Priority Setting and Resource Allocations Overview

(based on *HRSA Ryan White Technical Assistance Manual "Priority Setting and Resource Allocation"*)

The Planning Council must successfully plan and implement decision-making processes which set priorities and allocate resources among service categories, based on documented needs and client preferences. This priority-setting function is a legislative requirement for Part A Planning Councils and is among the most important and challenging responsibilities of planning bodies, especially given the severe need and limited resources in every community. Planning bodies often must make decision with insufficient or inadequate information, such as limited cost information and a lack of evaluation data about the quality or cost and outcome effectiveness of services.

The process is based on some important assumptions:

- There is no one "right" way to set priorities and allocate resources.
- Emphasis must be placed on good practice – or "what works," based on planning body experience.
- Planning bodies review priorities each year, though they may decide to continue existing services.
- The decision-making process should consider many different perspectives, including identified consumer needs across diverse populations.
- The priority-setting and resource allocation decisions are subject to public scrutiny and to grievance procedures. Therefore, the process used to reach these decisions must be public and fully documented.
- Conflict of interest is often a concern in the priority-setting and resource allocation process; the planning body needs clear policies that address this issue.
- Priority setting is the responsibility of the entire planning body; the planning body as a whole is expected to make the final decisions about priorities and the resources allocated to them.

Planning Councils are responsible for establishing priorities for the allocation of funds within the eligible area that are consistent with locally identified needs and requires allocating resources across service categories, whether by absolute dollar amounts or percentages of total funds. Priority-setting includes guidance on how best to meet each priority and additional factors that the grantee should consider in allocating funds and must be based on documented need, cost and outcome effectiveness, priorities of the HIV communities for whom the services are intended, and the availability of other resources.

Planning councils are strictly prohibited from involvement in the selection of HIV service providers to receive Part A funding; selection of those entities is the responsibility of the grantee. In making decisions about service priorities, however, the planning councils may include guidance about a preferred model of service delivery, a subpopulation or geographic area that needs specific resources or other such detail, but the planning council still remains prohibited from selecting actual providers.

Priority-setting and resource allocation may include the following steps:

- Agree on priority-setting and resource-allocation task and its desired outcome
- Determine and obtain available information "inputs"
- Identify a list of service categories for consideration
- Agree on principles and criteria to be applied to decision making
- Set service priorities, including how best to meet them
- Estimate needs by service category
- Allocate resources to service categories
- Provide decision to the grantee for use in procurement
- Identify areas of uncertainty and needed improvement

Principles and Criteria for Decision-Making Rewritten June 2016

Principles

1. Decisions will be data-driven.
2. Decisions are expected to address overall needs within the 6 county service area, not narrow advocacy concerns.
3. Decisions will focus on maintaining a full continuum of care.
4. Services shall allow for a flexible response to new and emerging needs.
5. Services shall be culturally appropriate.
6. Services shall be cost effective.

Criteria

1. Priority will be given to services that have documented impact on client health outcomes and where there is a documented unmet need for the service.
2. Priority will be given to services that address the needs of low-income historically underserved and severe-needs populations, including clients based on their health status.
3. Especially for severe need population, consumer preferences shall be given priority.
4. Priority will be given to services that maintain consistency of the continuum of care; changes to the continuum will be made only with documented change in needs.
5. Priority will be given to services that provide a balance between ongoing needs and emerging needs.
6. Priority will be given to services where no other funds are available to meet the need.
7. Unless a core services waiver has been obtained, priority will be given to maintaining the HRSA required 75% funding allocated to core services.

Once the entire process has been completed for the year, the planning body should review the experience and identify ways to improve the process for the future. This could include:

- Identifying missing or incomplete information that affected decision-making;
- Considering how to improve the amount and quality of information "inputs" through needs assessment, evaluation, or other approaches;
- Reviewing the decision-making process for weaknesses or problems and seeking solutions with special attention to any aspects of the process that may make the planning body vulnerable to a grievance;
- Reviewing how conflict of interest was managed and whether additional efforts are required;
- Recording recommendations and plans for improvement and assigning responsibility for follow-up to be sure they are carried out.

The planning body should prepare itself for the possibility of a grievance challenging the year's priority-setting and resource-allocation process or results, ensuring that documentation of the process are sufficient to respond to a grievance. The planning body should ensure that an appropriate grievance policy and process are in place.