

**Agency:** 303 Department of Health  
**Decision Package Code/Title:** A3 HIV Prevention and Control Program - Reduction  
**Budget Period:** 2015-17  
**Budget Level:** PL – Policy Level

**Recommendation Summary Text:**

This proposal is a one-time reduction General Fund State in the 2015-2017 biennium. The HIV program will be able to manage this reduction without impact to services by using accumulated fund balance in another fund source. It is anticipated that the fund balances will be used up in the 2015- 2017 biennium and all funding will be needed in future funding periods because of expected cuts from the federal Ryan White grant and reductions in medication rebates.

**Fiscal Detail**

Operating Expenditures			<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>Total</u></b>
	001-1	General Fund - State	(3,217,000)	(2,400,000)	(5,617,000)
	001-7	General Fund - Local	3,217,000	2,400,000	5,617,000
<b>Total Cost</b>			<b>0</b>	<b>0</b>	<b>0</b>

**Package Description:**

The Department of Health (DOH) works to prevent transmission of disease by keeping HIV-infected people virally suppressed and making those who are at high risk of becoming infected less vulnerable to infection. In order to prevent and control HIV disease in Washington State, the Office of Infectious Disease (OID) makes investments in three areas:

1. **Primary Prevention and Case Identification** – Primary prevention strategies prevent infection among uninfected persons and are highly targeted to populations disproportionately impacted by disease, such as gay and bisexual men. Investments in four primary prevention strategies include distribution of clean needles and syringes, distribution of condoms, testing and treatment for sexually transmitted diseases, and pre-exposure prophylaxis, which treats people who are not infected with HIV with medications to reduce their chances of becoming infected.
2. **Linkage to and Retention in HIV-Related Medical Care** – Antiretroviral therapy for People Living with HIV (PLWH) has become one of the most effective population-level strategies to prevent new HIV infections. Antiretroviral therapy suppresses the HIV virus and greatly reduces PLWHs ability to transmit disease. Keeping people virally suppressed requires that they be linked to and retained in medical care and adherent to medications. Investments include services such as medical case management, linkage to behavioral health services, and treatment adherence to support PLWH so they stay in medical care and remain virally suppressed.
3. **HIV-Related Medical Care and Treatment** – Access for PLWH to care and treatment services is provided primarily by enrolling eligible individuals in the state’s Early Intervention Program (EIP), also known as Washington’s AIDS Drug Assistance Program (ADAP). The program provides an insurance safety net by purchasing insurance for PLWH who are not eligible for Medicaid and cannot afford coverage. It provides them access to comprehensive medical care and treatment for HIV. In addition to

purchasing insurance, the program provides co-pays and deductibles, which can be prohibitively expensive.

The OID is facing potential reductions, both as a result of the 15 percent reduction directed by the Governor (total of \$7,389,000), and realignment of funding within the DOH to fund agency priorities (which would result in an additional reduction of \$2,694,000 for a total reduction of \$10,083,000 to the HIV Program).

For the 2015- 2017 biennium, the program will be able to manage this reduction without impact to services through savings achieved because of the Affordable Care Act. These savings were achieved because individuals receiving insurance through the HIV-related medical care and treatment component of the HIV Prevention and Control Program transitioned to Medicaid or the Health Benefits Exchange.

If all these reductions persist into the 2017- 2019 biennium, services would need to be eliminated such as lab and dental services, reduced retention in care services and potentially medical case management services. Ongoing reductions would impact all components of the HIV Prevention and Control portfolio.

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***Narrative Justification and Impact Statement:***

***What specific performance outcomes does the agency expect?***

The program doesn't expect a negative outcome with a one-time funding reduction for the 2015-2017 biennium.

**Performance Measure Detail**

**Activity: A016 Prevent and Respond to the Transmission of Communicable and Infectious Disease**

***Is this Decision Package essential to implement a strategy identified in the agency's strategic plan?***

Not applicable.

***Does this decision package provide essential support to one or more of the Governor's Results Washington priorities?***

Not applicable.

***What are the other important connections or impacts related to this proposal?***

None.

***What alternatives were explored by the agency and why was this alternative chosen?***

DOH used the following process to get to the mandated 15 percent General Fund State Reductions

- We put all general fund-state supported programs into three tiers (programs that are 100 percent foundational public health services were put in tier 1, programs that are partially foundational public

health services and/or directly tied to the governor's Results Washington measures and/or part of the agency strategic plan were put in tier 2, and all remaining general fund programs were put in tier 3)

- We scored Tier 2 and 3 programs using the public health criteria matrix and ranked them using the scores and our professional judgment.
- We looked at other fund sources and balances that could be used in place of GFS one time.
- Then we proposed reductions from this ranked list.
- We also shared our draft reductions widely, both internally and externally to the department, and sought feedback.

***What are the consequences of adopting or not adopting this package?***

None.

***What is the relationship, if any, to the state capital budget?***

None.

***What changes would be required to existing statutes, rules, or contracts, in order to implement the change?***

None.

***Expenditure and revenue calculations and assumptions***

In the 2015- 2017 Biennium, this proposal will have no overall impacts. The estimated General Fund State reduction in fiscal year (FY) 2016 will be \$3,217,000 and \$2,400,000 in FY 2017; however can be covered by fund balance in medication rebates. In addition, there will be a reduction of 0.6 FTE Fiscal Analyst 2 due to the decrease in administrative workload. These reductions will be one-time.

***Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?***

All reductions are one-time.

***For federal grants: Does this request require a maintenance of effort or state match?***

Not applicable.

***For all other funding: Does this request fulfill a federal grant's maintenance of effort or match requirement?***

No impact.