



Quick Reference Handout 7.2: Assessment of the Administrative Mechanism

Legislative Requirement

The Ryan White HIV/AIDS Program (RWHAP) legislation requires each Part A program's planning council to "assess the efficiency of the administrative mechanism in rapidly allocating funds to the areas of greatest need within the eligible area and at the discretion of the planning council, assess the effectiveness, either directly or through contractual arrangements, of the services offered in meeting the identified needs." [Section 2602(b)(4)(E)]. This responsibility is generally referred to as the "assessment of the administrative mechanism" or AAM. Some planning bodies also do an assessment of the administrative mechanism (AAM), though this is not legislatively required.

Some planning councils/planning bodies (PC/PBs) also become involved in assessing the effectiveness of services, usually in coordination with recipient activities related to use of performance measures and clinical outcomes, but this is not part of the AAM. This document focuses on planning and implementing an annual AAM.

What is an AAM?

The AAM is a review of how quickly and well the Part A recipient (and administrative agency, if one exists) carries out the processes needed to contract with and pay providers for delivering HIV-related services, so that the needs of people living with HIV/AIDS (PLWH) throughout the Part A service area are met. Emphasis is on ensuring services to PLWH and to communities with the greatest need for Ryan White services.

The Part A Manual says:

"Its purpose is to assure that funds are being contracted for quickly and through an open process, and that providers are being paid in a timely manner..."

Generally, assessments are based on time-framed observations of procurement, expenditure, and reimbursement processes. For example, the assessment could identify the percent of funds obligated within a certain time period (e.g., 90 days) from the date of grant award and the percent of providers that are reimbursed within a specified number of days following submission of an accurate monthly invoice. Reimbursement processes can be tracked from date of service delivery through invoicing to payment, with documentation of delayed payments and, where feasible, any adverse impact on clients or providers. This information is usually obtained from the grantee in aggregate form. Sometimes the planning council will arrange to obtain information directly from providers..." [p 101]

This is the *only* PC/PB task that involves looking at procurement and contracting, which are recipient responsibilities.

HSRA/HAB Expectations

HSRA/HAB expects each PC/PB to conduct an AAM annually, provide a written report with conclusions and recommendations to the recipient, and receive a written response from the recipient. The Notice of Funding Opportunity (NOFO) for the annual competitive Part A application sometimes asks for a summary of AAM findings and recommendations and the recipient's response, and occasionally asks that they be submitted as an attachment to the application.

Scope of the AAM

Topics covered in the AAM typically include the following:

- **The procurement process for RWHAP services**—including outreach to potential new service providers (“subrecipients”), dissemination of the Request for Proposals (RFP), number of applications received and funded, the review process for proposals to provide services, including use of an objective review panel and the composition of that panel, and criteria used in selection of subrecipients as service providers.
- **Contracting**—including the length of time between Notice of Grant Award to the recipient and completion of fully executed subcontracts with service providers/subrecipients.
- **Reimbursement of subrecipients**—including the monthly reporting and invoicing process and the length of time between recipient (or administrative agency) receipt of an accurate invoice with required documentation and issuance of a reimbursement check to the provider, as well as obstacles to timely reimbursement.
- **Use of funds**—whether contracting and expenditure of Part A funds are consistent with allocations made by the planning council,¹ and the proportion of formula and supplemental Part A funds that are expended by the end of the program year. The PC needs this information for the Letter of Assurance (or for a PB, the Letter of Concurrence) that must be included each year in the Part A application.

Measures should be consistent with local, state, or federal requirements. For example, the recipient or administrative agency is required to reimburse subrecipients within 30 days after receiving a correct invoice. A competitive procurement process should include objective review by a panel of at least three subject matter experts.²

In addition to these essential topics, the AAM sometimes addresses another topic important to the PC/PB:

- **Engagement with the PC/PB in the planning process**—how and how well the recipient and PC/PB work together to carry out shared and coordinated planning tasks, to meet legislative requirements, the extent to which the PC/PB receives the data needed for sound decision making, and evidence of success in maintaining and strengthening the system of HIV care, so desired performance and standards and clinical outcomes are reached. If there is an MOU between the PC/PB and recipient, the AAM looks at the extent to which both parties met their commitments, including the extent to which all agreed-upon data and reports from the recipient were

¹ Planning bodies that are not planning councils offer only recommendations, so this requirement does not apply to them.

