

**HIV Integrated Planning Council
Finance Committee
Thursday, February 1, 2018
2-4pm**

Office of HIV Planning, 340 N. 12th Street, Suite 320, Philadelphia, PA 19107

Present: Henry, Bennet, Michael Cappuccilli, Mark Coleman, Alan Edelstein, Dave Gana, Gail Thomas, Leroy Way

Excused: Jeanette Murdock

Absent: Keith Carter, Joseph Roderick

Guests: Chris Chu, Ameenah McCann-Woods

Staff: Mari Ross-Russell, Briana Morgan, Stephen Budhu

Call to Order/Introductions: A. Edelstein called the meeting to order at 2:07.

Approval of Agenda: A. Edelstein presented the agenda for approval. **Motion:** L. Way moved, M. Cappuccilli seconded to approve the agenda. **Motion Passed:** All in favor.

Approval of Minutes (November 2, 2017): A. Edelstein presented the November 2, 2017 minutes for approval. **Motion:** L. Way moved, M. Cappuccilli seconded to approve the November 2, 2017 minutes. **Motion Passed:** All in Favor.

Report of Chair: None

Report of Staff: None

Action Items:

- **Allocation Level Funding Budget**

M. Ross-Russell stated the Finance Committee has a responsibility to review allocations and monitor the administrative mechanism to rapidly distribute funds. She noted as part of the allocation process there are policies in place that require the creation of different budgets that can be used as best-suited matches based on the HRSA award. When the HIPC finds out what the HRSA award is for the given fiscal year, the HIPC will vote on the more appropriate budget. In the event of a partial award, the Planning Council previously agreed to use the level-funding budget from the most recent grant period.

M. Ross-Russell asked the committee to review the allocation spreadsheet. She explained there are 3 budgets on the spreadsheet. The budget printed in black is the current allocation, the one in blue is the level-allocation that shifted funds so they are current with PLWH percentages across the EMA, and the one in red is the Recipient-proposed 2.5% decrease funding budget. Due to this, funding will change across regions.

M. Ross-Russell explained she created the level funding budget based on the outcome of the Regional Allocations meetings. The proposed budget was for fiscal year 2018 (FY18), which begins March 1, 2018.

M. Ross-Russell stated HRSA will give a partial award of 20%; it is believed the remaining reward should be received in June 2018. The HIPC would usually go with the previously submitted level funding budget, but since the award is expected to be lower, the Recipient recommended a 2.5% decrease budget should also be presented to the committee. Even though the remainder of the award will be received at some point during FY18, it is expected that there will be a funding decrease.

A. Edelstein asked for clarity on the level funding handout. M. Ross-Russell replied the budget in black is the current allocation, the budget in blue is the level funding budget based off of PLWH %, and the budget in red is the 2.5% decrease allocation budget recommended by the Recipient. D. Gana asked if the level funding budget was the same as previously approved by the HIPC. M. Ross-Russell replied yes, and it was reviewed in the summer of FY17. M. Cappuccilli referenced the committee's discussion from November 2017. He stated it looks like the PA counties and New Jersey counties had a proportional 5% decrease budget. In Philadelphia the decrease budget, the committee recommended substance abuse should only be reduced by 3%, instead of 5%. He asked what the new reduction in the substance abuse category would be. M. Ross-Russell replied to be consistent she accounts for what the committee and the HIPC recommend. For clarification, the substance abuse service category was decreased by 1.5%, which is $\frac{3}{5}$ of 2.5%. To keep this category at a 1.5% decrease, all other categories were decreased proportionally. Everything was modeled from a 5% decrease budget.

In response to the explanation by M. Ross-Russell, A. Edelstein suggested a summary should be presented to the HIPC for clarity. A. Edelstein commented both action items were inter-related and in essence its only one item. M. Cappuccilli asked if both budgets would be presented to the HIPC. A. Edelstein replied no, only the budget recommended by the committee would be presented to the HIPC. M. Ross-Russell noted the 2.5% decrease budget was suggested by the Recipient since the expectation is to receive a decrease budget. She explained if the 2.5% decrease budget was approved, it may be easier for organizations to prepare for funding cuts for FY18. A. Edelstein stated the 2.5% decrease was not that severe; very few organizations will need to lay off staff. M. Cappuccilli asked if a 20% award was normal. C. Chu and M. Ross-Russell both replied it was lower than normal; it's usually $\frac{1}{3}$ of the grant is awarded at this point in the year. A. Edelstein stated the 20% award would be difficult to work with since mathematically (with the assumption another award is granted in June 2018), organizations will be forced to use $\leq 3\frac{1}{3}\%$ per month. M. Cappuccilli asked if another award would be issued in June. A. Edelstein replied that was the assumption, but it was not certain.

