Meeting of the

EXECUTIVE COMMITTEE

March 23, 2006
2:50 – 3:40 PM
Friends House, 130 E. 25th Street

M I N U T E S

Members Present: J. C. Park (Governmental Co-chair), S. Hemraj (Community Co-chair), P. McGovern (Finance Officer), J. Chestnut (for F. Carroll), I. Gamble-Cobb, J. Grimaldi, MD, J. Hilger, D. Ng (for R. Johnson), T. Petro

Staff Present: *DOHMH:* M. D. Miles, D. Wong, D. Klotz, S. Bailous, R. Molina, R. Shiau, C. Silva; *MHRA:* R. Miller, G. Kaloo, A. Chi

Agenda Item #1: Introduction/Minutes

Mr. Park opened the meeting.

Ms. Gamble-Cobb introduced the moment of silence.

The minutes of the February 9, 2006 meeting were approved with no changes.

Agenda Item #2: FY 2006 Spending Plan

Mr. Park: The New York EMA was fortunate to receive a 2.3% increase in our overall FY 2006 award. This speaks to a well written application and to the good work of the Council in planning and to the grantee in administration. The breakdown of the award shows that there were slight decreases in the formula and supplemental portions of the award, but a large increase in MAI. Over the years, New York's total share of the national Title I appropriation has shrunk, but it is still by far the largest award. An analysis shows that increases and decreases were spread throughout all regions of the country.

To prepare for the award, the Priority Setting & Resource Allocation Committee (PS&RA) began scenario planning in November 2005. PS&RA carefully reviewed the Council's Year 16 proposed spending plan for the application and evaluated different cut options. PS&RA developed recommendations for review and approval by the EC and Council, which revised the recommendations and approved a final scenario plan. The plan included: new funding requests, uncommitted reallocations, "carryover" ADAP, targeted service category reductions (general TA, non-bricks & mortar housing TA, housing placement, oral health care), and formula-based reductions. The increase in the award means that the scenario does not have to be implemented, but the planning will help the PSRA in the upcoming year's planning task.

Next year's award will be affected by a number of issues related to CARE Act reauthorization, including proposals for: severity of need core services index funding distribution, "double-counting", elimination of "hold-harmless", a requirement that 75% of Title I funds be used for core medical services, and a proposal to make planning councils only advisory. House and Senate committees are currently negotiating the reauthorized CARE Act, with the possibility of a bill by April. For the FY 2007 national CARE Act

budget, there is a proposed $70M increase to ADAP, and a $25M increase to Title III, with all other titles flat-funded. Also, the President's 2007 proposed budget grants authority to the Secretary of HHS to transfer up to 5% of funding in any Title to another Title.

Mr. Park (in response to a question from Mr. Ng): We do not know the timeline for implementation of any changes in the CARE Act.

Ms. Hilger: In past reauthorizations, there have been different phase-in periods for different provisions.

Mr. Park (in response to a question from Ms. Gamble-Cobb): HHS discretion to move funds between titles could possibly apply to more than carry-over.

Ms. Hilger (in response to a question from Ms. Gamble-Cobb): We are projecting about the same amount of carry-over this year as last (about 3%). We will know after the close-out is completed.

Mr. Park: The MAI increase is about $2.5 million. The Council, in its application, had included a plan for an MAI increase of $500,000 to go to emergency transitional housing for people in need of harm reduction. PS&RA, in discussing the remainder of the MAI increase, knowing that funds can only be allocated to MAI eligible organizations, recommended funding additional proposals from last year's treatment adherence support RFP, and enhancing already funded programs in that category. This can achieve the timely spending of the additional dollars, while allocating them to a category that is ranked high by the Council.

Ms. Miller (in response to a question from Ms. Gamble-Cobb): This would result in 5 or 6 extra contracts. We can notify organizations as soon as there is final approval by the Council.

Mr. Park: This allows us to get the funds out without a lengthy RFP process, which would delay implementation until close to the end of the year.

Ms. Hilger: The bulk of MAI funds are allocated to the Access to Care and Maintenance in Care categories, which are being re-bid, and so it would be awkward to enhance those programs, as they are ending this year.

Mr. Ng: While this proposal is good for practical purposes, we should be mindful that HIV treatment regimens will soon consist of only one pill, which will mitigate the need for treatment adherence support programs.

A motion was made and seconded to approve the PSRA recommendation.

Mr. Park (in response to a question from Ms. Gamble-Cobb): Program enhancements would depend on the capacity of a contractor to receive enhancement funds.

The motion passed unanimously.

Mr. Park: The issue of base funding is a bit more complicated. The Council voted to eliminate certain categories of funding this year and to allocate freed-up funds to a variety of services. Those allocations were reflected in the available funds to be committed through an RFP process. We now know that contracts resulting from the RFP will not be put in place until March 1, 2007, not within the current year. Existing services will be extended through the end of the year, to insure healthy spending and avoid any disruption in services. However, even with the extension of current contracts, we will have unobligated funds that were associated with initiatives that have already ended.

In addition, we want to make sure that we will be able to spend any carryover funds from Year 15, which will be applied to the ADAP Pools. Thus, we do not want to fully fund the ADAP pools now. The State has indicated that it is prepared to take approximately $3 million less in up-front commitments, knowing it will be made whole by year-end through application of the carryover and other available funding. We can

consequently approve a spending plan that is approximately $3 million more than our grant since we will be able to fund it with carryover funds received later in the year.