² The 30-day requirement is stated in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (Uniform Guidance), 4 CFR 75.305, available at <https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&SID=501752740986e7a2e59e46b-724c0a2a7&ty=HTML&h=L&r=PART&n=pt45.1.75>. The requirement for an objective review panel to include at least “three unbiased reviewers with expertise in the programmatic area for which applications are submitted” is in the HHS Grants Policy Statement, p I-29. See <https://www.hhs.gov/sites/default/files/grants/grants/policies-regulations/hhsgps107.pdf>.

received on schedule by the PC/PB and its committees. PC/PBs and recipients often agree to include this information as a useful way to assess their relationship and compliance with mutual commitments.

Sometimes PC/PBs want to include monitoring of other aspects of recipient management in the AAM—but HRSA/HAB does not support this: “The planning council should not be involved in how the administrative agency monitors providers” [Part A Manual, p 102].

Methods for Conducting an AAM

PC/PBs use a variety of methods to carry out their AAMs. Most often, the information is collected through a combination of the following:

- ▶ **Obtaining summary information from the recipient** about each of the topics. For example, this is likely to include the percent of contracts fully executed within 30, 60, and 90 days after notice of grant award; the average time (and the range of days) required each month for the recipient to issue checks to funded providers following receipt of accurate invoices; and the amount and percent of Part A funds allocated by the PC/PB to each service category versus the amount and percent actually spent on each service category. Recipients sometimes report this information annually, but may also provide some data twice annually or quarterly.



TIP: Agree with the recipient on data to be requested, and if possible, document agreements in a chart format. Reach agreement at the beginning of the program year. This will make it easier for the recipient to collect information throughout the year and provide the needed information promptly.

- ▶ **Review of expenditure and related data**, usually provided to the PC/PB monthly by the recipient, including expenditures by service category, under- and over-expenditures, and progress and concerns related to funding, contracting, and program management.



TIP: As with the summary data provided annually, reach agreement with the recipient at the beginning of the year on the scope and format of monthly data reports, including a financial data chart and a template for narrative updates. Maintain the same format year after year if it works well, but review content and format at least every two years, and agree on changes as needed.

- ▶ **A survey of subrecipients/funded providers** to learn about their experiences related to procurement, contracting, and reimbursement. This is often done using an online survey format and a combination of multiple-choice or rating-scale questions and a few open-ended questions. Some PC/PBs do a provider survey every year, others less often.



TIP: To obtain a reasonably high response rate (more than half the funded providers), keep the survey as short as possible, and use questions that just require a rating or checking a box. Be sure the survey is sent to the right person (who has the information requested), and send frequent reminders to complete the survey.

Example of Rating Scale Questions

	Always	Usually	Rarely	Never	N/A, Don't know
The recipient processes invoices within two weeks of submission.	<input type="radio"/>				

The Recipient Office staff informed my agency of reallocation processes and the requirements of our spending plan in order to make necessary adjustments during the year.

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Strongly Agree Agree No Opinion Disagree Strongly Disagree

Examples of Well-Written Questions

Provider Survey Questions

Questions should be clear and direct. For example, here are some questions for providers regarding the procurement process and reimbursements. The questions use a rating scale response option.

- The recipient provides feedback to each bidder.
 - The recipient processes invoices within 2 weeks of submission.
 - The recipient issues payments within 30 days following submission of complete, accurate invoices.
 - The Recipient Office staff informed my agency of reallocation processes and the requirements of our spending plan in order to make necessary adjustments during the year.
- Sources: Memphis and West Central Florida Care Council AAM provider surveys.*

PC Member Survey Questions

The example questions below address how the recipient works with the PC and whether it follows allocations and directives established by the PC. These questions use a rating scale response option.

- The Planning Council receives regular monthly reports on service utilization and expenditures by service category.
 - The Planning Council receives a year-end summary of expenditures, utilization, unit costs, and client demographics by service category.
 - The recipient has a staff member at each committee meeting except when asked not to attend.
 - The recipient's contracting follows Planning Council service category priorities, allocations, and reallocations.
 - The recipient implements directives from the Planning Council on how best to meet priorities.
- Sources: Memphis 2015 AAM PC survey and the 2012-2013 West Central Florida Care Council survey.*

Once all the information has been collected, and data from providers and PC/PB members has been aggregated and summarized by question and topic, the responsible committee reviews the data, identifies findings for each question and topic area, and agrees on conclusions and recommendations. Often the committee outlines the content, and then either a subcommittee or the PCS staff (or a consultant) prepares the written report for committee and full PC/PB review and approval.

