

October 5, 2006



The section header "The ADAP Watch" is written in a large, bold, orange font. It is overlaid on a light blue background that features a close-up, slightly blurred image of a clock face with numbers 1, 2, and 3 visible.

As of September 20, 2006, a total of 302 individuals were on AIDS Drug Assistance Program (ADAP) waiting lists in six states. In addition, three ADAPs have implemented other cost-containment measures in the six months since the 2006 ADAP fiscal year began. Six ADAPs anticipate the need to implement new or additional cost-containment measures during the ADAP fiscal year, which ends March 31, 2007.

ADAPs provide life-saving HIV treatments to low income, uninsured, and underinsured individuals living with HIV/AIDS in all 50 states, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, and Guam. Since the advent of highly active antiretroviral therapy (HAART) in 1996, AIDS deaths have declined and the number of people living with HIV/AIDS has markedly increased. ADAPs have played a critical role in making HAART more widely available.

Unfortunately, federal funding for ADAPs in recent years has been insufficient to meet the growing demand for HAART and other HIV-related medications. As a result, ADAPs have had no choice but to institute waiting lists and other cost-containment measures that have limited access to medications for individuals in need. Six states currently have ADAP waiting lists; two of the six have had waiting lists for nearly two years. Another state has been forced to reduce its ADAP formulary in addition to maintaining an extensive waiting list. Although one state has been able to eliminate its waiting list due to Medicare Part D savings and rebate funds, two other states have had to reinstitute waiting lists only a few months after eliminating them.

The future outlook for ADAPs remains uncertain. Proposed formula and structural changes to the CARE Act as Congress considers the law's reauthorization could significantly affect the ability of state health departments to administer their HIV/AIDS programs, including ADAPs. The financial stability of ADAPs is also at stake. Neither the House nor the Senate version of FY2007 appropriations legislation allocates sufficient funds to ensure the long-term viability of ADAPs, which traditionally grow at a rate of \$100 million annually. Moreover, the estimated need for ADAP exceeds FY2006 funding levels by \$197 million. Without substantial financial support that is both stable and predictable, waiting lists and other cost-containment measures threaten to become a permanent feature of this critical program.



The ADAP Watch

ADAPs with Waiting Lists (302 individuals, as of September 20, 2006)

Alabama: 6 on waiting list
Alaska: 10 on waiting list
Indiana: 33 on waiting list
Montana: 20 on waiting list
South Carolina: 209 on waiting list
West Virginia: 24 on waiting list

ADAPs with Other Cost-containment Strategies (instituted since April 1, 2006)

Mississippi: Medical eligibility restrictions
Oklahoma: Annual per capita expenditure limit
South Carolina: Reduced formulary

**Seven ADAPs have capped enrollment for Fuzeon access and five states do not include the drug on their formularies (46 ADAPs reporting); Two states have capped enrollment for Atrivus access and three states do not include the drug on their formularies (46 ADAPs reporting).*

ADAPs Anticipating New/Additional Cost-containment Measures (before March 31, 2007*)

Kentucky
Louisiana
Michigan
Mississippi
Puerto Rico
Rhode Island

** March 31, 2007 is the end of ADAP FY 2006. ADAP fiscal years begin April 1 and end March 31.*