

MEETING AGENDA

VIRTUAL:

Thursday, July 7, 2022

2:00 p.m. – 4:00 p.m.

- ◆ Call to Order
- ◆ Welcome/Introductions
- ◆ Approval of Agenda
- ◆ Approval of Minutes (*June 2, 2022*)
- ◆ Report of Co-Chairs
- ◆ Report of Staff
- ◆ Discussion Items
 - OHP Budget
 - Allocations Process & Material Review
- ◆ Other Business
- ◆ Announcements
- ◆ Adjournment

Please contact the office at least 5 days in advance if you require special assistance.

The next Finance Committee meeting is

VIRTUAL: February 3, 2021 from 2:00 – 4:00 p.m.

Office of HIV Planning, 340 N. 12TH Street, Suite 320, Philadelphia, PA 19107
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Philadelphia HIV Integrated Planning Council
Finance Committee
Meeting Minutes of
Thursday, June 2, 2022
2:00-4:00 p.m.

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

Present: Mike Cappuccilli, Keith Carter, Lupe Diaz, Alan Edelstein (Co-Chair), Adam Williams

Staff: Beth Celeste, Mari Ross-Russell, Sofia Moletteri, Elijah Summers

Guests: Ameenah McCann-Woods (AACO)

Call to Order: A. Edelstein called the meeting to order at 2:05 p.m. A. Edelstein asked everyone to introduce themselves.

Approval of Agenda: A. Edelstein presented the June 2022 Finance Committee agenda for approval. **Motion:** L. Diaz motioned, K. Carter seconded to approve the June 2022 agenda. **Motion passed: 5 in favor.** The June 2022 Finance Committee agenda was approved.

Approval of Minutes (May 5, 2022): A. Edelstein presented the previous meeting's minutes for approval. **Motion:** M. Cappuccilli motioned, K. Carter seconded to approve the May 2022 meeting minutes. **Motion passed: 3 in favor, 2 abstaining.** The May 2022 Finance Committee meeting minutes were approved.

Report of Chair:

No report.

Report of Staff:

M. Ross-Russell reported that the online Consumer Survey responses were at 278, however, many of the zip codes accompanying the surveys were from outside of the EMA. The surveys needed to be reviewed to verify their validity. Statistics were also off – for example, the representation for Salem County was disproportionately high. Prior to this, M. Ross-Russell said she prepared the online surveys to enter into the system. The first 105 surveys were okay, but the mass amount that came in overnight seemed to contain inconsistencies.

Additionally, M. Ross-Russell reported that the language within the RW Part A guidance was changing to have Planning Councils use percentages in their allocations as opposed to numbers so as not to slow the recipient's process. The Project Officer suggested HIPC make this change. M. Ross-Russell had responded that the HIPC had a policy they would need to change. HIPC would also need to have this discussion to see if it would make sense for them. Historically, HIPC planned three budgets—level, 5% increase, and 5% decrease budgets—and chose the budget that was closest to the final award amount. If they used percentages, they would need to make sure that the HIPC was still able to ensure the money was allocated in accordance to their plan.

The allocations were coming up in July, and M. Ross-Russell was working with PHMC and the AACO analyst on the PC budget lines. Once this was complete, she would deliver it to the next Finance Committee meeting for review.

Action Items:

—Vote on the Draft Budgets—

M. Ross-Russell said they would look at the decisions and directives from the 2021 Allocations process as a reminder of language to accompany the final numbers. She explained that they would not review the decrease budget, because there was a \$361,114 increase to the overall supplemental and formula budgets. M. Cappuccilli asked for the increase dollars as a percentage. M. Ross-Russell said it was a 1.744% increase. There was also a \$52,991 increase to MAI.

K. Carter asked if these percentages referred to just NJ (the budget currently shown on screen) or the whole EMA. A. Edelstein said it referred to entire EMA. Of the increase, M. Ross-Russell explained that \$204,622 was directly allocated to services.

M. Ross-Russell reminded everyone of their budget decisions from last year. Level funding budgets suggested a proportional change. 5% increase budget called for a proportional increase in funds for both NJ and Philadelphia. PA Counties, however, called for an even distribution of increase funds between Mental Health Therapy/Counseling and Housing Assistance.

