LOS ANGELES COUNTY COMMISSION ON HIV

3530 Wilshire Boulevard, Suite 1140 • Los Angeles, CA 90010 • TEL (213) 738-2816 • FAX (213) 637-4748
www.hivcommission-la.info

Approved 8/23/2011

PRIORITIES AND PLANNING (P&P) COMMITTEE MEETING MINUTES

June 28, 2011

MEMBERS PRESENT	MEMBERS ABSENT	HIV EPI AND OAPP STAFF	COMM STAFF/ CONSULTANTS
Al Ballesteros, *Co-Chair*	David Kelly	Kyle Baker	Jane Nachazel
Bradley Land, *Co-Chair*	Quentin O'Brien	Mario Pérez	Glenda Pinney
Douglas Frye		Dave Young	Diane Tan
Ted Liso/Jim Chud			Craig Vincent-Jones
Anna Long	**PUBLIC**		Adriane Wynn
Abad Lopez	Miguel Fernandez		
Carlos Vega-Matos	Scott Singer		
Tonya Washington-Hendricks	Jason Wise		

CONTENTS OF COMMITTEE PACKET

1) **Agenda**: Priorities and Planning (P&P) Committee Meeting Agenda, *6/28/2011*
2) **Minutes**: Priorities and Planning (P&P) Committee Meeting Minutes, *5/24/2011*
3) **Spreadsheet**: Summary Report, Ryan White Part A, Single Allocation Model (SAM) Care and MAI Year 20 Expenditures by Service Categories, Grant Year 20 Ryan White Funding Expenditures and SAM Care/Part B Fiscal Year 2010/11, *6/27/2011*
4) **Spreadsheet**: County of Los Angeles – Department of Public Health, Office of AIDS Programs and Policy, Fiscal Year 2007-08, Actual Expenditure Summary, *2/9/2009*
5) **Spreadsheet**: County of Los Angeles – Department of Public Health, Office of AIDS Programs & Policy, Summary Report, NCC Expenditures by Service Categories, Period July 2007 – June 2008 Preliminary Final, *2/10/2009*
6) **Spreadsheet**: County of Los Angeles – Department of Public Health, Office of AIDS Programs & Policy, Summary Report, State Expenditures by Service Categories, Period: July 2007 – June 2008 (Final), *2/9/2009*
7) **Spreadsheet**: County of Los Angeles – Department of Public Health, Office of AIDS Programs & Policy, Summary Report, CDC Expenditures by Service Categories, Period: July 2007 – June 2008, *2/9/2009*
8) **Spreadsheet**: FY 2007-08, Office of AIDS Programs and Policy, S and EB Detail
9) **Spreadsheet**: OAPP S&S Detail for Supplemental, *FY 2007-2008*
10) **Spreadsheet**: Department of Public Health, FY 2007-08 Walk-Through, Office of AIDS Programs Policy, *1/23/2009*
11) **Spreadsheet**: County of Los Angeles – Department of Public Health, Office of AIDS Programs and Policy, Fiscal Year 2008-2009, Actual Expenditure Summary
12) **Spreadsheet**: Los Angeles County, Department of Public Health, Office of AIDS Programs & Policy, Walkthrough Summary, FY 2008-09, *1/19/2008*
13) **Spreadsheet**: County of Los Angeles – Department of Public Health, Office of AIDS Programs & Policy, Summary Report, NCC Expenditures by Service Categories, Period July 2008 – June 2009 (Final)
14) **Spreadsheet**: County of Los Angeles – Department of Public Health, Office of AIDS Programs & Policy, Summary Report, State Expenditures by Service Categories, Period: July 2008 – June 2009 (Final)
15) **Spreadsheet**: County of Los Angeles – Department of Public Health, Office of AIDS Programs & Policy, Summary Report, CDC Expenditures by Service Categories, Period: July 2008 – June 2009
16) **Spreadsheet**: County of Los Angeles – Department of Public Health, Office of AIDS Programs and Policy, Fiscal Year 2009-2010, Actual Expenditure Summary
17) **Spreadsheet**: Departmental Net County Cost, Fiscal Year 2010, AIDS Programs & Policy, *8/28/2010*
18) **Spreadsheet**: County of Los Angeles – Department of Public Health, Office of AIDS Programs & Policy, Summary Report, NCC

Expenditures by Service Categories, Period July 2009 – June 2010 (Final), *4/26/2011*

