

**ADAP Crisis Task Force  
Fact Sheet  
December 2022**

The ADAP Crisis Task Force (ACTF) negotiates reduced drug prices on behalf of AIDS Drug Assistance Programs (ADAPs) in all 50 states, the District of Columbia, and the U.S. territories.

The ACTF was formed in 2002 by a group of state AIDS directors and ADAP coordinators concerned about a nationwide fiscal crisis facing ADAPs, including waitlists and other cost-containment measures established in a number of states. Leveraging voluntary supplemental discounting and rebates allowances under the 340B Drug Pricing Program, the ACTF began negotiations in 2003 with the eight companies that manufactured antiretroviral (ARV) drugs at the time.

The ACTF has continued its work securing and maintaining reduced prices with companies that manufacture ARV drugs and biologics, as well as medications for viral hepatitis, AIDS-related opportunistic illnesses, and HIV-associated complications. The resulting savings has allowed for ADAPs to maximize their eligibility criteria, establish comprehensive formularies, and fund ARV treatment support services essential to achieving health equity among people living with HIV.

A key argument for special ADAP pricing secured by the ACTF is that ADAPs are unlike other payers of health care services, including those for people living with HIV. ADAPs are not entitlement programs with guaranteed funding, nor are they private insurers able to ensure cost containment with premiums or deductibles. Additionally, ADAPs do not receive the cost-effectiveness benefits of high-cost ARVs, such as reduced hospitalization or long-term care.

The ACTF-negotiated net prices for ARV drugs and biologics average a discount of more than 50% off Wholesaler Acquisition Cost (WAC) prices.

#### **ACTF Negotiation Principles**

- State members of the ACTF represent a critical mass (more than 65% of national ADAP expenditures) for successful negotiations;
- Pricing and agreement term negotiations are evidence based, including ACTF analyses of national ADAP policies, state fiscal data, clinical trial results, and Health and Human Services' *Guidelines for the Use of Antiretroviral Agents in Adults and Adolescents Living with HIV* recommendations;
- Significant and multi-year pricing discounts on ARVs and other essential medicines for full-pay ADAP programs and ADAP-funded insurance programs;
- Minimize the need for utilization management, including formulary restrictions, prior authorization, or delays in adding new drugs;
- All ADAPs must benefit equally from negotiations and no "quid pro quo" arrangements with manufacturers.

#### **Confidentiality**

Section 340B of the Public Health Service Act (42 U.S.C. § 1396r-8 (b)(3)(D)); Section 1927(a)(5) of the Social Security Act; and voluntary pricing agreements between the ACTF, ADAPs, or NASTAD on their behalf, detail the confidentiality of drug pricing information that applies to negotiated ADAP pricing. All individuals who participate in ACTF processes and negotiations (member state representatives, consultants, and NASTAD staff) sign confidentiality statements agreeing to protect the confidentiality of pricing for each company with which voluntary agreements have been executed.

#### **Relationship between NASTAD and Task Force**

NASTAD convenes the ACTF. NASTAD staff are non-voting members of the ACTF.

**ADAP Crisis Task Force**

**Arizona – California – District of Columbia – Florida – Illinois – New York –  
North Carolina – Pennsylvania – Texas – Virginia – Washington**