Challenges in Conducting an AAM

- **Reviewing data without provider names.** The AAM is usually carried out jointly by a PC/PB committee and a Planning Council Support (PCS) staff member or consultant. PCS staff involvement is particularly important because of the expectation that, in all their work, PC/PBs receive and discuss data about providers only in the aggregate, overall or by service category, **not** by agency name. The AAM often involves obtaining information from individual subrecipients. PCS staff (or a consultant) typically receives provider surveys and aggregates that information, so the PC/PB committee receives combined data from those surveys, but members do not see information that identifies or could be linked to subrecipients by name.
- **“Mission creep.”** As the *Part A Manual* indicates, *“This is the only situation in which the planning council considers issues related to procurement and contract management, which are the grantee’s sole responsibility.”* Assessing the administrative mechanism is not meant to be an evaluation of the recipient or of individual subrecipients/service providers. There is sometimes a tendency to broaden the scope of the AAM to include issues that are not appropriate for PC/PBs to address. PC/PB leaders and the appropriate committee should be familiar with HRSA/HAB guidance through the *Part A Manual*. Knowledgeable PCS staff can also help avoid this situation.

Examples of AAM Methods

Some Planning Councils post their assessment reports. Example A summarizes the methodology used for the Orlando EMA HIV Services Planning Council’s FY 2015 assessment of the administrative mechanism; the report is available online.³ Example B describes the methods and sources used by the Tampa/St. Petersburg EMA for its FY 2012 AAM; that assessment report,

EXAMPLE A

Scope and Methodology: Assessment of the Administrative Mechanism, Orlando EMA

Scope: “This report addresses the following areas: a) the extent to which the recipient’s office follows the Planning Council’s directives regarding the ways to best meet needs and their spending priorities; b) the renewal and contracting processes; c) the filing/reimbursement process; d) survey findings based on responses from Providers and Planning Council members; e) interviews with Recipient, Fiscal and Procurement staff; and f) file reviews of invoices and contracts.”

Methods: “Various methods were used to collect the information needed to address the Assessment of the Administrative Mechanism. These methods included: a literature review, including a review of previous and other EMA’s reports; analysis of completed 2015–16 provider surveys and Planning Council member surveys; interviews with the Recipient, Fiscal and Procurement departments; and file reviews. The provider and Planning Council member surveys were handled confidentially which enabled candid responses without repercussions.”

³ Center for Change, Inc., “Assessment of the Administrative Mechanism, Fiscal Year 2015/2016,” Orlando EMA HIV Service Planning Council, available at: <https://www.orangecountyfl.net/Portals/0/Resource%20Library/families%20-%20health%20-%20social%20svcs/Ryan%20White/Assessment%20of%20the%20Administrative%20Mechanism.pdf>.

including tools, is also available online.⁴ Both assessments follow Part A Manual guidance on the scope of the assessment. PC/PBs are usually willing to share tools and reports. PCS staff should contact colleagues for advice and assistance when needed—and make them accessible to other PC/PBs by posting their own methods, tools, and reports on their websites where feasible.

⁴ Health Council of West Central Florida, under contract by The Health Councils, Inc., “West Central Florida Ryan White Care Council Assessment of the Administrative Mechanism Part A, 2012-2013.” Available at: <http://thecarecouncil.org/wp-content/themes/RyanWhite/files/AAM%20Part%20A%202012%2013%20Report%20Final.pdf>.

EXAMPLE B

Methodology for the Assessment of the Efficiency of the Administrative Mechanism, West Central Florida Ryan White Care Council, FY 2012-2013

“The Assessment of the Administrative Mechanism examines the allocations determined by the Care Council, contracting of those services, and reimbursement for those services. Data was collected through the following means:

- Provider Survey
- Care Council Survey
- Review of Care Council Approvals of Allocations and Re-allocations
- Review of Provider Contracts and Contract Amendments
- Review of Provider Invoices and Reimbursement Records
- Review of Committee Meeting Minutes
- Interviews with Grantee staff, provider staff, and Care Council members

Both the Provider Survey and the Care Council Survey questions were reviewed by the Resource Prioritization and Allocation Recommendations Committee (RPARC). The Health Council of West Central Florida announced the surveys via email, which provided a link to the web-based survey tool.”