19) **Spreadsheet**: County of Los Angeles – Department of Public Health, Office of AIDS Programs & Policy, Summary Report, CDC Expenditures by Service Categories, Period: July 2009 – June 2010, *4/26/2011*
20) **Spreadsheet**: County of Los Angeles – Department of Public Health, Office of AIDS Programs & Policy, Summary Report, State Expenditures by Service Categories, Period: July 2009 – June 2010 (Final), *4/26/2011*
21) **Spreadsheet**: Los Angeles County, Department of Public Health, Office of AIDS Programs & Policy, Walkthrough Summary, FY 2009-10, *6/27/2011*
22) **Summary Key**: Ryan White Parts A and B and MAI Expenditures by Service Categories, *2/16/2011*
23) **Table**: FY 2012 Service Category Priority Rankings, *6/28/2011*
24) **Summary**: HIV Service Category Definitions, *4/28/2009*
25) **Policy Notice**: Policy Notice 10-02: Eligible Individuals and Allowable Uses of Funds for Discretely Defined Categories of Services, *4/8/2010*
26) **Spreadsheet**: Department of Health and Human Services – FY 2011 Operating Plans, Health Resources and Services Administration, *5/13/2011*
27) **Memorandum**: Minority AIDS Initiative (MAI) Plan for Fiscal Years 2010 – 2012: Recommendations for Commission Approval, *10/8/2009*
28) **Report**: HRSA, 2008 Part A MAI Yearend, Los Angeles, CA, H3MHA08446, *1/5/2010*
29) **Report Narrative**: County of Los Angeles, Office of AIDS Programs and Policy, FY 2008 Minority AIDS Initiative Annual Report Narrative, *1/5/2010*

1. **CALL TO ORDER**: Mr. Land called the meeting to order at 9:40 am.

2. **APPROVAL OF AGENDA**:
   MOTION #1: Approve the Agenda Order **(*Passed by Consensus*)**.

3. **APPROVAL OF MEETING MINUTES**:
   MOTION #2: Approve the 5/24/2011 Priorities and Planning (P&P) Committee Meeting Minutes **(*Passed by Consensus)***.

4. **PUBLIC COMMENT, NON-AGENDIZED**: There were no comments.

5. **COMMISSION COMMENT, NON-AGENDIZED**: There were no comments.

6. **PUBLIC/COMMISSION COMMENT FOLLOW-UP**: There were no comments.

7. **CO-CHAIRS' REPORT**: There was no report.

8. **OFFICE OF AIDS PROGRAMS AND POLICY (OAPP) REPORT**:
   A. **Expenditure Report**:
      - Mr. Young, Chief, Financial Services, presented a new format with separate sheets for Part A, SAM Care/Part B, MAI and a summary. The previous report combined Part A (3/1 to 2/28) and SAM Care/Part B (7/1 to 6/20) on the first page which lacked clarity. The new report splits Substance Abuse, Residential between Part A and SAM Care/Part B.
      - Part A is not yet closed, but cost reports and final billings are being done. The grant will be fully expended.
      - Mr. Vincent-Jones asked about the Part A $928,559 overspending for Medical Outpatient/Medical Specialty (MO/MS). Mr. Vega-Matos noted the Commission approved an allocation increase due to expected underspending in other line items and contract availability to cover costs such as the Therapeutic Monitoring Program (TMP) and SPA 1 services.
      - Regarding other underspending, there were vacancies in Mental Health (MH), Psychotherapy and SPA 1 services, and Benefits Specialty began late in the Part A grant year.
      - Mr. Pérez, Director, OAPP, noted the first rule is to maximize funding. Many expenses can be shifted from SAM Care/Part B to Part A to fully maximize that grant as its deadline nears and vice versa. He encouraged a broader discussion in the future to better align allocations to reduce the need for cost shifting.
      - There is also a history of rules pertaining to over-allocation. OAPP used to contract $110,000 for $100,000 in grant funds with the understanding that providers often underspend so that expended funds would be close to the grant.

Due to concerns with the practice, OAPP reduced contracts to 104% of grants, but providers perceived that as a cut and complained. In response, a Board motion by Supervisor Molina required contracts to match allocations.

