



Department of Health
 2019-21 Second Supplemental Budget Session
 Policy Level - P9 - COVID-19: Support HIV Clients

Agency Recommendation Summary

The Department of Health (DOH) requests additional local spending authority to comply with the federal Ryan White Care Act requirement to reinvest pharmaceutical drug rebate revenue it receives through its AIDS Drug Assistance Program into currently funded and allowable services supporting those living with HIV/AIDS. DOH will use this additional authority to meet contractual obligations for services currently in place.

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2020	2021	2019-21	2022	2023	2021-23
Staffing						
FTEs	0.0	0.0	0.0	0.0	0.0	0.0
Operating Expenditures						
Fund 001 - 7	\$0	\$11,400	\$11,400	\$11,400	\$11,400	\$22,800
Total Expenditures	\$0	\$11,400	\$11,400	\$11,400	\$11,400	\$22,800
Revenue						
001 - 0541	\$0	\$11,400	\$11,400	\$11,400	\$11,400	\$22,800
Total Revenue	\$0	\$11,400	\$11,400	\$11,400	\$11,400	\$22,800

Decision Package Description

Problem

Currently, DOH does not have sufficient local budget appropriation to comply with a federal Ryan White Act provision which requires DOH to reinvest anticipated drug rebates revenue from its AIDS Drug Assistance Program (ADAP) back into defined HIV/AIDS services. DOH will use this additional authority to meet contractual obligations for services currently in place. Without this authority, the agency will have to reduce funds to contractors for HIV services to avoid exceeding its existing local authority.

Background

DOH administers an ADAP supported by the federal Ryan White Care Act. A state-operated ADAP receiving financial assistance under this Act is eligible to receive pharmaceutical rebates on medication purchases for clients. However, since federal dollars are used to purchase the drugs, the state must comply with federal requirements to reinvest the rebates back into the program. When received, these rebates are recorded as local revenue to the state's general fund. The agency therefore needs sufficient local spending authority to use these funds. Rebate funds are used to support HIV/AIDS services such as medical services, case management, and support services for people living with HIV. These rebate funds cannot be used to support other programs and are restricted to services only for people living with HIV and for federally defined service categories, pharmaceuticals, and healthcare insurance.

Over the years, DOH has seen steady increases in the costs to provide these services. This extra local appropriation will be used to meet current contractual obligations. Without this authority, DOH will have to reduce funds to contractors for HIV services in order to not overspend its existing authority.

If the agency does not spend the rebate revenue received, along with its entire Ryan White federal grant, the state's program will not be compliance with the federal requirements of the program, which may place future grant awards in jeopardy.

Assumptions and Calculations

Expansion or alteration of a current program or service:

This request maintains services to PLWH. These services essential to have as many PLWH reach and maintain viral suppression despite the pandemic.

Detailed assumptions and calculations:

This request includes \$11.4 million in ongoing funding to comply with the federal Ryan White Care Act requirement to reinvest pharmaceutical drug rebate revenue it receives through its AIDS Drug Assistance Program into currently funded and allowable services supporting those living with HIV/AIDS. This request ensures improved health outcomes and reduce the risk of new HIV infections. Further details on the rebate revenue estimates are provided in the supporting document titled, "2021 Suppl PL-P9 COVID19 Support HIV Clients".

Workforce Assumptions:

Not Applicable

Strategic and Performance Outcomes

Strategic framework:

This request directly aligns with Results Washington Goal 4: Healthy and Safe Communities.

The intent of this proposal is to meet the fundamental public health strategies goal to prevent disease or reduce its impact by taking actions to protect or promote the health and wellbeing.

- It is intentionally designed to be proactive by utilizing outreach staff to provide essential supports to PLWH;
- It addresses social factors (food, housing and economic insecurity) contributing to disease; and
- The intended recipients of the program are those experiencing disproportionate harm.

Performance outcomes:

This request will allow DOH to continue the same level of service and help meet performance measure as described in the DOH strategic plan goal 3, objective 1: Increase access to affordable healthcare, strategy. 2: Assure that people diagnosed with HIV have access to care and antiretroviral therapy.

PLWH are likely to experience negative consequences during this significant time of upheaval due to COVID-19 and racial unrest. It is reasonable to assume that the economic and social stress placed on PLWH will negatively affect PLWH's ability to be healthy and virally suppressed.

Specific program activities will be

- Providing emergency financial assistance to PLWH that assists them in engaging in care and maintaining viral suppression;
- Assisting people newly diagnosed or with detectable viral loads with informing their sexual partners and needle-sharing partners of the need to seek to testing;
- Providing testing to exposed or atrisk contacts of newly diagnosed or out of care PLWH or linking exposed or at-risk contacts to testing and medical care or preventive services;
- Connecting people newly diagnosed to medical care, case management and treatment; and
- Relinking people who are out of care to medical care, case management, and treatment to achieve HIV viral suppression and access other health services.

Additionally, DOH is required to spend Ryan White rebates in a timely manner to remain in compliance with program regulations.

Other Collateral Connections

Puget Sound recovery:

Not applicable

Legal or administrative mandates:

This proposal ensures compliance with the federal Ryan White Care Act.

Intergovernmental:

Local health jurisdictions help administer this program. DOH expects they will support this proposal.

Stakeholder response:

Community level stakeholders would be impacted by this request, including those under contract to provide HIV Client Services activities and people living with HIV. If authority is not received, a major cut in contracted services would be required.

Changes from current law:

Not applicable

State facilities impacts:

Not applicable

State workforce impacts:

Not applicable

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2020	2021	2019-21	2022	2023	2021-23
Obj. N	\$0	\$11,400	\$11,400	\$11,400	\$11,400	\$22,800

Agency Contact Information

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