Meeting of the
Priority Setting and Resource Allocation Committee
Eli Camhi, Chair

Thursday, January 3, 2008, 3:00-5:00 pm
GMHC, 119 West 24th Street, New York, NY

Members Present: Eli Camhi, Sean Cahill, Sharen Duke, Joan Edwards, Antionettea Etienne, Terri Faulkner, Linda Fraser, Marya Gilborn, Jennifer Irwin, Peter Laqueur, Fabienne Laraque, MD, Hilda Mateo, Jan Carl Park, Tom Petro, John Samuels, Edward Telzak, MD

Members Absent: Lloyd Bishop, Felicia Carroll, Soraya Elcock, Steve Hemraj, Patrick McGovern, Walter Okoroanyanwu, MD, Joanna Omi

DOHMH Staff Present: JoAnn Hilger, David Klotz, Rafael Molina, Nina Rothschild, Darryl Wong

MHRA Staff: Rachel Miller

Others Present: Victor Benadava, Sean Robin, Terry Troia

Material Distributed: Agenda; minutes from the PSRA Committee meeting on December 19, 2007; Year 2008 (Year 18) Ryan White BASE Application Spending Plan; service category scorecard for the Baltimore EMA; old version of the PSRA tool; proposed revisions to the PSRA tool.

Welcome/Introductions: The meeting opened with a round of introductions.

Review of the Meeting Packet: Nina Rothschild reviewed the contents of the meeting packet.

Review of the Minutes: Jan Carl Park reviewed the minutes from the Committee's previous meeting on December 19, 2007. The minutes were accepted with no changes.

Scenario Planning: JoAnn Hilger reviewed the Year 2008 (Year 18) Ryan White BASE Application Spending Plan (approved by the NYC Planning Council on July 26, 2007). When the Bureau of HIV/AIDS Prevention and

Control's Ryan White Program submitted its grant application to HRSA in October, we asked for a total of $11 million more in 2008 than we received in 2007 in the form of 1) a restoration of the funds that were cut from our program in 2007 and 2) an additional $2 million for Early Intervention Services. Our total request was for $115,735,853 in Base funding, of which $95,973,011 would be available for program costs. In 2007-8, we have permanent reductions in four contracts, totaling $891,551 (orange column). The dollars in this orange column will go into reprogramming. These permanent reductions are subtracted from the total amount of money available for program costs ($95,973,011), leaving $95,081,460 (blue column) for actual program costs.

Planning for a Cut in Funds

The Planning Council needs to prepare for receiving less than this requested amount of money. The Federal government may decide that the New York EMA is over-funded, for example, and could reduce our award by 2%-3%. John Samuels asked about the history of HRSA funding in this jurisdiction. Does the New York EMA typically receive what it asks for? Dr. Telzak pointed to the fundamental change in HRSA's HIV/AIDS financial distributions this year: with the introduction of the Transitional Grant Areas (TGAs), a larger number of jurisdictions are drawing from the same pot of money. Last year, the New York EMA planned for a 20% cut, but the actual cut wasn't so drastic. Mr. Petro noted that the New York EMA is unlikely to see an increase in funding from Washington, DC this year. Last year, we scored a 97 or 98 on our grant application, but that high score did not translate into additional money. Mr. Camhi underscored that by planning ahead, we are better able to deal with what comes down the pike.

Planning for a Restoration of Funds and an Increase in the EMA's Award

The green column in the Year 2008 (Year 18) BASE Application Spending Plan presents the scenario if we receive a restoration of the money cut in Year 2007 and an increase of $2 million. Dr. Laraque asked why the extra $2 million which we requested is allocated to Early Intervention Services, when the Bureau of HIV/AIDS Prevention and Control already has an HIV Prevention Program which deals with many early intervention matters such as testing. Ms. Hilger responded that the Bureau needed to buy HIV testing kits, and the money for those testing kits was accidentally omitted from a budget; when the Bureau realized that the money was left out of the budget, a decision was made to rectify the situation by using some Ryan White funding. Testing is the EMA's growth area. Dr. Laraque suggested that the PSRA Committee not lock itself into restoration of funds to the same level in the service categories as last year and instead consider putting some additional funding into treatment adherence and case management.