- The change created a problem due to significantly increased underspent funds for some agencies while others could have used more funds. In response, the Board authorized OAPP to shift up to 25% of contract funds mid-year from a provider unable to expend them to provider(s) that can. OAPP previously had been able to augment, but not reduce, contracts. The County normally allows adjustments of 10% to 15% and OAPP must justify higher adjustments.
- Mr. Vincent-Jones noted there were problems with the 110% rule used five to ten years earlier as some providers spent more than the grant while others still underspent. It also meant that the Commission had no choice to shift allocations because they had been over-contracted. Underspent contracts declined from 10% to 6% during 2001-2005. Commission supports the 25% rule to align resources and may advocate on OAPP's behalf should they need assistance in justifying such adjustments so long as advocacy does not cross the line pertaining to procurement.
- Mr. Singer said it is often difficult for providers to spend the full 100% of contracted funds due to strict line item limitations and budget modification requirements. According to Mr. Singer, providers that previously held State contracts found OAPP contract requirements much stricter. He added the economy has made providers risk-adverse, so they do not want to overspend contracts with only the hope that underspending by other providers might eventually result in funds for them.
- Mr. Pérez noted there are two budget modification processes – unrestricted for the first eight months of the year and restricted for the remainder. Previously OAPP allowed broader latitude throughout the grant, but providers often made no modifications until late in the year making it appear that more funds were underspent than was the case. There was a 60-day suspension of the restricted procedure the year before last due to the unusual circumstances.
- Mr. Vega-Matos added the Auditor-Controller requires some of the contract monitoring procedures countywide. HRSA has also issued new, tighter monitoring standards to all grantees. OAPP is now in discussions with the State to minimize provider burden by coordinating OAPP and State monitoring rather than requiring duplicate procedures.
- Mr. Pérez said a related issue has been increased Federal oversight of Ryan White (RW) as payer of last resort. Modifications cannot displace funds from another source. Multiple year-end modifications would not allow needed verification time.
- Mr. Young noted he broke the SAM Care/Part B schedule into 7/1 to 2/28 and 3/1 to 6/30 to better reflect cost shifts.
- Mr. Vincent-Jones asked why none of the $1,266,234 in Part A funds for Early Intervention Services (EIS) were spent. Mr. Young replied the shift of funds from SAM Care/Part B to MAI was discussed in April as a means to utilize carryover funds primarily created when HRSA changed the MAI grant term resulting in overlapping grants. There was also a significant impact when a provider with a $900,000 contract chose not to renew their contract.
- Mr. Vincent-Jones felt shifting that much and not spending all of it should be addressed in the priority- and allocation-setting process s as EIS is closely linked to HRSA's Early Identification (EIIHA) and Testing and Linkage to Care/Treatment Plus (TLC+).
- Mr. Vincent-Jones also noted that the amount of the MAI carryover had declined from approximately $1 million when the P&P Committee allocated it Oral Health capacity building to approximately $650,000, which seemed to reflect a larger shift than one could simply account for by late provider billing. Mr. Young responded that it was due to shifting EIS resources. Mr. Vincent-Jones replied that the shift had already been made in February when the Committee was presented with the $1 million MAI carryover figure.
- Mr. Vega-Matos said EIS must be restructured to meet current needs before allocations can be improved. There are an estimated 13,000 undiagnosed in the County, but EIS struggles with 67% linkage and 82% medical services retention rates. OAPP is studying the issue and plans pilots, e.g., to get clients into care in 90 days and retain them. EIS must also reflect changes in related issues such as ADAP, Medicaid and Low Income Health Programs (LIHPs).
- Ms. Washington-Hendricks asked about the SAM Care/Part B $526,233 in underspent Case Management (CM), Psychosocial funds. Mr. Vega-Matos noted reductions as services evolve into Medical Care Coordination (MCC) and the late start of SPA 1 services. Based on contract monitoring, a couple of contracts were reduced due to performance issues and agencies were instructed to close inactive cases and contracts were reduced if case closures resulted in ongoing lower case loads.
- Mr. Vincent-Jones noted concern about diversion of Net County Cost (NCC) funds from care and treatment, e.g., approximately $2 million of SAM Care/Part B funding was shifted to CM, Home-Based although the Commission had specifically not allocated to that category with the expectation that it would be funded by NCC. He added that has the effect of reducing the aggregate funding dedicated to care/treatment services. Mr. Pérez said the shift was to ensure

the State grant was maximized. OAPP must ensure RW is funding of last resort while supporting the full continuum of prevention and care.

