Funding the Ryan White Program: Now and in the Future

Carl Schmid
United States Conference on AIDS
New Orleans, LA
September 10, 2013
Outline

• The Fiscal Environment
• FY2014 Budget
• Recent Funding Levels for Ryan White Program
• Impact of Health Reform on Future Funding
United States Spending and Revenue, 1962-2009

- Spending: $3.94 trillion
- Revenue: $2.48 trillion

The AIDs Institute
2012

U.S. Borrowing Almost 40 Cents of Every Dollar It Spends

Source: http://budget.senate.gov/democratic/index.cfm/chartlibrary
(In Trillions of Dollars)

September 4, 2012
US Debt hits $16 trillion

Source: http://www.gpo.gov

The AIDS Institute
Budget Control Act and Sequester

- In response, Congress & President agree to Budget Control Act
  - Cuts deficit by $2.4 trillion over 10 years
    - Discretionary spending caps of $917 billion in savings over 10 years
    - PLUS: a joint bipartisan “super committee” created to identify an additional $1.2 trillion in cuts
  - Super Committee failed to reach an agreement, therefore Sequestration
Continued Discord, Some Hope

- Congress continues to disagree on budget levels
- Fund government through short term Continuing Resolution
- Agree to the American Tax Payer Relief Act (ATRA):
  - Raise taxes by $618 billion over 10 years
- March 2013 deadline comes and no agreement
  - $80 billion (in first year) sequestration begins
    - Defense and Non-Defense Discretionary funding take equal cuts of ~5.1%
    - Most mandatory programs exempt
- Cuts will continue to 2021
Government Spending Declining

$3.455 trillion in 2013

2009 stimulus

Source: Washington Post

The AIDS Institute
Mandatory and Discretionary Spending, FY2012-2013

<table>
<thead>
<tr>
<th>Trillions</th>
<th>Mandatory FY2012</th>
<th>Mandatory FY2013</th>
<th>Discretionary FY2012</th>
<th>Discretionary FY2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2.03</td>
<td>$2.02</td>
<td>$1.29</td>
<td>$1.15</td>
<td></td>
</tr>
</tbody>
</table>

0.5% Loss

10.9% Loss

Source: CBO

The AIDS Institute
The Automatic Sequester

Annual and Cumulative Spending Cuts Under $1.2 Trillion BCA Sequester, Fiscal Years 2013–2021

Source: PEW

The AIDS Institute
FY2014 Budget

- Sequestration and Budget Caps continue if no agreed changes
- Budget disagreement remains
  - House and Senate/President far apart on spending and taxes
    - Both having trouble passing spending bills
## Selected Allocations 2014

<table>
<thead>
<tr>
<th></th>
<th>Senate 2014</th>
<th>FY2013 Enacted</th>
<th>House 2014</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Discretionary Budget</strong></td>
<td>$1.059 T</td>
<td>$1.042 T</td>
<td>$966.0 B</td>
<td>($93 B)</td>
</tr>
<tr>
<td><strong>Labor HHS Allocation</strong></td>
<td>$165.8 B</td>
<td>$156.6 B</td>
<td>$121.8 B</td>
<td>($44 B)</td>
</tr>
<tr>
<td><strong>THUD Allocation</strong></td>
<td>$51.6 B</td>
<td>$51.7 B</td>
<td>$44.1 B</td>
<td>($7.5 B)</td>
</tr>
</tbody>
</table>

---

The AIDS Institute
FY2014 Budget

Due to a continued lack of compromise:

- Short term Continuing Resolution for FY2014 (begins Oct. 1)
  - At current spending levels through Dec 15?
  - Government shut down if no agreement
    - Some want to defund ACA

- Still need an agreement, a grand bargain or cuts of $518 billion over the next 8 years will continue
  - Address mandatory spending and taxes
  - Talks have broken down
Budget Control Act in FY2014