Comparing the carrying cost of the portfolio, less $3 million that we will give to ADAP later, we are left with $2,366,644 to allocate. Note that the "carrying cost" includes several commitments of the funds allocated from terminated categories, notably, $1,218,472 for Emergency Rental Assistance and $352,000 for Outstationed Medical Teams in SROs. In addition, the category called Housing Enhancements for Special Populations, which the Council terminated, will close out on October 31. We now are faced with the decision of whether to use these funds to provide one-time funding, in which case we would have the funds intended for RFP categories available when we need them (3/1/07), or to provide ongoing funding for newly identified purposes. The spending plan submitted to HRSA as part of our application included several items we would fund if our grant increased. Although base funding did not technically increase, we are now in a position to proceed with those recommendations as follows:

- Transitional Housing and Supportive Services for Special Populations - $500,000
- Housing for PLWHAs in Need of Harm Reduction - $500,000
- Emergency Rental Assistance (in addition to increase already committed) - $500,000
- Planning & Evaluation: $25,750 for CHAIN study (includes management fee); $335,000 for Primary Care Status Measures implementation

The total of these commitments is $1,860,750, leaving $505,894 to be allocated.

PS&RA asked MHRA to identify needs within the funding categories slated to be enhanced where one-time funding could be reasonably spent. Those categories, which are subject to re-bid this year, are harm reduction and mental health services. Our recommendation is that the amount - $505,894 – is too small to provide substantive enhancements among all contracts and too large to justify the transaction costs of spreading small amounts among many contracts. Furthermore, contracts in these categories are ending this year, making infrastructure investments such as technology an impractical option. MHRA's recommendation, in order to preserve the availability of these funds for the new Year 17 contracts to begin March 1, 2007, is to provide a one-time enhancement to the ADAP pools contract by this amount.

Mr. Ng: Is one-shot funding for on-going programs, thus if we are flat funded in FY 2007, we will have to cut that amount?

Ms. Hilger: This is to increase services in the RFP, and so if the Council wants to maintain its priorities, it would be a one-time enhancement because of the plan to re-bid categories in the next round.

Mr. Kaloo: The one-time enhancements identified are for emergency rental assistance and planning & evaluation initiatives (e.g., primary care status measures, CHAIN).

Ms. Miller (in response to a question from Mr. Petro): Enhancements are to current housing contracts, which will be re-bid next year. They will carry forward into following year as the RFP process is completed.

Mr. Petro: The end result is that ADAP is reduced by $2.5 million up front instead of $3 million.

A motion was made and seconded to accept the recommendation, which passed unanimously.

Mr. Park: This plan will spend the money expeditiously, but will also stay true to PSRA's intent to fund the highest priorities.

Agenda Item #3: New Business

Mr. McGovern: The new Title I RFP includes requirements for performance-based and cost-based reporting. The AMEX pilot study showed promise to this approach, but also concerns. Is this issue within the purview of the Council, and should it have been discussed here prior to the RFP? We have concerns,

especially about smaller providers being able to survive in this environment without a lot of TA and training.

Mr. Ng: Large providers have the same concerns.

Mr. Park: It is difficult to answer that, since the RFP is currently out and other providers who may be applying for funds may have similar questions. I would like to revisit this after proposals are due.

Mr. Petro: We are always trying to balance what is good for the EMA as a whole and for local providers. HRSA always asks us for cost data, and while this is complicated for providers, it will be good for the EMA. This is a grantee issue; they will negotiate how contracts are done with awardees.

Mr. Park: The relationship of the Council to the RFP process is a fair question, and we need to revisit it, but I want to be cautious about it while the RFP is still out.

Ms. Hilger: The role of the Council is to set priorities and allocations, and to provide guidance on service models, target populations, etc. The rest is the grantee's responsibility.

Mr. McGovern: Also, HRSA has issued strict guidance on how legal services can be used (i.e., no housing-related advocacy). Are we looking at creative alternatives or engaging with HRSA on this limitation (e.g., creating more of a mix of dollars in legal contracts between Title I and City Tax Levy in order to give providers more flexibility to provide needed services)?

Mr. Park: At the last Council meeting, a motion was approved asking Commissioner Frieden to get clarification from HRSA on their legal services policies. We have drafted a letter for him and have been in communication with HRSA. The legal services RFP follows the HRSA guidance provided to date. At the last Integration of Care Committee meeting, a new nuance of immigration-related legal work was brought to our attention. We are sharing that with Dr. Frieden and hope that by the next Council meeting that we will have a response on his advocacy. The CARE Act can only do so much and there are other funding streams that may address these types of limitations. The City Council may be receptive to these types of requests. I recently met with the chair of the Health Committee, who was interested in the needs of PLWHA and receptive to hearing community voices.

Agenda Item #4: Public Comment

T. Smith-Caronia: The HIV legal community is looking for other avenues of funding to pay for services that Title I can not provide, such as HOPWA. How can the community go to DOHMH to advocate having HOPWA make up for some of the shortfall in Title I funds?

Mr. Park: The HOPWA Advisory Group would be an appropriate avenue for raising this. Also, the DOHMH/HIV Bureau director of treatment, care and housing, as well as the Assistant Commissioner would be open to hearing these proposals.

There being no further business, the meeting was adjourned.

Minutes approved by the Executive Committee April 13, 2006.