- He felt allocations do not always reflect capacity and other issues, e.g. Medical Specialty networks and Oral Health (OH) capacity are still being developed; MH, Psychiatry lacks psychiatrists at reasonable rates who will work more than a low number of hours per month; improved MCC health outcomes must be quantified; Treatment Adherence must be improved to reduce the 28% in medical care with detectable viral loads; Substance Abuse needs to better reflect holistic addiction medicine.
- Mr. Vincent-Jones responded that those were administrative capacity concerns that could/should be addressed through allocations, and that justify increased funding for care/treatment. He added there was no indication that need for care/treatment services had declined, which would be the only justification for decreasing total funding for care/ treatment services.
- Mr. Land recognized improved Commission/OAPP communication while urging continued improvement. Commission allocations reflect expressed need, so concerns with migration of NCC away from care and treatment must be resolved.
- Regarding Skilled Nursing, Mr. Vega-Matos reported that OAPP has identified a few providers who may be interested in offering the service at an acceptable rate. An RFP is planned when feasible in lieu of other planned RFPs. Hospice is being provided primarily through RCFCI facilities certified for hospice services as there are insufficient numbers for a stand-alone service.

➲ Agreed to re-adjust the chart in future when the Commission re-allocates funds to better clarify variances.
➲ Agreed to copy schedules one-sided in future to facilitate comparisons of categories among funding sources.
➲ Refer discussion of EIS restructuring to the Standards of Care (SOC) Committee.
➲ P&P will re-evaluate MAI after OAPP reports on CM, Medical and EIS similar to the report already heard on OH.
➲ OAPP will provide the letter to providers on the previous temporary suspension of budget modification deadlines.
➲ Mr. Vincent-Jones will verify whether or not the shift of EIS funds from SAM Care/Part B to MAI had already occurred in February 2011. If so, Mr. Young will have to research why there is a $350,000 decline in available MAI carryover funding.
➲ Agreed to present the Annual Report at the July Commission meeting.

B. 2008-2009/2009-2010 Annual Fiscal Report:

- Mr. Young noted OAPP's reports use the County's fiscal year of 7/1 to 6/30. They detail expenses and CDC Cooperative Agreement, State grant and NCC expenditures. Expenses are categorized as program, program support and administration. Services/supplies are also designated as direct, indirect or Departmental Service Agreements (DSOs).
- OAPP's summary includes line items for salaries/employee benefits, services/supplies and revenue. It supports OAPP's funding request to the County for salaries/benefits and is adjusted if more revenue is received. The final page summarizes expenses and revenue including an Intrafund Transfer line for Substance Abuse services billed to the Alcohol and Drug Program. Some lines with zero amounts were not included to keep spreadsheets to one page.
- The summary difference between revenue and expenses constitutes NCC or, for 2008-2009, $17.24 million. Separate schedules detail CDC, State and NCC expenditures. Expenditures move to NCC as various grants reach their caps.
- Several questioned the overall 15% for administration. Mr. Vega-Matos said costs exceed the usual 10% grant cap to meet Federal and State requirements. NCC funds the difference for OAPP. Providers access other resources.
- The 242 positions budgeted for 2008-2009 includes a vacancy rate of about 32%. The 2009-2010 report was previously presented in April. Mr. Young noted budget cuts are not reflected due to the eight-month length of the budget process. The number of positions will decline to 223 for the 2010-2011 report with a commensurate reduction in expense.
- Mr. Pérez added it is complex to balance staffing for an $85 million program across eight grants while reducing operating costs. OAPP is trying to streamline contract management, e.g., by consolidating some reviews and changing site visits for high-performing agencies from annual to every couple years. HRSA, however, has increased requirements.
- SAM Care replaced State Part B in August 2009 during the 2009-2010 year. Services were transferred to the County along with associated funding, but the total State investment in the County was cut from $24.3 to $10.9 million, mostly to prevention services.

➲ Commission and OAPP staff will work together to develop a streamlined summary for each Annual Report. P&P will present at the July Commission meeting, including P&P acceptance of the reports and associated questions/answers.

9. **FY 2011 P&A-SETTING PROCESS**:
   - Staff will email guidance to P&P members from the Health Care Reform Task Force when it is completed.
   - Hold additional meeting to finalize priorities and address contingency planning on 7/19/2011, 1:30 to 4:30 pm.
   - Staff will develop allocations work sheet for the 7/26/2011 P&P meeting.

10. **RESOURCE ANALYSIS SUBCOMMITTEE**: This item was postponed.

11. **NEXT STEPS**: This item was postponed.

12. **ANNOUNCEMENTS**: There were no announcements.

13. **ADJOURNMENT**: The meeting adjourned at 12:20 pm in memory of Suzi Rodriguez and Jean Harris.