also, the State Advantage Program is being phased out and there is a long waiting list for Section 8 housing.

A motion was made to increase the emerging need/service gap score due to the issues described above, as well as the generally increased difficulty in finding affordable housing. It was noted that there is not enough data on how the environment has changed, and that the under-spending in RW housing programs is only in one element (Housing Placement Assistance), but a change in the score will mean an increase spread over all parts of the housing program. This element alone can be addressed through allocations. A vote was taken and the motion was defeated.

Early Intervention Services. Dr. Tsoi gave an update on Ryan White and other funded testing programs. Ryan White ($4.98M) funds 42 contracts in 34 agencies across all 5 boroughs in Harm Reduction and Early Intervention categories. Testing is done in CBOs (with a particular focus on MSM/MSM of color, African-Americans, Latinos, immigrants, homeless, formerly incarcerated and current/former substance users), and medical settings (routinized testing in EDs, inpatient and outpatient units). From Jan. 2008 to Dec. 2010, over 180,000 tests were conducted, 1,111 (0.6%) confirmed positive and 447 linked to care (in addition to over 1,000 out-of-care re-linked to care). DOHMH also uses CDC and City Tax Levy funds to provide testing in TB and STD clinics and NYC jails. CDC ($6M) funds 39 programs using screening and targeted testing (social network strategy, testing in bath houses, homeless shelters, etc.). Regarding payer of last resort issues,

CBOs can not bill for testing, and so have no other payer for this service. The PSRA voted to maintain the current ranking for EIS.

Food & Nutrition Services. In response to an inquiry by PSRA members at the previous meeting, *Mr. Klotz* reported that there is only one program that provides only nutritional counseling, and it's not a very large program. At this time we have no need to increase the core service allocation since we are in the 75:25 range. If nutrition services are ranked separately then the scores would change which would result in different changes in funding between the two service categories (food and nutrition). The contracts would become multi-service contracts whose components could be increased or reduced independently based on Planning Council scoring.

Mr. Benadava recommended that the Access to Care/Maintenance in Care score for this category be increased, since the service strongly helps link people to care, and under the new RFP clients must be certified to be in care in order to receive services (actual treatment plans are not reviewed). It was noted that all support services must provide linkage to care and report primary care status measures, and so PSRA may need to re-examine this criterion and its weight as part of a re-assessment of the entire tool. The PSRA voted to re-affirm the current scores for this category.

Legal, Supportive Counseling and Home Care. It was pointed out that at the previous meeting it was concluded that there was no change in Legal and Supportive Counseling Services that warranted changing the scores. Changes to Home Care were discussed earlier in the meeting during the conversation about Medicaid changes. The PSRA voted to re-affirm the current scores for these categories.

The first item on the agenda for the next meeting will be review the new program guidance for the Substance Abuse Services category and to rank that category, followed by the final FY 2011 and preliminary 2012 spending plans. The next meeting will be on Wed., July 27th, 2-5pm at the LGBT Center, 208 W. 13th St.

There being no further business, the meeting was adjourned.