- If no agreement, $20 billion defense cuts
- Based on House Budget Numbers:
  - Defense cut by $47 billion more
  - No more domestic program cuts (cuts are already below Budget Control Act caps)
- Based on Senate Budget Numbers:
  - Defense cut by $54 billion more
  - Domestic/international appropriations cut by $34.3 billion more
- Neither side will be able to live with these outcomes
- Can also raise revenues
Ryan White HIV/AIDS Program Funding History
(In Millions)

Total FY2013 Funding of $2.249 B
Loss of $144 m in one year

The AIDS Institute
Ryan White Program Funding History
1991-2013

Source: HRSA HIV/AIDS Bureau; The AIDS Institute
## Ryan White Program Historical Funding

<table>
<thead>
<tr>
<th>(In Millions)</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part A</td>
<td>(-$0.4)</td>
<td>(-$6.4)</td>
<td>(-$41.8)</td>
</tr>
<tr>
<td>Part B: Base</td>
<td>(-$0.8)</td>
<td>+$4.2</td>
<td>(-$26.3)</td>
</tr>
<tr>
<td>Part B: ADAP</td>
<td>+$27.0</td>
<td>+$48.3</td>
<td>(-$47.0)</td>
</tr>
<tr>
<td>Part C</td>
<td>(-$0.8)</td>
<td>+$9.5</td>
<td>(-$20.7)</td>
</tr>
<tr>
<td>Part D</td>
<td>(-$0.3)</td>
<td>(-$0.1)</td>
<td>(-$4.8)</td>
</tr>
<tr>
<td>Part F: AETCs</td>
<td>(-$0.1)</td>
<td>(-$0.1)</td>
<td>(-$2.1)</td>
</tr>
<tr>
<td>Part F: Dental</td>
<td>(-$0.1)</td>
<td>+$0.0</td>
<td>(-$0.8)</td>
</tr>
<tr>
<td>Total</td>
<td>+$25.0</td>
<td>+$55.0</td>
<td>(-$143.5)</td>
</tr>
</tbody>
</table>

* Includes emergency funding: $35 m to ADAP and $10 m to Part C in FY12, and $35 to ADAP in FY13

The AIDS Institute
Ryan White Program FY14

President’s Budget: $2.412 billion (+$70 million)

Senate: $2.394 billion (+$51 million)

House: TBD (-$418.3 m)

Final: ? ? ?
Ryan White Programs & the Budget

- Despite significant overall budget cuts, in recent years Ryan White Program for the most part has been able to maintain its funding.

- Domestic HIV has been a priority for Obama Administration.

- Republican support particularly for ADAP.

- But, sequestration, since taken across the board, has resulted in significant cuts and will continue in the future if no agreements by Congress and the President.
Impact of Health Reform

- Health reform will have a dramatic impact on access to care and coverage for people with HIV

- Must determine what future needs are and how much funding will be needed
  - Need data and impact studies
  - Change is happening, no one wants to give up any funding
  - If we do not make the changes, they will be decided for us
Health Reform

- Unknown how many people will be covered, how soon, and breadth of coverage
  - Plan coverage will vary by state, even though all must include essential health benefits
  - Not all states proceeding with Medicaid expansion
  - Not all eligible for ACA benefits
  - CBO estimates 31m will be uninsured in 2016
  - Undocumented and newly legal ineligible
  - Homeless and others lost to care

The AIDS Institute
State Decisions on Medicaid Expansion

Household Income of Ryan White Clients (by Federal Poverty Level) (2010)

- 67.2% Equal to or below FPL
- 21.2% 101-200% FPL
- 11.6% >200% FPL

*Missing/unknown values (20%) excluded.

ADAP Clients Served, by Income Level, June 2012

- ≤ 100% FPL: 45%
- 101-138% FPL: 14%
- 139-200% FPL: 19%
- 201-300% FPL: 15%
- 301-400% FPL: 6%
- > 400% FPL: 2%


The AIDS Institute
Health Reform

- Enrollment will take time
  - 16m expected to enroll in Medicaid and exchanges in 2014 (of 34m expected by 2016)
- Not all states planning to expand their Medicaid programs will be ready Jan. 1
Future Role of Ryan White Program