A. McCann-Woods informed the committee agencies are primed for this situation, even though the award is lower than previous years. G. Thomas asked what the 20% award meant. C. Chu replied, agencies will receive 20% of the total grant award. A. McCann-Woods explained if the grant award is \$100,000, in this scenario the agency would only receive \$20,000. A. Edelstein asked if the Recipient will do contracts with subrecipients at 20%. C. Chu replied the contract will be for 100% of the grant, but the contract will state only 20% is available at this time in the fiscal year. He stated this was a common practice and providers will be able to adapt.

Motion: M. Cappuccilli moved to support the 2.5% decrease budget, L. Way seconded to approve the 2.5% budget. Vote: 5 in favor, 0 opposed, 1 abstention. Motion Passed: The Finance Committee will present the 2.5% decrease budget to the HIPC.

Discussion Items:

- **3rd Quarter Underspending Report**

C. Chu distributed the 3rd Quarter Underspending Report to the committee. A. McCann-Woods reviewed the handout with the committee, and noted the net underspending for the EMA at this time was 3%. She stated this was an improvement from last year, since underspending was 10% at this time of the year. She reminded the committee Recipient fiduciaries PHMC and UAC usually experience billing delays, and larger institutions have complex fiscal processes which may cau3 months of invoices may be outstanding.

A. McCann-Woods reviewed the underspending for the 3rd quarter. She explained the spread sheet was divided into service categories across Philadelphia, NJ counties and PA counties. The service categories are as follows:

- Outpatient/Ambulatory Health Services
- Drug Reimbursement Program
- Medical Case Management
- Substance Abuse Services – Outpatients
- Mental Health Services
- Medical Nutrition Therapy
- Oral Health Care
- AIDS Drug Assistance Program
- Health Insurance Premiums and Costs Sharing Assistance
- Early Intervention Services
- Medical Transportation Services
- Food Bank/Home-Delivered Meals
- Housing Services
- Other Professional/Legal Services
- Care Outreach Services
- Emergency Financial Assistance
- Emergency Financial Assistance/AIDS Pharma Asst
- Treatment Adherence (Case Management)
- Linguistic Services
- Psycho-social Support Services
- Home Health Care
- Respite Care
- Child Care Services
- Referral for Health Care/Supportive Services

M. Cappuccilli asked why do PA counties spend food bank money more efficiently than NJ counties or Philadelphia. A. Edelstein stated the PA counties pre-purchase food vouchers and distribute them throughout the year to consumers. C. Chu stated New Jersey counties are still spending the carry over funds from previous years, so there spending for FY17 is negative. M. Ross-Russell asked how many providers are there to deliver food vouchers to the consumers. M. Cappuccilli asked since the PA counties seem to spend the money for the food bank more efficiently, why was money still being allocated to regions where that category is underspent?

G. Thomas stated Philadelphia only gives out food vouchers to consumers in the case of emergency, and Philadelphia urges consumers to use the food bank. She explained the draw backs of the foodbank to the committee.

M. Coleman asked if it was possible to look at the effect the funding had on community-based organizations, and to see how many essential programs have been cut from those organizations. A. Edelstein asked M. Coleman if he was referring to organizations that were under contract with the recipient. A. Edelstein noted if these organizations were not under contract with the Recipient then funds

could not be distributed to them from the Recipient. A. McCann-Woods clarified the Recipient funds under-contract subrecipients, but does not fund non-contract organizations.

H. Bennett stated there are only 5 or 6 food banks in Philadelphia and explained food vouchers aren't given by case managers until all food banks are used. A. Edelstein reminded the committee the Ryan White grant is funding of last resort. If there are other entities that will fund services, they should be used before the Ryan White funds. He explained in regards to food vouchers, services (Food bank) should be used before vouchers. A. Edelstein stated not all organizations encourage use of the food bank first, and some case managers may give their clients vouchers first. He noted this depended on other factors, for example if the client is able to get to a food bank, if the client can carry the food, and possibly even ease of service with the food voucher. A. McCann-Woods stated the Recipient distribution of food vouchers to providers is limited, so providers are encouraged to use food banks first before issuing food vouchers.

