



Meeting of the

FINANCE COMMITTEE

Wednesday, October 28, 2009, 3:30-5:00PM

40 Worth Street, room 1519

MINUTES

Members Present: Steve Hemraj (Chair), Sharen Duke, Marya Gilborn, Jan Carl Park, Allen Vergara

Staff Present: *NYCDOHMH:* JoAnn Hilger, David Klotz; *Public Health Solutions/HIVCS:* Rachel Miller, Peter Chea

I. Welcome/Introductions

Mr. Hemraj opened the meeting, followed by introductions. The minutes of the July 9, 2009 meeting were approved with no changes. .

II. Year 18 (FY 2008-9) MAI 4th Quarter (Close-out) Report

Mr. Chea reported that, as of July 31, 2009, all Year 18 MAI funds had been committed and only \$19,884 (0.2%) of the total \$9,453,446 award (plus \$306,464 in Year 17 carry-over) was unspent. Of that amount, \$18,872 was in the Tri-county region. This record low under-spending was achieved by aggressive reprogramming, as per the Council's plan, with ADAP +, followed by Treatment Adherence, receiving the bulk of reprogrammed funds. Highlights from the report include:

- Under-spending in case management was due to the fact that money was never allocated due to the delay in the start of the Medical Case Management (MCM) contracts (they will begin in December, rather than August as was originally planned with the Council passed its spending plan).
- Maintenance in Care programs are ending and will be folded into the MCM program, thus the unobligated funds in that category were not problematic.
- The 24-hour Drop-in Center was unable to spend their enhancement because it arrived late in the year, and the primary item they wished to purchase required HRSA approval, for which there was insufficient time.
- Early Intervention Services spent at a much improved rate this year.

Highlights of the ensuing discussion included:

- Even though most enhancements are one-time and not on-going, most go to pay for increased services, rather than one-time cash purchases (e.g., for equipment). Public Health Solutions can track this through performance-based contract reporting.

- Year 19 will look different as several service categories are rolled up into MCM starting December 1, 2009. There will be some MIC and Treatment Adherence left.
- The new Ryan White legislation provides for all MAI funding to be based on a formula, which should benefit the New York EMA's award. In addition, the MAI grant will return to the same term as the Ryan White Part A base award. The RW legislation has not been signed yet, and so HRSA has not yet indicated when that will begin.

III. FY 2009 Base 2nd Quarter Report

Mr. Chea reported that, as of August 31st, 94% of Year 19 base funds had been committed. Uncommitted funds are mainly due to the fact that the MCM contracts are starting December 1st, rather than July 1st as originally planned. Overall under-spending at this point is 52%, compared with 59% at this point in Year 18. Highlights of the report include:

- Of the \$6.2M in uncommitted funds, \$4.8M is for MCM programs (December 2009-February 2010), which leaves \$1.3M to help make the ADAP pools whole.
- HRSA regulations might have an effect on the amount that the Legal Services programs will be able to spend.
- Starting in FY 2010, the MCM category will include Treatment Adherence, Care Coordination, and Transitional Services for Incarcerated Inmates. The Outpatient Medical Care service category will include ADAP+ and outpatient bridge care funds.

There were concerns raised about spending during the start-up phase of the MCM programs. Reimbursement during this phase is by deliverables and is designed to draw down funds. There is a lot of flexibility to ensure program success.

There were also questions about continuity of services for clients of programs during MCM start-up. Programs are receiving extensive technical assistance to make sure that clients are reached.

By the next Finance Committee meeting (early February), data will be available on 3rd quarter base spending, including enhancements, take-downs and projections of spending. This can help inform the PSRA and Council for the final FY 2010 spending plan.

There being no further business, the meeting was adjourned.