- Despite increased coverage, gaps will exist

- Ryan White will play a critical role in completing coverage for people with:
  - Existing forms of coverage
  - No health care coverage
  - Less generous plans
  - Essential Services for People with HIV
Insurance Coverage Among Ryan White Patients (2010)

- 29% Medicaid
- 25% No Insurance
- 13% Private
- 12% Multiple Types
- 9% Medicare
- 8% Other Public
- 4% Other

Future Roles for Ryan White

Service gaps:

- Transportation
- Legal Services
- Hospice Care
- Early intervention counseling
- Adult dental
- Case management
- Mental Health
- Substance Abuse
- Etc.
Support Services Available at Facilities Funded vs. Not Funded by RWP, MMP, 2009

<table>
<thead>
<tr>
<th>Service</th>
<th>RWP-funded</th>
<th>Not RWP-funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case management</td>
<td>75%</td>
<td>13%</td>
</tr>
<tr>
<td>Substance abuse treatment</td>
<td>30%</td>
<td>11%</td>
</tr>
<tr>
<td>Mental health</td>
<td>62%</td>
<td>15%</td>
</tr>
<tr>
<td>Social services</td>
<td>53%</td>
<td>13%</td>
</tr>
<tr>
<td>Dental services</td>
<td>46%</td>
<td>8%</td>
</tr>
<tr>
<td>Adherence counseling</td>
<td>83%</td>
<td>35%</td>
</tr>
<tr>
<td>Nutrition consultation</td>
<td>66%</td>
<td>22%</td>
</tr>
<tr>
<td>Language translation</td>
<td>59%</td>
<td>24%</td>
</tr>
<tr>
<td>Risk reduction counseling</td>
<td>74%</td>
<td>26%</td>
</tr>
</tbody>
</table>

All differences are significant at p<.0001

Select Examples of Ryan White Services That Support Clients Along the HIV Treatment Cascade

HIV Counseling & Testing

Outreach to Engage in Care

Health Insurance Premium Assistance & Cost-Sharing

Non-Medical Case Management

Treatment Adherence

Medical Transportation

Medical Case Management

Referrals to Health & Support Services

HIV-Infected

Diagnosed

Linked to HIV Care

Retained in HIV Care

On ART

Suppressed Viral Load


The AIDS Institute
Health Reform Will Not Be Free

- Ryan White can pay premiums and cost-sharing, including copays and coinsurance
  - Low income individuals will have assistance, but still costs
- In non-Medicaid expansion states, can purchase insurance for those under 100%
Massachusetts ADAP Expenditures by Category & Enrollment

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Full Pay</th>
<th>Co-Pay</th>
<th>Premiums</th>
<th>Enrollment</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY04</td>
<td>$11.2 m</td>
<td>$1.6 m</td>
<td>$3.2 m</td>
<td>4,399</td>
</tr>
<tr>
<td>FY12</td>
<td>$4.6 m</td>
<td>$3.5 m</td>
<td>$10.9 m</td>
<td>8,022</td>
</tr>
</tbody>
</table>
Concluding Thoughts

• Not yet possible to determine future funding needs

• Implementation will take time
  • All systems will not be ready Jan. 1, 2014
  • Bound to be unexpected problems
  • Current systems must remain for continuity of care and maintain HIV treatment expertise

• Hope is to have more Ryan White Clients, but cost shifting
Concluding Thoughts

- Future funding needs can only be assessed after implementation of health reform
- President’s budget proposed two HRSA studies:
  - Examination of “Coverage Completion” Services by Other Payer Sources
  - Assess Impact of Full ACA Implementation on Ryan White Program
- HHS ASPE Study
- In the meantime, we must protect Ryan White funding in a challenging budgetary and highly partisan climate
HIV Treatment Cascade of the Future?

- Total HIV-infected: 100%
- HIV-diagnosis: 95%
- Linkage to HIV Care: 90%
- Retainment in HIV Care: 85%
- Usage of ART: 83%
- Viral Suppression: 75%

The AIDS Institute
The AIDS Institute

THANK YOU

Carl Schmid - cschmid@theaidsinstitute.org
202-462-3042
www.theaidsinstitute.org