



Meeting of the  
**EXECUTIVE COMMITTEE**  
Thursday, June 20, 2013, 3:00-5:00pm  
DOHMH, 2 Gotham Center, 42-09 28<sup>th</sup> Street, Conference Room 14-43,  
Long Island City, NY

### **MINUTES**

**Members Present:** Jan Carl Park (Governmental Co-Chair), Dorella Walters (Community Co-Chair), Victor Alvarez, Randall Bruce (Consumer-At-Large), Nancy Cataldi, Gregory Cruz, Sharen Duke, Graham Harriman, Lee Hildebrand, DSW, Tom Petro

**Members Not Present:** Robert Cordero (Finance Chair), Gerald DeYounge, John-Anthony Eddie, Joan Edwards, Marya Gilborn, Sam Rivera, Charles Shorter

**Staff Present:** Planning Council: Rafael Molina, Nina Rothschild, DrPH, Darryl Wong  
NYCDOHMH: John Rojas, Anna Thomas, Jacqueline Rurangirwa  
Public Health Solutions: Bettina Carroll, Gucci Kaloo, Rachel Miller  
Parliamentarian: Joan Corbisiero

#### **Agenda Item #1: Welcome & Introductions**

Jan Carl Park, Governmental Co-Chair, opened the meeting, followed by member introductions. Nancy Cataldi led the Committee in a moment of silence.

#### **Agenda Item #2: Review of Minutes**

The minutes were distributed to members electronically for review and comments. When quorum was reached, the minutes were accepted as presented.

#### **Agenda Item #3: Grantee Report**

*Graham Harriman* reported that the Grantee, Tri-County administration and Public Health Solutions are working together to help providers understand the impact that the budget reduction will have on clients, staff and programming. The Grantee is working with the Mayor's office and other bureaus within DOHMH to request that HRSA provide further clarification on how Ryan White Part A awards have been calculated since FY 2010 to understand how the misapplication of the hold-harmless provision occurred. In addition, briefing documents on the reductions have been created for mayoral staff, legislators, City Council, City and departmental legal and fiscal analysts, as well as Ryan White providers and community partners.

A letter from PHS to contractors was shared with the Council, notifying providers that while the overall award reduction is approximately 14.75%, reductions to individual service

categories will vary depending on Planning Council priority, and that reductions to individual provider contracts may not be the same as reductions to the service category. There may be some across-the-board reductions in categories, and some reductions based on performance criteria (i.e., better performing contracts would be cut proportionately less). The grantee and PHS are developing scenario plans and making implementation decisions to apply service category reductions based on considerations within each service category with the aim of minimizing the impact of reductions and maximizing services to PLWHA. Providers were told that they should continue to spend cautiously while maintaining service capacities, as the 2013 spending plan has not yet been finalized and individual contract amounts are not yet known.

The FY 2013 Notice of Grant Award (NGA) was received June 18 and is comprised of the **Formula award (\$66,150,073), Minority AIDS Initiative (\$9,412,436) and the Supplemental award of \$27,149,260; the total award is \$102,711,769.**

Sharen Duke, Co-Chair of the Policy Committee, reported that the CAEAR Coalition, of which she is a Board member, recently met with Steve Young, Director of Part A Programs at HRSA and his deputy, Gary Cook, who explained that in 2013 there was a legal review which overturned the 2010 interpretation of the hold harmless formula. In response to the request that the reduction be taken over several years, HRSA stated that they do not have the authority to grant such a request and that Congress would be compelled to develop a new guidance if that option were to be explored. In addition, resources were shifted from Part A to Part B.

Tom Petro, of the Tri-County region, reported that the Steering Committee approved a draft scenario spending plan as well as a carryover plan, noting that programs may be preserved, but there will be an effect on administration. However, HRSA approval of FY 12 carryover funds of \$582,517 should cover the region's \$515,624 reduction.

In light of the decision to defund the Tri-County CHAIN study --- prompted by the reduction in this year's award and reported by a CHAIN staff member, the grantee will be attending the July Steering Committee meeting in order to hear the concerns of Steering Committee members. Victor Alvarez presented a letter to the Grantee from the Steering Committee reiterating the concerns of defunding the CHAIN project in the Tri County region and its effect on a hard to reach and geographically-dispersed client population. Mr. Harriman clarified that decisions have not been reached as to the amount of final reductions to the CHAIN project, and noted that the absence of a longitudinal cohort in the Tri-County CHAIN sample diminishes the utility of such data.