M. Coleman stated there seems to be consumers who are "under-case managed", and there are many issues with the food bank. He asked what were some possible strategies that could reform the Food Bank/Home-delivered meals category. He stated from presentations from Recipient representatives, they stated there would be no more issues with the food banks and food would be available to all those who need it. A. McCann-Woods replied there is a complaint line that can be used by consumers, and the calls are reviewed by the Recipient. She stated she would give the number to the committee after the meeting.

A. McCann-Woods moved the committee discussion to New Jersey under spending. Net underspending was 3%. She explained for the most part the service categories in New Jersey are on target, except for the Food bank/Home-delivered meals. The Food Bank/ Home-delivered meals service category was underspent by 42% based on current invoices. A. McCann-Woods reminded the committee there are still some outstanding invoices, and New Jersey is spending carry over dollars from the previous year.

A. McCann-Woods discussed the PA counties underspending. The net under spent was 5% overall. The category most underspent was Medical Transportation Services, with a net of 23% underspent. She explained many invoices are still outstanding for that category so the figure is not entirely accurate. She stated the Oral Health Care category was under spent by 11%, but the expectation is the spending will level out by the end of the fiscal year.

A. McCann-Woods discussed Philadelphia underspending. The net underspent was 1%, but categories like the Food bank/Home-delivered meals, Referral for Health Care/Supportive Services, and Mental Health services were grossly underspent at 38%, 12%, and 11% respectively. The question was posed if consumers knew what services were available to them since underspending was disproportionate across service categories. A. McCann-Woods replied the Recipient is aware of issues with knowledge of services by consumers and will continue to investigate the issue.

A. McCann-Woods ended the underspending review with Minority AIDS Initiative (MAI) and carry over funds. She stated MAI spending was level, with no money underspent. The Recipient expects their spending to remain the same for the remainder of FY17. Carry over funding was spent for FY17 already; funds were \$178,923 for FY17.

Old Business: M. Cappuccilli requested a presentation on the Food bank/Home-delivered meals service category by the Recipient. He stated the service category is not well understood, and suggested the Recipient could clarify the revenue stream from Recipient to subrecipients in the service category. He recommended the presentation should be at a HIPC meeting, and the presentation should explain the mechanisms in each of the three EMA regions. A. McCann-Woods asked if he was looking for a presentation on what the food bank was or how money goes into the food bank? M. Ross-Russell explained the question that is being asked is essentially the mechanism that is used by the Recipient to the

get food vouchers to providers. Is the Recipient subcontracting with providers to distribute food vouchers or is there a subrecipient(s) that handles distribution? If the Recipients contracts the providers directly, are we sure that providers know what the process is to distribute food vouchers, request food vouchers, and who is eligible for food vouchers? Can providers issue food vouchers to clients who they know are unable to use the food banks or must the process go through case management?

A. Edelstein stated regions of the EMA operate differently and asked are there non-Ryan White providers who offer food bank services in New Jersey. M. Ross-Russell replied, from contacting providers for the OHP resource inventory, she found that many food services providers were overwhelmed. She explained food banks often get resources monthly and are often out of food by the second week. A. Edelstein stated in Pennsylvania there is a program under the Department of Agriculture that purchases food and distributes it to providers. The program has about \$15 million state wide, and funds are proportionally spread out by population. B. Morgan stated in New Jersey the non-Ryan White food bank providers have more restrictions, limited resources, and extremely limited food bank hours. A. Edelstein stated those food banks are usually run in churches from volunteers so hours are not convenient for many consumers.

M. Cappuccilli asked if his request was feasible. A. McCann-Woods replied she would take the request back to the Recipient. She explained the Recipient could shed some light on the mechanisms, and the question has arisen before.

A. Edelstein recommended the Recipient develop a questionnaire with common questions that have been asked by committees and distribute them to providers.

M. Ross-Russell suggested the Recipient could also provide the committee with their service order standards. She stated it may help with the understanding some of the restrictions of the Food bank/Home-delivered meals service category.

New Business: None

Announcements: M. Coleman announced the Philadelphia Auto Show is from January 27 – February 4, 2018 at the Philadelphia Convention Center. Tickets are \$14 and are available online.

A. Edelstein announced the Super bowl is this Sunday, February 4, 2018. Coverage starts at 6pm.

Adjournment: Motion: L. Way moved, M. Cappuccilli seconded to adjourn the meeting. Motion passed: All in favor; meeting adjourned at 3:07 pm.

Respectfully submitted by,
Stephen Budhu, staff

Handouts distributed at the meeting:

- Meeting Agenda
- November 2, 2017 meeting minutes
- Level funding budget
- Recipient-Proposed Budget