

Fiscal Year (FY) 2019-20 May Revision
Office of AIDS (OA), California Department of Public Health (Public Health)

Summary/General Fund

The California Department of Public Health (Public Health)/Office of AIDS (OA) is pleased to announce that the May Revision proposal continues to support California's [*Laying a Foundation for Getting to Zero*](#) 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 May Revision 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.

AIDS Drug Assistance Program (ADAP) Detail*Funding*

ADAP is currently funded through Federal Funds and the ADAP Rebate Fund (Fund 3080) - Special Fund (pharmaceutical manufacturer rebates).

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

The 2019-20 Governor's Budget included ADAP Local Assistance funding of \$407.9 million, with no state General Fund appropriation. The revised current year 2018-19 budget is \$407.5 million, a decrease of \$362,000 (- 0.1 percent) when compared to the 2019-20 Governor's Budget. The net decrease is primarily due to a decrease in projected medication and medical out-of-pocket expenditures partially offset by a projected increase in insurance premium and administrative expenditures. Changes to ADAP's budget authority when compared to the 2019-20 Governor's Budget include:

- No change in Federal Funds.
- Decrease of \$362,000 in ADAP Rebate Funds.

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

The 2019-20 Governor's Budget included ADAP Local Assistance funding of \$449.8 million, with no state General Fund appropriation. The revised budget year 2019-20 budget is \$449.5 million, a decrease of \$320,000 (- 0.1 percent)

when compared to the 2019-20 Governor's Budget. The net decrease is primarily due to a decrease in projected medication and medical out-of-pocket expenditures partially offset by a projected increase in insurance premium and administrative expenditures. Changes to ADAP's budget authority when compared to the 2019-20 Governor's Budget include:

- No change in Federal Funds.
- Decrease of \$320,000 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 May Revision Estimate.

ADAP Utilization

Approximately 29,661 individuals received ADAP services in FY 2017-18. It is estimated that 30,494 individuals will receive services in FY 2018-19 and 31,086 individuals will receive services in FY 2019-20 (see Figure 1, ADAP Client Count Trend on page 28, 2019-20 ADAP May Revision Estimate).

Pre-Exposure Prophylaxis-Assistance Program (PrEP-AP) Utilization

It is estimated that 1,490 individuals will receive services in FY 2018-19 and 3,542 individuals will receive services in FY 2019-20 (see Figure 3, ADAP PrEP Client Trend on page 30, 2019-20 ADAP May Revision Estimate).

Policy Changes (Assumptions)

Existing ADAP Policy Change (Assumption) included in the 2019-20 May Revision Estimate:

Access, Adherence, and Navigation (AAN) Program

Beginning in FY 2017-18, Public Health/OA 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 the program to operate during an additional open enrollment period, Public Health/OA began 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, Public Health/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. Several unanticipated barriers resulted in a decrease in projections for client transition

to comprehensive health coverage and estimated savings. This includes administrative barriers that increased the time it took to review and process contract amendments, which therefore not executed in time for the 2019 Covered California open enrollment period.

In FY 2018-19, ADAP projects net savings of \$1.1 million from navigating an estimated 244 medication-only clients to comprehensive health coverage. In FY 2019-20, ADAP projects net cost savings of \$1.5 million from navigating 242 clients to comprehensive health coverage.