#### **Agenda Item #4: Priority Setting/Resource Allocation Committee Review & Approval of FY 13 Spending Plan**

On behalf of the PSRA Committee, David Klotz presented the final FY 2013 spending plan as approved by the Priority Setting & Resource Allocation Committee. The plan reflects the actual amount in the notice of grant award. Last year, PSRA and the PC approved a spending request for the FY 2013 grant application that asked for flat funding. \$972,196 in uncommitted funds had been identified and PSRA, in the application, voted to use the uncommitted funds to enhance three over-performing categories (Food and Nutrition Services, Housing, and Supportive Counseling and Family Stabilization). The enhancements were based on the PSRA's assessment of need given data from the CHAIN report, over-

performance of contracts, and extensive community testimony citing food and housing insecurities. As in past years, an additional \$2.76M was requested to fully fund ADAP, with the understanding that the funds were not likely to be received. That amount would then be the first reduction in the award in the case of flat funding or a cut, with the promise to restore those funds through reprogramming. In February, PSRA and the PC approved a spending scenario to plan for possible cuts to the award, looking at scenarios up to an 8% reduction. The scenario calls for the first \$2.76M cut to be absorbed through the upfront reduction to ADAP. Additional cuts would be made proportionately, based on the ranking scores assigned in the planning process last summer. The proportionate cuts would be made based on the amounts after the \$972K in uncommitted funds was reallocated.

Since then, Public Health Solutions has completed FY 2013 contract renewals and identified an additional \$2.8M in savings in the carrying cost of programs (from Medical Case Management, Harm Reduction, Housing, and Early Intervention). This comes on top of \$972,196 in uncommitted funds identified last year. With a 14.75% reduction in the overall grant award, grant administration (10% or \$9.7M of the total award) is reduced by about \$1.6M. Administrative funds pay for all grantee and master contractor expenses in managing the portfolio and fulfilling HRSA administrative mandates. The amount also includes the Planning Council support budget, and staff has identified savings over the course of the year, to be presented later in the meeting. The grantee is also reducing the Quality Management allocation (legislatively set at \$3M or 5% of the grant, whichever is less) by \$150,000. QM supports eShare (needed for mandated reporting), CHAIN, and quality improvement measures that are required by HRSA. The savings from QM will be used to further offset cuts to programs. This leaves \$85,236,640 for programs, a reduction of \$15,096,061. Given the magnitude of the cut, the Priority Setting and Resource Allocation committee voted to put the \$972K, which is not currently committed to programs, back in the pool of uncommitted funds, which would further mitigate the cuts to all categories. With the reductions in carrying cost, the minimum cut to programs is 9.79%, and the maximum is 23.03%.

#### **Agenda Item #5: Finance Committee**

On behalf of the Finance Officer, Robert Cordero, David Klotz reported that the Finance Committee met on June 13<sup>th</sup> to review the FY 2012 4<sup>th</sup> quarter close-out reports. 100% of all funds were committed. Overall under-spending was 2% in Base and 1% in MAI. The amount in Base is comfortably below the 5% cap that HRSA allows, and while larger than last year, it will allow the EMA to restore the upfront reduction to ADAP in the current year in tandem with the FY 2013 reprogramming plan. The MAI under-spending rate was a record low, despite there being no cap on under-spending for MAI.

*Mr. Petro* reviewed the Tri-County portion of the close-out report, reporting that 9% (\$582,517) was unspent. In Food & Nutrition and Medical Case Management, under-spending was high because three contractors did not submit required audits, and therefore forfeited six months of reimbursement. Two of these were hospitals that went bankrupt. Subject to HRSA approval, the Tri-County portion of the carry-over will be requested to make up the deficit in programs due to the reductions in the current year.

A carry-over plan will be developed by PSRA and brought to the Executive Committee for approval in July and subsequent submission to HRSA. In the Winter 2012/13, the Planning

Council submitted a preliminary carry-over request stating that the funds would be used for medications through the ADAP program.

The checklist of the assessment of the administrative mechanism, which captures the activities of the Finance Committee, Executive Committee and Council in reviewing grantee and master contractor administration and implementation of the Council's spending and reprogramming plans.

***ACTION:***     ***A motion was made, seconded and approved unanimously to accept the assessment of the administrative mechanism.***

The draft FY13 Planning Council Support budget was reviewed but the vote deferred to the July Planning Council meeting, by which time the Grantee and Planning Council will have had the opportunity to negotiate the Planning Council Support Unit budget. It was noted that the Planning Council Support budget is 0.7% of the total grant award.

**Agenda Item #10: Integration of Care Committee**

Given time constraints Jan Park proposed, with Committee agreement, that the vote to approve the Health Education/Risk Reduction service directive be postponed until the July Executive Committee

**Agenda Item #11: Adjournment**

There being no further business, the meeting was adjourned at 5:15PM.