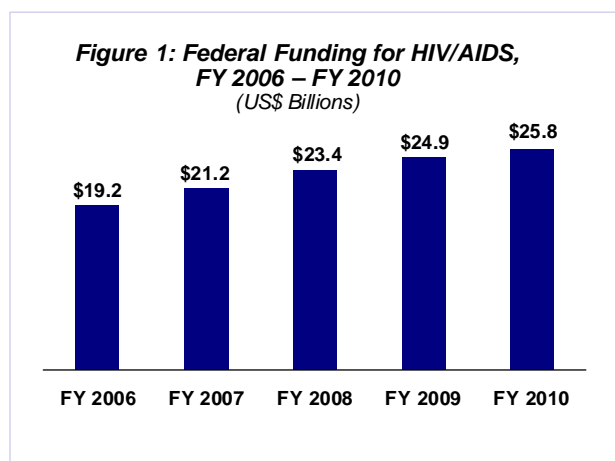


### U.S. Federal Funding for HIV/AIDS: The President's FY 2010 Budget Request

November 2009

President Obama's Fiscal Year (FY) 2010 detailed federal budget request, released on May 7, includes an estimated \$25.8 billion for combined domestic and global HIV/AIDS activities.<sup>1</sup> Domestic HIV/AIDS is funded at \$19.4 billion and global at \$6.5 billion.<sup>2</sup> The FY 2010 request represents a 4% increase (\$924 million) over FY 2009 funding, which totaled \$24.9 billion. Congress will now consider the budget request and is expected to finalize spending levels in late 2009. Detailed data for FY 2006-FY 2010 are provided in Table 2.

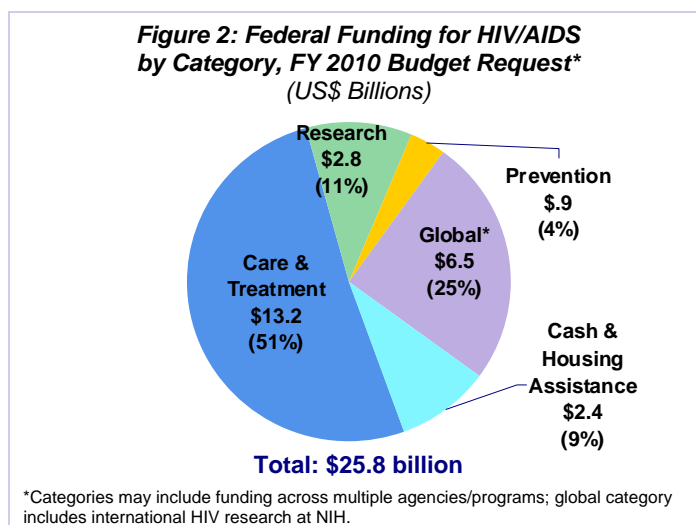
Federal funding for HIV/AIDS has increased significantly over the course of the epidemic, including by \$6.7 billion since FY 2006 (see Figure 1). This growth has been driven primarily by increased spending on mandatory domestic care and treatment programs, as more people are living with HIV/AIDS in the U.S., and by increased funding to combat the global epidemic. Federal funding for HIV/AIDS, however, represents a small fraction (<1%) of the overall federal budget.



The federal HIV/AIDS budget is generally organized into five broad categories: *care*; *cash and housing assistance*; *prevention*; *research*; and *global/international*. The first four categories are for domestic programs only. About half (51%) of the FY 2010 request is for care and treatment programs in the U.S.; 9% is for domestic cash/housing assistance; 4% is for domestic HIV prevention; 11% is for domestic HIV research; and 25% is for the global epidemic, including funding for international research (See Figure 2).

Federal funding is either **mandatory** or **discretionary**. Discretionary funding levels are determined by Congress each year through the appropriations process. Mandatory spending, primarily for entitlement programs, is determined by eligibility rules and cost of services for those who are eligible, and not dependent on annual Congressional appropriations (e.g., if more people are eligible and/or the cost of services goes up, mandatory spending will also increase). Mandatory spending

accounts for \$12.1 billion, or 47%, of the budget request and includes: Medicaid, Medicare, Social Security Disability Insurance (SSDI), Supplemental Security Income (SSI), and the Federal Employees Health Benefits Plan (FEHB), which provide health coverage and cash assistance for people with HIV/AIDS.



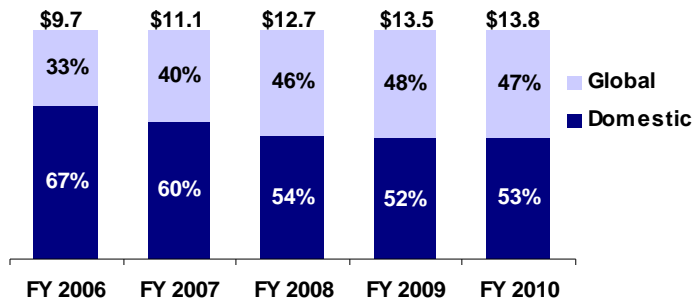
The remainder of the federal HIV/AIDS budget (\$13.8 billion or 53%) is discretionary, and is determined annually by Congress during the appropriations process. Just over half of the FY 2010 discretionary budget request (\$7.3 billion or 53%) is for domestic programs – prevention research, housing, and non-mandatory care programs (e.g., the Ryan White Program). The remainder of the discretionary budget, \$6.5 billion (47%), is for the global epidemic. Over time, the share of the discretionary budget allocated to global HIV/AIDS has increased significantly (See Figure 3).