A. Edelstein asked to review the spreadsheets to see the actual funding amount increase in PA Counties. M. Ross-Russell referred to the Systemwide/Administrative FY2022-2023 spreadsheet containing the breakdown of funds between the three regions.

At the bottom of the page, she pointed out the Philadelphia allocation for 2021 based on the 2019 prevalence percentages. This would have been \$12,125,296 for Philadelphia, but with the 1.744% increase it was \$12,336,801. PA Counties represented 17.59% of the epidemic in 2019 and called for a \$3,070,993 allocation. With the increase of 1.744%, this was \$3,124,562. The NJ counties allocation with 2019 prevalence numbers was \$2,267,285. With the increase of 1.744%, this was \$2,306,833.

A. Edelstein asked to look at the 2021-2022 allocations. This column, he explained, was the allocation before the change in the composition of the epidemic. M. Ross-Russell said the difference between last year's funding for Philadelphia and this year, due to change in composition of the epidemic, was a loss of \$282,573. Since there was an increase in funding, there was only a total loss of \$71,068. The PA Counties, due to an increase in PLWH, had an increase of \$299,524 solely from change in composition. With the increase in funding, the total increase was \$353,092. NJ faced a decrease of \$16,951 due to change in the composition and received an overall increase of \$22,598 after the funding increase of 1.744%.

A. Edelstein said when looking at the new allocation, there was actually a decrease in Philadelphia, a small increase in NJ Counties, and a significant increase in PA Counties funding. A. Edelstein suggested using level funding budget plans for Philadelphia and NJ Counties and the 5% increase plan for the PA Counties. M. Ross-Russell said the two services in PA Counties (Mental Health and Housing) would receive \$26,784 each under the 5% increase budget. When reviewing the 5%

increase spreadsheet for PA Counties, M. Ross-Russell had highlighted the PA increases for the two services.

A. Edelstein asked L. Diaz's opinion since she worked for the PA Counties. L. Diaz said there was a significant increase within the PA budget. L. Diaz said even though there was a total increase, technically, only PA and NJ were receiving an increase due to a change in the epidemic. A. Williams asked to go to the Systemwide budget spreadsheet to receive a more in depth explanation on the breakdown of funding. They said that NJ and Philadelphia would have been in the red, but there was now an increase in funding because of the 1.744% increase. M. Ross-Russell explained that Philadelphia still received a decrease even after the 1.744% increase in funding. A. Williams asked how funds were allocated between the regions. A. Edelstein explained that the funding was split between the three regions by following the percentage share of the epidemic. For example, PA Counties held 17.59% of the epidemic within the EMA, so the region would receive 17.59% of the service dollars. A. Williams asked where the money, itself, was going and if it was between Philadelphia, NJ, and PA Counties. M. Ross-Russell said yes, that is supposed to happen this way, yes.

A. Williams said it looked like with the onset of COVID-19, there was a diaspora from Philadelphia to the NJ and PA Counties. M. Ross-Russell said that any person within the EMA could go to any other county or region to receive services. So, people from NJ and PA Counties could still go to Philadelphia to receive services. A. Williams asked the likelihood, based on past experience, that people from Philadelphia County would utilize services from the suburban counties and vice versa. M. Ross-Russell responded that there was a greater number of funded services within Philadelphia, so the number was likely greater for those coming into Philadelphia for services. Additionally, due to transportation, those who live on the outskirts of Philadelphia may find it easier to go into the city for services as opposed to receiving services in their own county.

A. Williams asked those who represented the counties whether their services were better, worse, or the same due to a lack of funding. Was the benefit to have strengthened local services or more centralized services? L. Diaz said those who go across counties for services usually do so for confidentiality purposes. Care is not necessarily better or worse. K. Carter said sometimes it depended on the service you wanted to receive. For example, housing was easier to receive in Bucks County since the waiting list for Philadelphia was long. L. Diaz agreed, saying that even for PrEP, the waiting list was long in Philadelphia, so many people would go to the counties to receive it.

