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PRESS RELEASE

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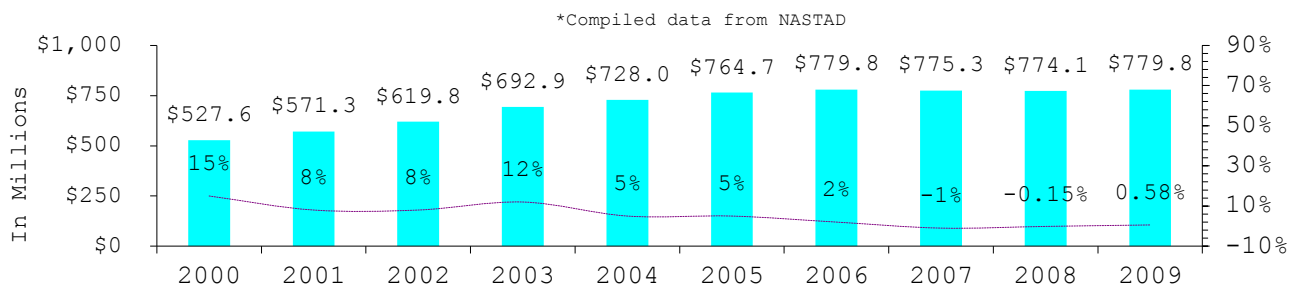
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1,001 HIV/AIDS Patients Denied ADAP

AIDS Drug Assistance Program Needs Urgent Federal Funding

WASHINGTON, D.C. – Just as the HIV/AIDS community celebrates the life and post-humus birthday of Ryan White and his campaign to raise awareness about AIDS, his eponymous Comprehensive AIDS Resources Emergency Act suffers from years of inadequate funding from Congress and the President. The Ryan White C.A.R.E. Act was initially passed in 1990 under the leadership of the late Senator Edward Kennedy and current Speaker of the House Nancy Pelosi. In 1996 the AIDS Drug Assistance Program (ADAP) was initiated to provide access to newly synthesized *antiretroviral* (ARV) drugs for uninsured and underinsured individuals living with HIV/AIDS.

Total Federal Part B ADAP Earmark and Percent Change by Year

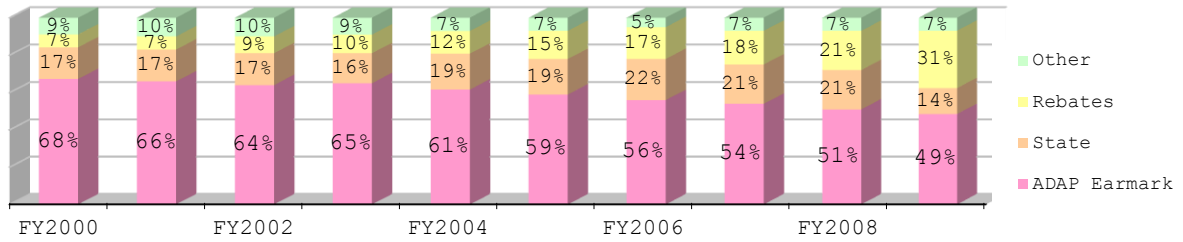


ADAP grew quickly in its first few years due to an expansion of new drugs and robust funding from Congress and President Clinton. In 2004, budget cuts and inadequate funding led to significant cost containment measures as well as patients being taken off their medications and placed on a waiting list until more funding could be secured. President Bush created 'The Presidential AIDS Initiative' with \$20 million in funding to help alleviate the problem. The following year, the pharmaceutical companies which develop and manufacture these drugs instituted a rebate program to states when purchasing drugs through ADAP which also mitigated a catastrophic collapse of ADAP. In 2006, Medicare Part D began coverage for some beneficiaries who had been receiving their regimen through ADAP, further sustaining the program despite the waiting lists. It was not until 2007 that the aggregate effects of these funding bumps completely cleared all patients of the waiting list.

INFORMATION OF POTENTIAL INTEREST #105

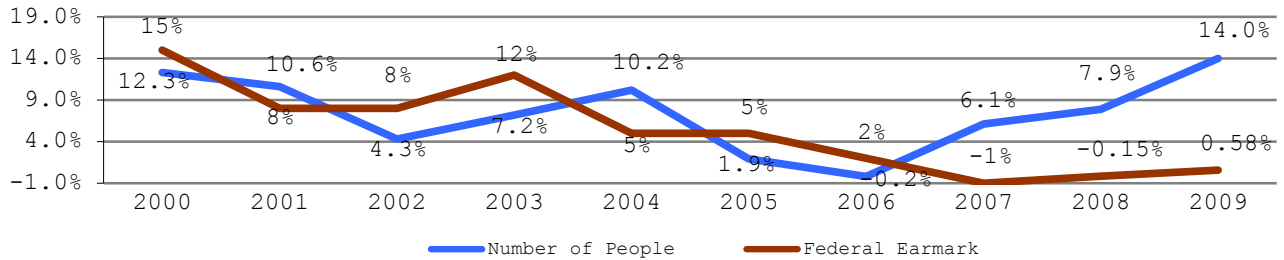
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ADAP Budget by Percent of Contribution



In fiscal years 2007 and 2008, the federal government cut funding to ADAP just when it was clear of the waiting list. By the end of 2008 the waiting list was reinstated. Patients enrolling for ADAP treatment increased by 80% due to the economic downturn and increasing unemployment during this time, according to the National Alliance of State and Territorial AIDS Directors (NASTAD). Yet despite the rapid growth of ADAP utilization, the federal government's share of the ADAP budget has consistently decreased over the past decade, from nearly 70% to less than 50% in FY 2009. While there are many factors that have exacerbated the growth of the waiting list, this 20% drop in the federal commitment to ADAP is undoubtedly the root problem. Without additional funds from the federal government, Congress and the President are essentially consigning every individual in ADAP to remain on a waiting list or fear being placed on one.

Growth Comparison of the ADAP Federal Earmark and the ADAP Client Utilization by Percent



Advocates in Washington D.C. and around the nation are calling for President Obama and Congress to show the same commitment to patients living with HIV/AIDS that Ted Kennedy showed Ryan White two decades ago. The federal government needs to reverse the trend of ever-slackening funds and provide an emergency boost to ADAP immediately so more Americans with HIV/AIDS will not be denied their access to ADAP. It is absolutely unacceptable for the total ADAP budget allocation to increase less than 2.5% when patients utilizing ADAP increases by 14% during the same time period. Much of the current budget growth comes from pharmaceutical rebate increases, while the federal share of the budget increased a mere .58%. On Friday April 30, 58 members of the House of Representatives sent a letter to President Obama urging him to include an additional \$126 million in emergency funds for ADAP in his supplemental appropriations request. The increase would represent a 14% increase of the federal share of the budget and a 7% increase of the total budget. The letter reads in part:

Despite the rapid clip at which HIV infections continue to spread, the Congress has failed to enable the Ryan White CARE Act to grow apace with the epidemic and ADAP has been severely underfunded. This is most visibly demonstrated by the exponential growth of ADAP wait lists since January of last year. This ongoing funding shortfall has created deep structural problems in the Ryan White safety net. The only way this challenge can be met is with an ADAP Emergency Supplemental Appropriation from the federal government.