

Impact of Sequestration on People Living with HIV/AIDS



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HIV/AIDS: The Big Picture



- This country has taken a primary position in battling HIV/AIDS at home and outside of this country.
- Efforts to prevent HIV and care for individuals who are infected are by definition in this country's best interest since they safeguard the public's health. Failing to deal with the situation will doubtlessly mean a higher number of infections and deaths and also associated higher health costs.

HIV/AIDS: Big Picture in the US



- Approximately 50,000 new infections every year
- 1.1 million individuals are living with HIV
- Members of ethnic/racial minority groups bear an excessive burden of illness: African Americans constitute only 12% of people in this country but comprise 44% of new infections
- Low income individuals are heavily afflicted, out of proportion to their representation in the population: almost 90% of Ryan White Program recipients have an income below 200% of the Federal Poverty Level.

Prevention, Treatment, and Care



- Thanks to ARVs, HIV has been transformed from a terminal disease to a manageable chronic illness for people who can obtain reliable, financially feasible health care and medicine.
- Thanks to the findings of HPTN 052 in 2011, we know that treating HIV diminishes the likelihood that the infected person will transmit HIV by over 96% -- demonstrating that treatment for HIV also constitutes prevention against HIV. We need, therefore, to test, link PLWHAs to care, and maintain them in care and treatment.

Ryan White HIV/AIDS Program



- RW offers medical and social support service to roughly 546,000 reduced income, uninsured, and underinsured PLWHA in the US.
- Since PLWHAs survive for longer periods of time and develop new illnesses, the pressures on the program expand and numerous needs continue to be unfulfilled.
- CDC tells us that a total of 37% of PLWHs in the US are maintained in care, one-third (33%) have prescriptions for ARV medication, and a mere quarter (25%) have a suppressed viral load.

Ryan White: ADAP



- The AIDS Drug Assistance Program, or ADAP, comprises part of the Ryan White Program and offers states money to cover the cost of medications for more than 200,000 PLWHAs.
- During the past two years, with more infections recognized because of ramped up testing and with people becoming unemployed and losing their health insurance, need for ADAP has vastly outstripped the funding.
- This situation produced ADAP wait lists comprised of 9,300 individuals.

Ryan White: ADAP



- President Obama and Congress distributed more money, and that funding along with help from pharmaceutical companies shrank the ADAP wait lists to under 100 individuals.
- NASTAD states that sign-up into ADAP last year rose by 8%, or 13,500 individuals. Along with the intensified need for medications comes an uptick in medical and support service needs offered by additional components of the program.

Affordable Care Act: Impact on the Ryan White Program



- The Affordable Care Act (ACA) brings enhanced prospects for health care coverage.
- ACA will lead to some cost shifting for drugs and primary care but will not replace Ryan White. Close to 70% of Ryan White enrollees currently have some kind of insurance, primarily via traditional Medicaid and Medicare. Coverage for these PLWHAs will not vary in the advent of health reform, and RW will continue to play a valuable role.

Affordable Care Act



- Extension of Medicaid is optional for states, and not all states are increasing it now. While the ACA is being put into operation, benefits vary from one state to the next, and RW will need to plug numerous fissures.
- Plans affiliated with the ACA will not provide all of the necessary support services, including case management, transportation, and nutrition – important for safeguarding maintenance in care and compliance with drug therapy.
- Bottom line: we still need Ryan White.

Sequestration



- What is sequestration, and how will it impact PLWHAs?
- It is the process of making automatic budget cuts to federal government programs, projects and activities.
- It is the enforcement mechanism of automatic budget cuts in both defense and non-defense spending
- It is part of the Budget Control Act of 2011, a debt limit law.

Sequestration



- **Sequestration** could diminish funding for HIV/AIDS programs and might make states cease to pay for medications for thousands of PLWHAs who are on medication at this time. This scenario is particularly threatening because a PLWHA has to continually take medication with no disruption lest drug resistance develop.

Sequestration – Let's Talk Numbers



- What size cuts are we talking about?
- Initially, we thought that sequestration would bring about an 8.2% reduction in funding for most non-defense discretionary (NDD) programs during FY2013.
- Now, however, the cuts taking shape are smaller: 5% sequestration cuts as the new baseline for most discretionary programs.

Impact of Sequestration on HIV/AIDS Programs Across the US



- **HRSA:** An estimated reduction of 7,400 clients who would be able to obtain life-preserving HIV meds via ADAP. (Note: according to amfAR, 8,610 PLWHA would no longer have ADAP, and 5,540 people of color would not be able to partake of ADAP.)
- **CDC:** Sequestration would lower the annual number of HIV tests by 424,000. (Note: according to amfAR, more than \$39.3 million will be scratched from state and local CDC-funded HIV prevention endeavors.)

Impact of Sequestration on HIV/AIDS Programs Across the US



- NIH: Sequestration entails a drop of \$163 million in money for HIV/AIDS research, meaning that 297 HIV/AIDS research grants would not be covered. (Note: according to amfAR, NIH will lose 153.7 million in money for AIDS research, including 31 grants directed targeting AIDS vaccine research.)
- Together, these cuts may lead to more HIV transmission in the future, more mortality, and heightened health care expenses.

Impact of Sequestration on HIV/AIDS Programs



- **HOPWA:** The number of households obtaining permanent housing will drop by 1,530, and the number of households obtaining brief assistance to forestall homelessness will drop by 1,640. 1,890 households containing a minimum of one person of color will no longer have HOPWA, and 570 households incorporating at least one Hispanic person will lose housing services.

Impact of Sequestration in the New York EMA



- The NY EMA, however, may be exceedingly lucky. Although we don't have a statement in writing from our HRSA Project Officer, we have heard informally that we may receive flat funding for our Part A award— i.e., roughly the same amount that we received last year, or possibly a small cut – less than 5%. Compared with the anticipated 5% cut, this is great news.
- This means that we will be able to continue to offer a portfolio of medical and social support services to maintain PLWHAs in treatment and care.
- While the specific amounts of money allocated to each service category may vary from year to year, the EMA will be able to retain its tradition of providing treatment and care to individuals in need with no other source of payment for their treatment.

Sources



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