M. Cappuccilli suggested that the philosophy behind dividing the budgets was under the assumption that clients would receive services in their own counties. Otherwise, he questioned whether it would make more sense to have one overall budget. A. Edelstein explained that in the past, there used to be many different disputes between the three regions, and Philadelphia County received the most focus. They realized that service needs and resources were different among the regions. For example, transportation was more important in the counties and South Jersey than in Philadelphia. This was why they advocated for dividing the service dollars. They could revisit this, of course, but this is why they made this decision in the first plan to regionalize the budgets.

M. Cappuccilli asked if they planned on using the Level Funding Budget for NJ Counties. A. Edelstein said yes since the increase for NJ Counties was only \$22,598. M. Cappuccilli asked if they had used different budget decisions for each region before. M. Ross-Russell said they had. M. Ross-Russell added that both Philadelphia and NJ 5% increase budgets called for proportional increases. A. Edelstein suggested they simply use the 5% increase budget plans then.

A. Williams suggested keeping housing services as is for the suburban counties and keep the rest of the funding proportionate to keep it in Philadelphia, a more centralized location, to follow utilization data. M. Ross-Russell explained that the breakdown of services used to be 70% Philadelphia, 15% NJ, and 15% PA counties. A. Edelstein agreed, noting that it seemed like a fair breakdown at the time. M. Ross-Russell noted that afterwards, legislative language altered a bit and the funding started to follow the composition of the epidemic. If they were to change how they funded things, they would have to go to the recipient to find where clients utilize their services versus where they reside. The recipient would have to get data on all services clients receive. M. Ross-Russell explained that some people would use some services in their home county and other services elsewhere. The data might be misleading because of this.

A. Williams said there seemed to be budget deficits in the county of Philadelphia which is why they assumed that the utilization of services and accessing services outside of counties might not match up with the PLWH% composition. M. Ross-Russell said utilization of services was presented on a quarterly basis for each region. Philadelphia, more often than not, had underspending in various categories. These were reallocated to other services as needed – there was much less underspending within the suburban counties. Moving money to where people need it to offset utilization and need, as per A. Williams's point, she said, would happen on the recipient level. A McCann-Woods said this was true, especially since the majority of the allocations were for Philadelphia.

K. Carter asked about the dollar figure they were discussing. M. Ross-Russell said the total amount of the award was \$21,063,293. Systemwide cost was \$3,295,097 (Information and Referral, PC Support, Grantee Administration, etc.) and came off the top. The service allocation ended up being \$17,768,196. The difference in total award between this year and last year was \$361,114. \$304,622 was the increase to service dollars, specifically.

K. Carter asked about the confusion. A. Williams explained that they were newer to the Planning Council, and they felt it was generally important to ask tedious questions to gain an understanding and understand the process so everyone could make informed decisions. A. Edelstein and K. Carter appreciated the questions. A. Edelstein added that these questions and revisiting process explanations could be important, especially if the process was based on the conditions of 15 or so years ago. A. Williams still agreed that the proportional distribution of the service funding based on the epidemic was a good idea. Additionally, they suggested looking into housing dollars since this was a need. A. McCann-Woods noted that though the recipient did not report below 10% variance to the Planning Council, these needs were still being addressed and services were still able to receive money if they need it.

A. Edelstein asked to look at the verbiage once again since it may make the budget decisions clearer. He reiterated that the NJ and Philadelphia Counties called for a proportional increase under the 5% budget. The PA Counties were different in that it would split the increase between Mental Health and Housing. A. Edelstein suggested using the 5% increase budget for all three regions.

Motion: A. Williams motioned to bring the 2021 5% increase plans for the three regions (NJ Counties, PA Counties, and Philadelphia County) to the full Planning Council with recommendation for approval, L. Diaz seconded.

Vote:

A. Edelstein: abstain
K. Carter: in favor
L. Diaz: in favor
A. Williams: in favor
M. Cappuccilli: in favor

Motion carried: 4 in favor, 1 abstaining, 0 opposed. The motion to recommend the 5% increase budget for all three regions was approved.

M. Ross-Russell said that because NJ said “New Level Funding” budget as the starting point, this may cause additional discussion. The PA Counties also worked off the New Level Funding budget. Philadelphia chose to work from its regular amount, not the New Level. To further explain this, M. Ross-Russell noted that NJ received a decrease due to composition change, but they were using the New Level Funding budget, so they would start with that decrease already represented in the starting point – then the 5% increase would be added.

