

April 2, 2008

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives

Re: Early Treatment for HIV Act and ADAP as TrOOP: A Call for Action

On behalf of national and community-based organizations that represent people living with HIV and AIDS, advocates, public health workers and HIV medical providers, we urge you to prioritize two initiatives that represent important steps forward in our efforts to ensure that people living with HIV and AIDS have access to appropriate, cost-effective health care and lifesaving HIV treatment.

Early Treatment for HIV

As you know, the Early Treatment for HIV Act (House 3326/Senate 860) is currently pending in Congress. Also, the U.S. Senate recently passed Senators Smith and Clinton's ETHA demonstration project amendment in the Senate's 2009 Budget Resolution. As a strong supporter of people living with HIV, we are counting on you to ensure that some version of this critical and longstanding legislative initiative is enacted into law during this current legislative session, so that states can finally move forward to extend Medicaid coverage to pre-disabled people living with HIV. Treatment advances have improved both the quality of and duration of life of many people living with this disease. However, without access to early intervention health care and treatment, these advances remain out of reach for thousands of non-disabled, low-income people living with HIV. Now is the time to make early access to care for thousands of low-income people living with HIV a reality!

ADAP as TrOOP

Ensuring that ADAP expenditures count toward meeting Medicare beneficiaries true out-of-pocket (TrOOP) obligations will help individuals out of the enormous coverage gap or "donut hole" in the Medicare Part D program. It will also extend the reach of ADAP funds to meet the needs of the low-income uninsured people living with HIV. As you know, other state contributions, such as State Pharmacy Assistance Program payments, count towards TrOOP. It is only fair to allow ADAP contributions to count as well. States make significant contributions to ADAPs. On average, state spending accounts for 22% of the total ADAP budget, with fifteen states contributing more than 25% of their state's overall ADAP budget. The cost to Medicare of allowing ADAP payments to count towards TrOOP is minimal. The CHAMP Act passed by the House last session included a provision to allow ADAP and Indian Health Service spending to count towards TrOOP. Those two programs combined were only expected to cost \$100 million over five years. Catastrophic coverage through Medicare Part D for Medicare beneficiaries with HIV/AIDS frees up ADAP to cover other unmet needs. Since ADAP contributions do not count toward TrOOP, once ADAPs step in they assume responsibility for the drug costs for these Medicare beneficiaries for the remainder of the year and the beneficiaries are limited to more restrictive ADAP formularies. However, if ADAP did count toward TrOOP, Medicare catastrophic coverage would kick in and ADAP dollars would be freed up to help other needy individuals. Additionally, Medicare beneficiaries with HIV/AIDS would have better access to the host of medications they need to treat co-occurring conditions and side effects from their HIV treatment.

Please contact Laura Hanen, Director of Government Relations of the National Alliance of State and Territorial AIDS Directors at (202) 434-8091 or Robert Greenwald, Director of the Treatment Access Expansion Project at (617) 877-3223 with any questions.

Endorsements

The following organizations are counting on you to help meet the care and treatment needs of people living with HIV and AIDS: