

**VIRTUAL: Finance Committee  
Meeting Minutes of  
Thursday, January 4th, 2024  
2:00 p.m. – 4:00 p.m.**

Office of HIV Planning, 340 N. 12<sup>th</sup> St., Suite 320, Philadelphia PA 19107

**Present:** Michael Cappuccilli, Keith Carter, Alan Edelstein (Co-chair)

**Guests:** Ameenah McCann-Woods (DHH)

**Staff:** Beth Celeste, Tiffany Dominique, Mari Ross-Russell, Kevin Trinh

**Call to Order:** A. Edelstein called the meeting to order at 2:05 p.m.

**Introductions:** A. Edelstein skipped introductions.

**Approval of Agenda:**

A. Edelstein referred to the January 2024 Finance Committee agenda and asked for a motion to approve the January 2024 agenda. **Motion: K. Carter motioned; M. Cappuccilli seconded to approve the January 2024 Finance Committee agenda via Zoom poll. Motion passed: 2 in favor, 1 abstaining.** The January 2024 agenda was approved.

**Approval of Minutes (November 2nd, 2023):**

A. Edelstein referred to the November 2023 Finance Committee minutes. **Motion: K. Carter motioned; M. Cappuccilli seconded to approve the November 2023 meeting minutes via Zoom Poll. Motion passed: 2 in favor, 1 abstaining.** The November 2023 minutes were approved.

**Report of Co-chairs:**

None.

**Report of Staff:**

M. Ross-Russell said she would be doing the HIPC year-to-date expenditure report next month. Once they completed the year-end report, they would review the form for monitoring the administrative mechanism.

**Presentation:**

***-Third Quarter Spending Report-***

A. McCann-Woods welcomed the committee and said the presentation would cover spending in the third quarter up to December 31st, 2023. There was a 12% or \$2,152,513 underspending of the total award, including Minority AIDS Initiative (MAI) funds. This was largely due to staff vacancies and late invoicing. She said carry-over funding was not reconciled with subrecipients up to November 30th and spending had not yet been calculated. Subrecipients of carryover funds had 6 months to spend the funding. She explained that the committee would see higher figures for underspending. This was because the two hospital sites, PHMC and UAC, had cumbersome fiscal processes which resulted in delays in invoices and budgets.

A. McCann-Woods said DHH had 50 contracts spread across 19 agencies. These invoices have not yet been processed up to November. This caused delays, so corrections to invoices were needed. She also mentioned staffing shortages. With this in mind, A. McCann-Woods said the numbers in the presentation did not reflect the real amount of spending in the third quarter. Several months of invoicing, such as those in October and November, may not be counted due to delays. M. Ross-Russell said it was likely the financial numbers were only accounted for up to November. A. McCann-Woods agreed that it was likely since agencies still had time to submit their finances.

The committee started with the review of Philadelphia County's spending report. A. McCann-Woods reviewed underspending first. The first service category was the AIDS Drug Assistance Program (ADAP) with an underspending of 17% or \$608,107. She said this was due to staff turnover, late invoicing, and operational expenses. The Drug Reimbursement Program had an underspending of 63% or \$220,041. This was due to lower utilization. Oral Health had an underspending of 24% or \$91,996. This was due to operational expenses and was on track to level out by the end of the year. Substance Abuse Treatment - Outpatient had underspending of 24% or \$91,996. This was due to staff turnover, operational expenses, and vacancies. Transportation was underspent by 16% or \$1,434. A. McCann-Woods said the funding was negligible and should level out by the end of the year.

Emergency Financial Services (EFA) had an overspending of 33% or \$11,581. A. McCann-Woods attributed this to carryover funding being spent first and an increase in utilization. EFA AIDS Pharmaceutical Assistance (EFA-Pharma) had overspending of 115% or \$187,332 due to carryover funds being used first and increased utilization. EFA-Pharma's spending situation would not be clear until the finances were processed. EFA-Housing had an overspending of 12% or \$42,577. A. McCann-Wood believed this was due to higher utilization and believed it would level out by the end of the year. Food Bank Services and Home Delivered Meals were overspent by 33% or \$129,911. This was due to higher utilization and carryover funding. A. McCann-Woods concluded that in most service category scenarios, utilization was increasing while carryover funds were still being used. M. Ross-Russell said COVID-19 safety net programs expiring may be contributing to this situation. A. McCann-Woods agreed and noted that Housing Assistance was overspent by 33% or \$19,568 due to carryover funding.

A. McCann-Woods moved on to the review of the PA Counties' financial spending report. She started with the underspending. Ambulatory Outpatient Care was underspent by 15% or \$96,358. Medical Case Management was underspent by 16% or \$165,097. Substance Abuse Treatment was underspent by 14% or \$22,973. She attributed the underspending to staff turnover and late invoicing. EFA-Pharma was underspent by 52% or \$79,834. She said this was typical for the service and the funding would be reallocated elsewhere. Transportation Services were underspent by 20% or \$59,132. A. McCann-Woods believed this was not due to lower utilization and was instead caused by late invoicing.