A. Edelstein said they should look at the actual budget for the current year as a starting point. A. Williams said because there were two starting points, it would make explaining the budgets to the Planning Council a bit more difficult. M. Ross-Russell said the language was there and though the numbers were different in the verbiage, the spreadsheets were still working off that language. A. Edelstein explained that level was never level, and L. Diaz agreed that this needed to be conveyed to the council. K. Carter added that they should explain why the level had changed within the explanation around composition of the epidemic.

M. Ross-Russell said they next had to look at Systemwide and MAI budgets. M. Ross-Russell looked at the Systemwide column. She said that everything was proportional in this increase except the PC Budget and Grantee Administration. M. Ross-Russell asked the committee to recall her explanation in the past that there was a change to the way the PC Support budget was done and that they now had to include indirect costs. As a result, the overall budget increased to include indirect costs. This was why PC Support was proportional *plus* indirect costs. A. Edelstein asked M. Ross-Russell to write a small narrative or bullet point to explain this.

M. Ross-Russell broke down the Systemwide budget, explaining the percentage that each category could not surpass. A. Williams asked for more detailed explanations of each category – for example, what did Systemwide Coordination include? M. Ross-Russell said she could get explanations from AACO on what these included. K. Carter asked if Capacity Building was rent – M. Ross-Russell answered that this was training for providers to ensure that they were up to date and performing at their best. Capacity building could also be infrastructure support to update computers or systems. Once again, she would have to go back to recipient to become clearer on the categories. She could definitively say that Information and Referral paid for the Client Services Unit (for when people called in to be referred to services). M. Ross-Russell said that Information and Referral was considered a service, but it actually came out of the Systemwide budget since it was not regionalized. For transparency, A. Edelstein said such definitions would be helpful.



draft ema

allocations 2023-2024

M. Ross-Russell next looked at MAI which was simply proportional. K. Carter explained that MAI was Minority AIDS Initiative. A. Edelstein said it was a separate pot of money. M. Ross-Russell explained that MAI went up by \$52,991 which was a 3.120% increase. A. Edelstein noted that MAI supported two services: Ambulatory Care and Case Management. MAI was for parts of the EMA that had a high concentration of minority populations. A. Williams asked how the money was distributed to these specific populations. A. McCann-Woods said it was for Philadelphia County only and for a handful of providers. She said that the money was specifically for racial and ethnic minorities. A. Edelstein said the dollars came about because of an initiative of the Congressional Black Caucus.

Motion: K. Carter motioned to present the proportional increase budget for MAI funds to the full Planning Council with recommendation for approval, L. Diaz seconded.

Vote:

- A. Edelstein: abstain
- K. Carter: in favor
- L. Diaz: in favor
- A. Williams: in favor
- M. Cappuccilli: in favor

Motion carried: 4 in favor, 1 abstaining, 0 opposed. The motion to recommend the proportional increase of MAI funds was approved.

Motion: L. Diaz motioned to present the green column (Draft 22-23 with 1.744% increase and PC support change) for the Systemwide budget full Planning Council with recommendation for approval, K. Carter seconded.

Vote:

- A. Edelstein: abstain
- K. Carter: in favor
- L. Diaz: in favor
- A. Williams: abstain
- M. Cappuccilli: in favor

Motion carried: 3 in favor, 2 abstaining, 0 opposed. The motion to recommend the green column (Draft 22-23 with 1.744% increase and PC support change) for the Systemwide budget was approved.

Any Other Business:

None.

Announcements:

K. Carter announced that AIDS Education Month had started. He told everyone to go to fight.org for more information.

Adjournment: A. Edelstein called for a motion to adjourn. **Motion:** L. Diaz motioned, K. Carter seconded to adjourn the June 2, 2022 Finance Committee meeting. **Motion passed:** All in favor. Meeting adjourned at 3:44 p.m.

Respectfully submitted:

Sofia M. Moletteri, staff

Handouts distributed:

- June 2022 Finance Meeting Agenda
- May 2022 Finance Meeting Minutes
- 2021 Allocations Decisions and Directives Language
- Draft EMA Allocations 2022-2023