The ADAP Coalition

March 7, 2011

The Honorable Daniel Inouye
The Honorable Thad Cochran
Chairman
Ranking Member
Senate Appropriations Committee
Senate Appropriations Committee
S-131, U.S. Capitol
S-146A, U.S. Capitol
Washington, DC 20510

Dear Chairman Inouye and Ranking Member Cochran:

On behalf of the undersigned organizations we are writing to urge your support for an increase of at least $65 million (a total funding of at least $900 million) for the AIDS Drug Assistance Programs (ADAPs) for Fiscal Year 2011. Additionally, language that would allow HHS to target the funds to states most in need is necessary to ensure the funds are targeted appropriately. As you are aware, ADAPs provide HIV-related medications to underinsured and uninsured individuals living with HIV/AIDS in the United States. We applaud the Committee’s past support for ADAP, which provides life-saving medications to nearly one-quarter of the people with HIV/AIDS estimated to be receiving care in the U.S.

At the end of last year, the Senate introduced an Omnibus bill which included a $65 million increase for ADAPs, including the $25 million in reprogrammed funding made available in July to ADAPs waiting lists and other cost containment measures in place. The Senate Omnibus also provided language that would grant HHS flexibility to target the funds to the states that are most in need. The HIV/AIDS community is appreciative of the Senate’s past support of ADAPs. The House passed Continuing Resolution included an increase of $42 million in ADAP funding. However, the House did not include the $25 million in reprogrammed funds.

ADAPs continue to experience unprecedented growth in their programs. According to the President’s FY2012 budget proposal, ADAPs saw an increase of 30,252 clients from FY2008 to FY2009. ADAPs are now serving over 200,000 HIV-positive individuals each year. As of February 24, 2011, eleven states have ADAP waiting lists totaling 6,704. The states with the greatest number of individuals on their lists are Florida (3,407), Georgia (1,009), Louisiana (718), Virginia (471), South Carolina (468) and Ohio (438). Twenty-one states have instituted or anticipate instituting cost containment measures before the end of the ADAP fiscal year ending in March 2011. Several states have been forced to reduce their eligibility levels which have resulted in hundreds of individuals no longer being eligible for ADAP services. These waiting lists numbers are just the tip of the iceberg and do not represent all those individuals living with HIV who do not have consistent and comprehensive access to HIV treatment. Additionally, waiting lists for medications are...
often just one barrier that a patient must face when trying to access comprehensive HIV medical care. Long wait times for medical appointments have also become common place in many areas of our country.

The federal share of the national ADAP budget has been declining from a high of 68 percent in 2000 to the current share of 49 percent. State funding has been increasing over the same time from 17% in 2000 to 21% in FY2008. The economic downturn has made it difficult for states to prioritize ADAP funding now forcing states to decrease or eliminate their state support of ADAP as well as other care and treatment programs. In FY2009, contributions from state general revenue funds to ADAPs fell to $215 million, a 34% decrease from FY2008, due to funding constraints. However, in FY2010, states’ increased their contributions to ADAPs by $121 million for a total state funding of over $336 million.

Additionally, pharmaceutical manufacturers have augmented existing agreements with ADAPs to provide additional price freezes and discounts to allow ADAPs to serve additional clients and avoid implementing new cost-containment measures. The ADAP Crisis Task Force (ACTF) negotiates with manufacturers for reduced drug prices on behalf of all ADAPs. Since the inception of the ACTF in 2003, the agreements have realized cumulative savings for ADAPs of almost $1.1 billion. The ACTF has agreements with 12 manufacturers that resulted in concessions of an estimated $259 million for 2009. Recent negotiations have reduced costs by an additional $160 million per year, effective July 1, 2010.

In summary, as you continue to work towards finalizing FY2011 appropriations levels, we ask that you pass a Continuing Resolution providing ADAP funding of at least $900 million. We welcome the opportunity to work with you and your staff to provide you with information detailing ADAPs’ need for additional funding in Congress.

Sincerely,