



The ADAP Watch

As of November 15, 2006, a total of 340 individuals were on AIDS Drug Assistance Program (ADAP) waiting lists in three states. In addition, four ADAPs have implemented other cost-containment measures in the eight months since the 2006 ADAP fiscal year began. Five ADAPs anticipate the need to implement new or additional cost-containment measures during the ADAP fiscal year, which ends March 31, 2007.

ADAPs provide life-saving HIV treatments to low income, uninsured, and underinsured individuals living with HIV/AIDS in all 50 states, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, and Guam. Since the advent of highly active antiretroviral therapy (HAART) in 1996, AIDS deaths have declined and the number of people living with HIV/AIDS has markedly increased. ADAPs have played a critical role in making HAART more widely available.

Unfortunately, federal funding for ADAPs in recent years has been insufficient to meet the growing demand for HAART and other HIV-related medications. As a result, ADAPs have had no choice but to institute waiting lists and other cost-containment measures that have limited access to medications for individuals in need. Three states currently have ADAP waiting lists; two of the three have had waiting lists for nearly two years. The third state has been forced to reduce its ADAP formulary in addition to maintaining an extensive and growing waiting list. Three states have been able to eliminate their waiting lists due to Medicare Part D savings and savings from additional eligibility determinations.

Many ADAPs saw relief to their programs in 2006 due to policy changes as a result of the new Medicare Part D prescription drug benefit. However, much of these savings are one-time only and are not expected for the future. These one-time savings are generally attributed to the movement of people, who are dually eligible or eligible for the full low-income subsidy, off of ADAP and onto Medicare Part D.

Congress will not finalize FY2007 funding legislation until next year when the 110th Congress commences and it is unknown whether Congress will complete funding legislation by April 1, 2007 when the ADAP fiscal year begins. The recent passage of the Ryan White Treatment Modernization Act is predicated on a \$70 million increase in Title II base funding. This increase is essential in order to protect states from excessive funding losses as funding shifts as a result of the new law. Additional funding for ADAP on top of the \$70 million increase in the Title II base is also necessary for ADAPs to remain solvent. Currently, the House bill includes no increase for ADAP and the Senate bill includes an increase of \$55 million. Neither the flat-funding in the House bill nor the proposed increase in the Senate bill are sufficient to cover normal growth of \$100 million annually in ADAPs and to expand programs to include individuals who know their HIV status but are not receiving HAART. The estimated need for ADAP exceeds FY2006 funding levels by \$197 million. Without substantial financial support that is both stable and predictable, waiting lists and other cost-containment measures will continue to be a permanent feature of this critical program.



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ADAPs with Waiting Lists (340 individuals, as of November 15, 2006)

Alaska: 10 on waiting list
Montana: 22 on waiting list
South Carolina: 308 on waiting list

ADAPs with Other Cost-containment Strategies (instituted since April 1, 2006)

Alabama: Capped enrollment
Indiana: Capped enrollment
Oklahoma: Annual per capita expenditure limit
South Carolina: Reduced formulary

*Seven ADAPs have capped enrollment for Fuzeon access and seven states do not include the drug on their formularies (45 ADAPs reporting);
Two states have capped enrollment for Aptivus access and six states do not include the drug on their formularies (45 ADAPs reporting).*

ADAPs Anticipating New/Additional Cost-containment Measures (before March 31, 2007*)

Idaho
Louisiana
Michigan
Mississippi
Puerto Rico

** March 31, 2007 is the end of ADAP FY 2006. ADAP fiscal years begin April 1 and end March 31.*