



**Ryan White Program
Part B State Matching Requirements Fact Sheet**

Purpose of State Match Requirement

- To ensure federal Ryan White Program funds expand HIV-related services and do not supplant state contributions for HIV-related care and treatment; and
- To assure a concomitant level of state support for HIV/AIDS care.

Part B Base, ADAP Earmark and Emerging Communities Policy Summary

The components of the Ryan White Program which require a state match include the two grants allocated based on formula: Part B base and ADAP earmark. The total of these two awards comprise the federal funds that must be matched with state funds. The ADAP Supplemental grant program has a separate match requirement (see below).

- The minimum rate of the match varies based on the number of years the state meets the “one percent threshold”. After the state maintains at least one percent of total AIDS cases for two consecutive years, the state is required to match federal funds at the year 1 level. For every year thereafter in which the state has at least one percent of the total AIDS cases, the state will pay the next escalated match (year 2, then year 3, etc.) up to a maximum amount of one state dollar for every two federal dollars (year 5).

Escalated Match Following Two Consecutive Years with 1% of the U.S. AIDS Cases	Dollar Matching Requirement of State Funds to Federal Funds
1 st Year with 1% of AIDS cases	\$1 state funds for each \$5 of federal funds
2 nd Year with 1% of AIDS Cases	\$1 state funds for each \$4 of federal funds
3 rd Year with 1% of AIDS Cases	\$1 state funds for each \$3 of federal funds
4 th Year with 1% of AIDS Cases	\$1 state funds for each \$2 of federal funds
5 th and subsequent Years with 1% of AIDS Cases	\$1 state funds for each \$2 of federal funds

- Once a state reports at least one percent of the total U.S. AIDS cases for two consecutive years and subsequently provides the state match, it must pay the next rate higher than the last match rate it made, regardless of whether the state continuously maintains at least one percent of cases or whether there were lapses between years in which the state reported at least one percent of cases (see Examples).
- The two-year AIDS cases data upon which the match is based is made available in October preceding the start of the next Part B fiscal year. The two-year period for the purpose of determining the state match is the immediate two federal fiscal years (October 1-September 30) prior to the Part B fiscal year.

- A state's matching requirement is proportional to the amount of federal monies actually expended. In cases where Part B grants have not been fully expended, the state match requirement will be lowered to a rate corresponding with actual grant expenditures.
- Federal funds, including carryover funds, must be matched in the year they are expended. Therefore, any carryover amount approved for use in future budget periods must be matched in the year in which it is expended, regardless of whether the state obligated and/or expended money for a match in the original award year.
- If a grantee cannot fulfill state match obligations, subsequent grant awards will be offset by the proportional unmatched amount, and those funds will be reallocated to other Part B grantees according to established formulas.

State Match Example I:

State X had one percent of total AIDS cases in FY2005, fell below one percent in FY2006, and again had one percent in FY2007 and FY2008. State X must match every five federal dollars with one state dollar in Part B FY2009, the Year 1 match, and thereafter must match at the next higher rate each successive year if required to match.

State Match Example II:

State Y had one percent of the total AIDS cases in FY2004 and FY2005, so State Y had to match federal funds for FY2006 at a rate of one state dollar for every five federal dollars (Year 1 match). State Y then had less than one percent of total AIDS cases in FY2006 and FY2007. In FY2008, State Y again reported one percent of AIDS cases, so in Part B FY2009, State Y must provide a state match at the rate of one State Y dollar for every four federal dollars, the Year 2 match.

ADAP Supplemental Policy Summary

Jurisdictions applying for and receiving ADAP Supplemental Treatment Drug grants are required to match their award at a rate of \$1 in state funds for each \$4 of federal funds provided in the supplemental grant. Grantees can apply for a waiver from the ADAP Supplemental matching requirement if they have complied fully with their Part B base grant matching requirements (grantees who have not met the case threshold for Part B matching funds are not eligible for the ADAP Supplemental match waiver. The waiver request must be included in the narrative application for ADAP Supplemental grant funds submitted to the HIV/AIDS Bureau.

Compliance Elements

The elements that states may use to meet matching requirements are defined in the Ryan White Treatment and Modernization Act as "HIV-related activities." These elements have been more specifically interpreted to include a range of HIV activities including:

- HIV Care and treatment
- HIV Prevention
- HIV Surveillance
- HIV Research

Acceptable match elements can be provided through cash or in-kind (non-cash) donations provided directly through the state or through public and private entities. Many state match elements may also be used to meet Maintenance of Effort (MOE) requirements (see link to "MOE Fact Sheet"). However, rebates from pharmaceutical manufacturers may only be used to meet either state match or MOE requirements, but not both. All matching elements must be allowable under the applicable cost principles as outlined in the [OMB Circular A-87, Principles for State, Local, and Indian Government](#). All costs are subject to audit for purposes of establishing compliance with the matching requirement.