



Meeting of the

## **FINANCE COMMITTEE**

Tuesday, February 9, 2009, 3:30-5:00PM  
40 Worth Street, room 1502B

### **MINUTES**

**Members Present:** Steve Hemraj (Chair), Victor Benadava, Sharen Duke, Marya Gilborn  
**Staff Present:** *NYCDOHMH:* Jo Ann Hilger, Jan Carl Park, David Klotz, Jessica Wahlstrom  
*Public Health Solutions/HIVCS:* Gurucharran Kaloo, Peter Chea

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#### **I. Welcome/Introductions**

Mr. Hemraj opened the meeting, followed by introductions. The minutes of the October 7, 2008 meeting were approved with a change noting the final numbers for the Year 18 MAI close out (\$302,000/3.23% under-spent).

#### **II. Base 3<sup>rd</sup> Quarter Report**

Mr. Kaloo reported that \$3.34 million in NYC program dollars were uncommitted as of the end of the third quarter (Nov. 30, 2008). Categories with larger uncommitted amounts include Mental Health, Harm Reduction, Outpatient Medical Care, Maintenance in Care, Case Management, Treatment Adherence and Early Intervention Services. For Mental Health, some contracts were terminated, and committing the additional funds that were added to this category has been very difficult since not many contracts are currently meeting or exceeding their service projections. We are finding that contract performance, or lack therefore, may be directly related to the service model (i.e., Medicaid reimbursement is available for most professional MH services). In the Harm Reduction category, some of the uncommitted funds will be committed for rapid testing kits. Outpatient Medical Care had 3 contract terminations. For Maintenance in Care, the Council had added \$1.2 million to the category of which \$277,000 was added to contracts as a result of increasing the reimbursement rates for the service type of Return to Care, but there was also one contract termination, as well as some one-time take-downs. Case Management, Treatment Adherence and Early Intervention each had funds added at the beginning of the year, but not all of it could be committed to programs and there were also contract take-downs.

The grantee and master contractor expects the final base uncommitted amount to be about \$4.3M (current \$3.34 in uncommitted funds plus an additional \$1M through additional contract takedowns). Of that amount, \$2M will be used for program enhancements to high performing contracts, \$762,000 for test kits in HR and EIS programs, some for a new EIS program, \$145K in on-going enhancements to EIS programs, and the remaining \$1.3M for ADAP, as per the Council's reprogramming plan. Under-spending for the year is about 2% higher than at the end of the third quarter last year. The grantee and master contractor fully expect that at least 98% of the formula

award will be spent by the end of the fiscal year, meeting HRSA requirements. The Committee expressed its concern that spending needs to be closely monitored, especially given that new Medical Case Management contracts will begin in August.

There was some discussion in the Committee about whether the budget modifications to the Spending Plan (enhancements and take-downs) reflect need and thus should influence the category allocations for the next year's spending plan. While on-going (permanent) changes are reflected in the spending plan through the carrying costs, PSRA should consider spending patterns and trends for the FY 2010 spending plan.

### **III. Five Month MAI Report**

Mr. Kaloo reported that 99.9% of MAI funds were committed, and that spending is slightly higher this year compared to the same point in the previous fiscal year. The EMA is on track to have low under-spending in MAI (although there is no cap or penalty, the grantee's target is under 8%).

There being no further business, the meeting was adjourned.