



Meeting of the

## **FINANCE COMMITTEE**

Tuesday, October 7, 2008, 3:30-4:15PM

By Conference Call

## **MINUTES**

**Members Present:** Soraya Elcock, Matthew Lesieur

**Staff Present:** *NYCDOHMH*: Jo Ann Hilger, Jan Carl Park, David Klotz, Anthony Santella, DrPH, Darryl Wong, Jessica Wahlstrom

*Public Health Solutions/HIVCS*: Rachel Miller, Gurucharran Kaloo, Peter Chea

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

Mr. Park opened the meeting, noting that we are proceeding in spite of the lack of a chair in order to keep the process moving forward. A chair will be elected by the full Council in the fall.

### **II. MAI Close-out Report**

Mr. Kaloo reported that, with preliminary numbers available, we have already set a new spending record for the MAI award with 1.7% unspent or \$158K unspent (compared to 2.1% last year). [Note: The final numbers, reported at the 2/9/09 FC meeting are: \$302,000/3.23%.] The Tri-County MAI under-spending for 2007 is \$7,413. We were able to achieve this high level of spending by awarding \$1.3M to the State for ADAP and ADAP Plus services. We used uncommitted dollars and under-spending from other service categories to cover the amount given to the State. Once we know the final amounts, we can finalize the “Modification/ Enhancement to the Spending Plan” and “Takedown” columns on the spreadsheet. We could also move forward with awarding \$31,676 in enhancements to two performance-based contracts that over performed with some of the remaining under-spending, thus the total under-spending will be even smaller than the preliminary number.

Mr. Lesieur expressed concern about the under-spending in Maintenance in Care (MIC) – a performance-based category that had significant under-spending. He asked about lessons learned from this MAI category that can be applied to the much larger base award and its many performance-based contracts. Ms. Miller and Dr. Santella said that DOHMH has begun contract- and group-level technical assistance to MIC providers to assist them in understanding the service model and working to avoid under-spending.

Ms. Hilger noted that DOHMH is also looking at MIC start-up issues in order to avoid under-spending under the new RFP. Mr. Kaloo also pointed out that performance-based contracts that are performing well can be enhanced.

The EMA will apply to HRSA for the carry-over amount, even though it is very small, but that it has to be a request for a specific service category. The Council has already passed a joint base/MAI reprogramming plan, and DOHMH and HIVCS can make a recommendation based on that.

Mr. Park and Ms. Elcock agreed that it will be a good exercise for the Council to approve a carry-over request for the small MAI amount so that they are familiar with the process for later in the year when the much larger base amount is considered.

### **III. FY 2008 First Quarter Base Report**

Mr. Kaloo reported that at the end of the 1<sup>st</sup> Quarter, \$4.815M (about 5%) remained uncommitted. The majority of the remaining uncommitted funds are in the Mental Health, Harm Reduction, MIC, Case Management, Emergency Transitional Housing, Treatment Adherence and EIS categories, all of which received additional funds in Yr. 18. We are working with DOHMH to get these dollars committed to contracts through enhancements to existing contracts and additional contract awards of live RFP proposals. We've already awarded an additional Early Intervention contract.

Uncommitted dollars in the Outpatient Medical Care and Food and Nutrition categories represent contract terminations and contracts negotiated for less. In the Housing Placement category, we negotiated a contract for slightly more, which we will cover through uncommitted funds.

Overall spending in the 1<sup>st</sup> Quarter of this year (Year 18) is higher compared to 1<sup>st</sup> quarter of Yr. 17. At the same time last year (Yr.17) the unspent percent was 86% compared with 84% this year (Yr.18). We are on track to doing much better this year with spending our grant award. On another positive note, we are seeing an increase in performance-based contract draw downs in five out of six performance-based service categories compared to Yr. 17.

Spending in Case Management, Emergency Transitional Housing and Treatment Adherence was lower than the previous year due to those categories receiving additional funding. Also, the overall under-spending rate includes \$1.1M not yet committed to individual contracts, but HIVCS is in the process of doing that (retroactive to March 1<sup>st</sup>).

Ms. Miller noted that in some categories, there are not enough contracts to allocate all of the funds committed, and that those funds will go into the reprogramming pool. This is slightly more true of the performance-based categories. Also, MIC was difficult to cost out and contractors probably understated their reimbursement rates, and so HIVCS is in the process of adjusting those rates, retroactively.

Mr. Park and Ms. Elcock stated that this report will be adjusted and presented at the next Executive Committee and Planning Council meetings, along with a recommendation on the MAI carry-over request.

Mr. Lesieur added that he would like to report to the Council on the CAEAR Coalition's new reauthorization strategy.

There being no further business, the meeting was adjourned.