



Meeting of the

FINANCE COMMITTEE
September 27, 2006, 3:30-4:20pm
By Conference Call

MINUTES

Members in Attendance: Patrick McGovern (Chair), Jason DeCuir, Sharen Duke, Steve Hemraj, Maija Neville

Staff in Attendance: Jan Carl Park, David Klotz (DOHMH/ OHAPCP); Rachel Miller, Gucci Kaloo (MHRA/HIV CARE Services); Jo Ann Hilger (DOHMH/Ryan White Services)

I. FY 2006 First Quarter Report

The minutes of the June 7th meeting were approved with no changes.

Mr. Kaloo presented the FY 2006 first quarter spending report. There is \$10M uncommitted as of the first quarter, mostly from the re-bid categories for 2nd round of RFPs for the Title I portfolio. Also, contracts negotiated for 9 months will be extended 3 months to the end of the contract year, which is not yet shown in the commitment numbers. After the extension, another there will be \$2-3M uncommitted for one-time funding programs (e.g., \$1M to housing, \$500,000 to emergency rental assistance). A small amount will not be committed because new MAI treatment adherence contracts are starting later in the year and are pro-rated. The remaining uncommitted funds will be reprogrammed as per the Council's approved plan. Those funds have been obligated, but are not executed in contract yet.

Approximately \$12M (10%) has been spent as of the first quarter, compared to 19% last year. The EMA is not doing as well as last year on paper because several large contracts were executed late, and are thus reported after the quarter ended (e.g., ADAP shows 0% spending now). This will be reported in the 2nd quarter. We are not worried about the ADAP pools spending this year, and they have indicated that they can take additional funds. The reprogramming plan allocates any remaining unobligated funds to the ADAP pools.

Ms. Miller noted that the first quarter report is not usually a significant report due to timing issues. New contracts spend slowly at the beginning. Ms. Duke, Mr. Hemraj and Mr. Park suggested that the end of September should have been enough time to get all first quarter data. Ms. Miller and Mr. Kaloo noted that the spending graphs are as of yesterday, which shows more robust spending than the chart (closer to 15%). MHRA reports its figures to DOHMH, which is

in advance of this Committee's meeting. Some information that could be in the report is not included, because MHRA wanted it to be consistent with its report to DOHMH. They can talk to DOHMH about whether they can give more real time data to the Committee. Ms. Duke noted that there are no dollar amounts in the graphs, and so it is more cumbersome to compare. Mr. Kaloo pointed out that the Committee had agreed that there would not be numbers on the graphs because the data is not reconciled. Mr. Hemraj noted that, even as per the graphs, spending is 4% less than last year. Mr. Kaloo noted that the data is skewed by start-up programs. If you look by category without any new contracts (e.g., Outreach), spending is on target. Treatment Adherence, or Psycho-social Support Services, which have many new contracts, is much lower. There is overspending only in housing enhancements. Contracts can only spend up to their maximum reimbursement amount, and can not spend over 100% by the end of the year.

II. Other Business

Ms. Miller reported that the reprogramming plan included enhancements of existing contracts, but MHRA will not enhance a contractor that can not spend their original contract amount. In the future, with performance-based contracting, we will be able to tell if the level of service is related to spending. MHRA will also obligate unanticipated MAI funds by the end of year, along with money from contract take-downs in the 3rd quarter (when MHRA identifies providers on target to spend low) to be used as per the reprogramming plan.

Ms. Hilger reported that HRSA approved the carry-over request. DOHMH is working on solicitation issues about implementation of the "Payor of Last Resort" Study and Consumer Satisfaction Survey. We are also discussing LTI trainings and how they can get the money spent by the end of the year. We are on target for other items (vans, transitioning adolescents trainings, etc.).

Mr. Kaloo noted that there were only two permanent contract reductions last year. We have seen the amounts from permanent take-downs get lower and lower, which is good news. Mr. Park noted that that should reflect well on Capitol Hill, where there has been criticism of under-spending by EMAs.

Ms. Hilger said that DOHMH hopes that the notification for the recent RFP will be complete in the next few weeks.

The next meeting will be on Wednesday, December 6th, 3:30pm at 40 Worth St., room 1519.

There being no further business, the meeting was adjourned.