Oral Health Care was overspent by 11% or \$15,583. She said this could be due to either utilization or someone buying more supplies or equipment. EFA was overspent by 33% or \$6,816. A. McCann-Woods said this was due to carryover funding impacting the finances. Food

Bank and Home Delivered Meal Services were overspent by 17% or \$10,856. The increased costs were due to higher utilization. Housing Assistance Services were overspent by 31% or \$15,323. A. McCann-Woods believed this was due to higher utilization but she needed more information.

M. Ross-Russell asked if inflation affected the increase of spending in each service category. A. McCann-Woods believed this was correct and said she noticed the rent and other expenses had been increasing statewide.

The New Jersey Counties had similar underspending in Ambulatory Outpatient Care. This service category had 14% underspending or \$118,156. Medical Case Management was underspent by 31% or \$102,772. This was due to staff turnover and late invoicing. EFA-Housing was underspent by 67% or \$55,380. This was due to lower utilization. A. McCann-Woods said there were many discussions about how EFA services were communicated to each region's Ryan White eligible patients. She could not say anything concrete about these discussions yet other than the fact that there was a need to communicate these services in New Jersey. Transportation was overspent by 14% or \$17,473. She reminded the committee that Transportation services were chiefly used for medical transportation and MCM services.

The next section of the report was the Systemwide Allocations. The services consisted of Information and Referral, Quality Management Activities, Systemwide Coordination, Capacity Building, Planning Council Support, and Grantee Administration. They were overall underspent by 14% or \$ 2,461,821. A. McCann-Woods attributed this to vacancies.

M. Cappuccilli asked A. McCann-Woods to further explain Capacity Building. A. McCann-Woods said it was catch-all activities supporting providers in other programming but not related to service categories. M. Ross-Russell said, historically, the service category was training to assist providers in meeting compliance. A. Edelstein recalled this category as infrastructure support, noting that funding could be spent on consultants. He said there was a time when the funding was being spent on computers and other technology. A. McCann-Woods knew that when capacity-building support was needed, the request would require a proposal. A. Edelstein asked A. McCann-Woods to find examples for current use of this funding. A. McCann-Woods said she would look into this. M. Ross-Russell asked if they still had to pay for HRSA consultants to provide tech support. T. Dominique said if there were many vacancies in the service categories, there would be no one to train. The committee agreed this made sense.

The committee moved to review the MAI spending. ADAP had underspending of 11% or \$232,102. Medical Case Management had underspending of 12% or \$120,759. A. McCann-Woods said this was underspent for the same reasons they had discussed earlier.

**Action Item:**

***-Reallocation Request-***

There were two parts to the Reallocation Request. A. McCann-Woods said the contract period was closing and the administrative mechanism employed by HIPC had proven very effective in mitigating underspending. She said the Recipient was requesting permission to reallocate any remaining underspending to the following direct service categories: EFA, food bank/

home-delivered meals, medications, oral health care, and medical transportation services. A. McCann-Wood said they chose these services because they were not tied to any staff and were consumables.

**Motion:** K. Carter motioned; M. Cappuccilli seconded the motion to bring forth the reallocation request for the above-mentioned services to the next HIV Integrated Planning Council meeting with a recommendation for approval from the Finance Committee.

**Motion passed: 2 in favor, 1 abstained.** The motion to bring the proposal to reallocate funding for the above-mentioned services to the HIV Integrated Planning Council was passed.

The second reallocation request pertained to a Philadelphia provider who noticed a decreased utilization in the substance abuse services they provided and a growing need for mental services for their patient/client population. The Recipient would like to reclassify their substance abuse funding to Mental Health Services. The Recipient requested permission to reallocate funding as follows: Decrease Substance Abuse services by 11.7% or \$60,000.00 and increase Mental Health Services by 8.4% or \$60,000.00

M. Cappuccilli asked if the provider had experience with mental health services or if this was a service that they had not been funded for before. A. McCann-Woods said the provider had been funded for mental health services before but not by DHH. She said they had the capacity and experience to provide mental health services.

**Motion:** K. Carter motioned; M. Cappuccilli seconded the motion to bring the proposal to reallocate funding for the provider to the next HIV Integrated Planning Council meeting with a recommendation for approval from the Finance Committee.

**Motion passed: 2 in favor, 1 abstained.** The motion to bring the proposal to reallocate funding for the provider to the HIV Integrated Planning Council was passed.

**Other Business:**

None.

**Announcements:**

None.

**Adjournment:**

A. Edelstein called for a motion to adjourn. **Motion:** K. Carter motioned; M. Cappuccilli seconded to adjourn the January 2024 Finance Committee meeting. **Motion passed:** All in favor. Meeting adjourned at 2:58 p.m.

Respectfully submitted,

Kevin Trinh, staff

Handouts distributed at the meeting:

- January 2024 Finance Committee agenda
- November 2023 Finance Committee Meeting Minutes