Money Available from Permanent Reductions

Members of the PSRA Committee engaged in a discussion regarding the $891,551 (orange column) available from permanent reductions of four contracts in three service categories: Mental Health Services, Early Intervention Services, and Tuberculosis Services. Ms. Faulkner asked why the money was turned back by the organizations, to which Ms. Miller responded that the PSRA Committee and the Planning Council do not discuss specific contracts or agencies. Contracts for the four programs from which money was turned back were never executed; performance was not the problem; the money is permanently unobligated; and it will be reprogrammed on a one-time basis. Mr. Camhi noted that $625,185 was turned back from Mental Health Services, but the need for which that money was allocated still exists. MHRA anticipates more under-spending with performance-based contracts.

Mr. Petro noted that there are viable proposals in service categories such as mental health, early intervention services, and housing assistance that were not funded. One option for the money from the permanent reductions might be to fund some of those proposals. Ms. Duke commented that the extra funds could also be used to reimburse high-performing programs. Ms. Miller noted that one option is to enhance existing contracts, rather than to fund new contracts; however, enhancing existing contracts could take a service category out of its total allocation in the portfolio. For example, if extra money is allocated to a high-performing program in a non-core service category, the EMA might lose its 75:25 core:non-core distribution.

Mr. Petro suggested that the Committee not deviate too far from the general plan. Most of the money available from permanent reductions is from Mental Health Services ($625,185), where service needs continue to be high. Our priority for these dollars should be to restore funding to other mental health contracts. He also noted that in the course of the conversation, Committee members are blending under-spending and carry-over. Dr. Telzak advocated for leaving the money available from Mental Health in that service category, given that Mental Health is the highest scoring category after ADAP using the PSRA tool. Although an agency returned money, this return should not alter our commitment to this service category. He supports directing available money to strong but unfunded proposals in this service category. Dr. Laraque commented that funding programs that are up and running makes more sense than funding new programs from viable but previously unfunded proposals.

Planning for a Cut in Light of Permanent Reductions

Ms. Duke re-introduced the topic of a potential 5% cut in our award from HRSA in light of the permanent reductions in Mental Health Services, Early Intervention Services, and Tuberculosis Services and suggested that we hold

these categories harmless. Mr. Camhi suggested that for the sake of this discussion, group members should assume that all else will stay the same and that we have just $891,551 with which to work. Ms. Etienne asked whether the Committee could take this money and give it to categories with relatively small funding allocations. Ms. Miller noted that small enhancements to programs may not be meaningful. Ms. Duke supported leaving the allocations as they currently exist except in cases where we have information available regarding other funding sources. Dr. Laraque advocated for leaving $625,185 in Mental Health Services and using the remaining money from reductions for enhancements of current treatment adherence contracts. PSRA Committee members voted in favor of this proposal (12-Y, 5-N, 2-A).

<u>Reduction in the EMA's Award: Proportionate Cuts</u>

Mr. Camhi returned to the topic of a potential 5% cut for the EMA. Dr. Telzak advocated for respecting the priority scores and making proportionate cuts. Dr. Laraque suggested that we leave the $625,185 in Mental Health Services and then do the cut. Mr. Camhi made a motion that in the face of a cut of 5% or more, the PSRA Committee (and the EMA) would use the proportional cut based on priority scores. All Committee members voted in favor of this proposal, with one abstention. Mr. Petro proposed using the same formula if the EMA receives a restoration of the money cut in 2007 or an increase in its award.

Priority Setting Tool: Mr. Camhi reminded the group that the PSRA tool was developed in order to have transparency; the tool ensures that we don't make budgetary decisions based on who makes the best argument for funding a specific initiative. Discussions have to be data-driven. We use an array of sources when making decisions and also must remain faithful to the EMA's priority scoring system. Dr. Telzak noted that although all of our data is flawed, the priority score is the gold standard. At the last meeting, the Priority Setting and Resource Allocation Committee began to discuss possible revisions to the PSRA tool. A revised tool, however, would not apply to the 2008 budget but, rather, to the 2009 budget. Discussion of the tool will resume at the next PSRA Committee meeting on February 7th.

Mr. Camhi mentioned the possibility that the SONI (Severity of Need Index) will be incorporated into the data. The SONI includes information on variables such as poverty level in the jurisdictions. The SONI may replace the grant application.

Public Comment: There was no public comment.

The meeting was adjourned.