The Honorable Alcee L. Hastings  
House of Representatives  
Washington, D.C. 20515

Dear Representative Hastings:

Thank you for your letter regarding the $35 million in funding for the AIDS Drug Assistance Program (ADAP) emergency relief, announced by President Obama on World AIDS Day, and for your recommendation regarding the distribution of these funds.

I share your concerns regarding the persistent and increased need for ADAP medications and services in Florida, Georgia, and throughout the nation. As of February 9, 2012, there were 4,118 individuals on AIDS Drug Assistance Program (ADAP) waiting lists in 12 states. One state reported an ADAP waiting list of greater than 1,000 individuals. Several states, both with and without ADAP waiting lists, have implemented various cost containment strategies to mitigate the variances between resources and demands. Many states have also sought to identify additional funding to meet the treatment needs of HIV-positive individuals.

In Fiscal Year (FY) 2012, ADAP received a total increase of $48.3 million above its FY11 funding amount, bringing the total FY12 funding amount to $933 million. In addition to the $35 million announced on World AIDS Day, the program received an appropriations increase of $13.3 million dollars. That $13.3 million will be distributed according to the formula used to award all appropriated ADAP funding. We anticipate distributing a total of $898 million by formula on April 1, 2012.

With regard to distribution of the $35 million allocated under the President’s initiative, the Health Resources and Services Administration (HRSA) will soon release a new Funding Opportunity Announcement (FOA) for states in order to award the funds competitively. The FOA will request basic information on the state’s ADAP program and establish funding priorities for states that are taking steps to improve their ADAP programs. The target date for these awards is summer 2012.

As you know, HRSA staff routinely provide technical assistance to state ADAPs to ensure implementation of strategies that will strengthen the program and maximize resources. The technical assistance has resulted in improved grantee systems for the timely determination of ADAP client eligibility and recertification, to ensure Ryan White HIV/AIDS Program funds are used as the payer of last resort, as required by statute. State ADAPs use HRSA’s technical assistance to enhance methods used by states to analyze and project service utilization and costs.
Furthermore, HRSA has assisted states to identify appropriate and effective mechanisms for transferring eligible ADAP clients into state Pre-existing Condition Insurance Plans. HRSA also informed state ADAPs of potential cost savings by purchasing and distributing medications using alternative options available under HRSA’s Section 340B Drug Pricing Program, including the receipt of manufacturers’ rebates, as applicable.

HRSA is committed to addressing the unmet needs of uninsured and underinsured persons living with HIV/AIDS, as well as providing programmatic technical assistance to Ryan White HIV/AIDS Program-funded organizations.

An identical response will be sent to Senators Bill Nelson and Marco Rubio, as well as to Representatives Ileana Ros-Lehtinen, Corrine Brown, John Lewis, Sanford D. Bishop, Jr., Mario Diaz-Balart, David Scott, Debbie Wasserman Schultz, Ted Deutch, Frederica Wilson, John Barrow, Henry C. "Hank" Johnson, and David Rivera.

Thank you for sharing your concerns and for your continued commitment to persons living with HIV/AIDS.

Sincerely,

Mary Wakefield,
Ph.D., R.N.
Administrator