

Fiscal Year (FY) 2019-20 Governor's Budget
Office of AIDS (OA), California Department of Public Health (CDPH)

Summary

The Office of AIDS (OA) is pleased to announce that the Governor's Budget proposal continues to support California's [Laying a Foundation for Getting to Zero](https://www.cdph.ca.gov/Programs/CID/DOA/CDPH%20Document%20Library/IP_2016_Final.pdf) Plan (https://www.cdph.ca.gov/Programs/CID/DOA/CDPH%20Document%20Library/IP_2016_Final.pdf). Under this budget proposal, the two OA programs that continue to receive state General Fund Local Assistance are the HIV Surveillance and HIV Prevention programs. The 2019-20 Governor's Budget includes \$6.7 million for the HIV Surveillance program for FY 2018-19 and FY 2019-20 and includes \$12.1 million for the HIV Prevention program for FY 2018-19 (includes one-time funding of \$4.6 million per legislative augmentation in the 2018 Budget Act) and \$7.5 million for FY 2019-20.

ADAP Detail*Funding*

ADAP is currently funded through federal funds and the ADAP Rebate Fund - Special Fund (pharmaceutical manufacturer rebates).

FY 2018-19 (Current Year, July 1, 2018 through June 30, 2019):

The 2018 Budget Act included ADAP Local Assistance funding of \$434 million, with no state General Fund appropriation. The revised current year 2018-19 budget is \$407.9 million, a decrease of \$26.2 million (6 percent) when compared to the 2018 Budget Act. The decrease is primarily due to a decrease in projected medication expenditures and less than expected funding from the 2018 Ryan White Part B Supplemental grant. Changes to ADAP's budget authority when compared to the 2018 Budget Act include:

- Decrease of \$3.3 million in Federal Funds.
- Decrease of \$22.9 million in ADAP Rebate Funds.

FY 2019-20 (Budget Year, July 1, 2019 through June 30, 2020):

Proposed ADAP Local Assistance funding for the budget year is \$449.8 million, an increase of \$15.7 million (3.6 percent) when compared to the 2018 Budget Act, and an increase of \$41.9 million when compared to the revised current year 2018-19 estimate. The increase is primarily due to an increase in projected medication and insurance premium expenditures. Changes to ADAP's budget authority when compared to the 2018 Budget Act include:

- Increase of \$2.7 million in Federal Funds.
- Increase of \$13 million in ADAP Rebate Funds.

The summary of these ADAP funding sources can be seen in Table 1 on page 4 of the 2019-20 ADAP November Estimate.

ADAP Utilization

Approximately 29,661 individuals received ADAP services in FY 2017-18. It is estimated that 30,534 individuals will receive services in FY 2018-19 and 31,250 individuals will receive services in FY 2019-20 (see Figure 1, ADAP Client Count Trend on page 24, 2019-20 ADAP November Estimate).

PrEP-AP Utilization

Approximately 2 individuals received PrEP-AP services in FY 2017-18 due to early stages of the program. It is estimated that 1,007 individuals will receive services in FY 2018-19 and 2,207 individuals will receive services in FY 2019-20 (see Figure 3, ADAP PrEP Client Trend on page 26, 2019-20 ADAP November Estimate).

Policy Changes

There is one new ADAP policy change included in the 2019-20 Governor's Budget:

Expansion of Pre-Exposure Prophylaxis Assistance Program

CDPH received a \$2 million legislative augmentation through the 2018 Budget Act to support proposals to modify the PrEP-AP by expanding eligibility and accessibility to enroll individuals 12 years of age or older, and to enhance services to allow for the following: 1) payment of post-exposure prophylaxis (PEP) and related medical costs, 2) payment for up to 14 days of PEP and PrEP starter packs, regardless of whether PrEP-AP eligibility requirements are met, 3) up to 28 days of PEP medication for victims of sexual assault regardless of whether PrEP-AP eligibility requirements are met, 4) PrEP medication for insured clients without requiring use of the manufacturer's assistance program if it is not accepted by the client's health plan or pharmacy contracted by the health plan, 5) payment of insurance premiums for clients enrolled in the PrEP-AP if it will result in cost-savings to the state, and 6) the ability to consider insured individuals as uninsured for confidentiality or safety reasons. CDPH is working on an implementation plan to incorporate these enhancements.

There are two existing ADAP policies included in the 2019-20 Governor's Budget:

ADAP Special Fund State Operations Cost Adjustment - Interim ADAP Enrollment System (AES)/Project Approval Lifecycle (PAL)

There are no changes in the budget authority for FY 2018-19 from what was approved in the 2018 Budget Act as a one-time augmentation. CDPH is including projected costs for FY 2019-20, and requests budget authority of \$3.3 million to maintain the interim AES.

Access, Adherence, and Navigation (AAN) Program

Beginning in FY 2017-18, CDPH began allocating funds to a select number of ADAP enrollment sites to navigate uninsured individuals to comprehensive health coverage and to support ADAP clients with achieving and maintaining viral suppression. To align with the federal grant year and allow for the program to operate during an additional open enrollment period, CDPH is in the process of amending program contracts to extend the contract end date from June 30, 2019 to March 31, 2020. Also, because of lower than anticipated enrollment site participation, CDPH/OA is allocating an additional \$120,000 in FY 2018-19 and \$90,000 in FY 2019-20 to five of the ten participating enrollment sites identified as having the highest number of medication-only clients. The increased funding will be leveraged to add additional resources at these sites to navigate more clients to comprehensive health coverage. In FY 2018-19, ADAP projects net saving of \$5.1 million from navigating an estimated 496 medication-only clients to private insurance. In FY 2019-20, ADAP projects net cost savings of \$5.4 million from navigating 486 clients to private insurance.