#### The Domestic HIV/AIDS Budget

**Care:** The largest component of the federal AIDS budget is health care for people living with HIV/AIDS in the U.S., which totals \$13.2 billion in the FY 2010 request (51% of the total and 68% of the domestic share). This represents a 6% increase over FY 2009, primarily due to increased mandatory spending for Medicaid and Medicare. The Ryan White Program, the largest HIV-specific discretionary grant program in the U.S. and third largest source of funding for HIV care, is funded at \$2.3 billion in the budget, a \$54 million increase over FY 2009. The increase will be used to expand access to health care among uninsured and underinsured individuals living with HIV/AIDS and to help reduce HIV-related health disparities. Funding for Ryan White includes the AIDS Drug Assistance Program (ADAP), which receives \$835 million in the request, a \$20 million increase over FY 2009. Some other parts of Ryan White also receive small increases in the budget request.

**Cash and Housing Assistance:** Cash and housing assistance total \$2.4 billion, or 9% of the FY HIV/AIDS 2010 budget request. This 3% increase over FY 2009 is due to increased mandatory spending estimates for cash assistance through the SSI and SSDI programs which provide support to people with HIV who are disabled. Housing assistance, through HOPWA, the Housing Opportunities for Persons with AIDS Program, a discretionary program, is level funded at \$310 million in the request.

**Figure 3: Discretionary Funding for HIV/AIDS, Domestic & Global Shares, FY 2006-FY 2010 (USD \$Billions)**



**Prevention:** Domestic HIV prevention represents the smallest category of the HIV/AIDS budget (4%). The FY 2010 request includes \$929 million for HIV prevention, which represents a \$54 million increase over FY 2009. The increase will be used to support HIV testing and surveillance, capacity building, and prevention activities targeting those at high-risk. Most prevention funding, including the proposed increase, is provided to the Centers for Disease Control and Prevention’s (CDC) National Center for HIV/AIDS, Viral Hepatitis, STD, and TB Prevention (NCHHSTP), which receives \$745 million in the budget request, an 8% increase for the Center.

**Research:** The budget request includes \$2.8 billion (11% of the budget) for domestic HIV research, similar to FY 2009 levels. The National Institutes of Health (NIH), which carries out almost all of the domestic HIV research of the federal government, receives \$2.6 billion (additional amounts are used for international HIV research, attributed to the global category).

**Minority AIDS Initiative**

The budget request also includes funding for the Minority AIDS Initiative (MAI), a federal initiative created in 1998 in response to growing concern about the impact of HIV/AIDS on racial and ethnic minorities in the United States. The MAI provides funding across several agencies and programs within the Department of Health and Human Services (and these amounts are reflected in the domestic care and prevention totals above), and is funded at \$414.5 million in the request, a slight increase (1%) over FY 2009 levels.

**The Global HIV/AIDS Budget**

The U.S. government first provided funding to address the global HIV/AIDS epidemic in 1986. Since that time, global HIV/AIDS funding has risen significantly and grown as a share of the overall HIV/AIDS budget. The biggest growth has been in recent years. The FY 2010 budget request includes \$6.5 billion for global HIV/AIDS (a less than 1% increase over FY 2009), and represents a quarter of the budget request for HIV/AIDS. All U.S. funding for global HIV/AIDS is part of PEPFAR, the President’s Emergency Plan for AIDS Relief, first authorized in FY 2003 and reauthorized in FY 2008.<sup>3</sup>

Approximately \$5 billion of the request is for bilateral activities in PEPFAR-supported countries; an additional \$435 million is for international research. The request also includes \$900 million for the Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund), an independent, public-private, multilateral institution which finances HIV/AIDS, TB, and malaria programs in low and middle income countries. The U.S. was the first contributor to the Global Fund when it was created and is the largest single donor today. The FY 2010 request for the Global Fund would be a decrease over final FY 2009 funding levels, which include supplemental appropriations provided by Congress after the budget request was released. Contributions to the Global Fund are made by the U.S. and other donors without specifying disease allocations, and in turn are distributed by the Global Fund based on a review of country proposals for the three diseases. To date, 61% of the funding distributed by the Global Fund has supported HIV programs (14% has been allocated to TB and 25% to malaria).<sup>4</sup> If this distribution is applied to U.S. contributions to determine an estimated HIV/AIDS share, the FY 2010 request would be approximately \$549 million.

In addition to U.S. Global Fund contributions which also support TB and malaria efforts, PEPFAR includes funding for bilateral TB programs. Such funding is not included in the totals presented here (with TB, total PEPFAR funding in the FY 2010 request is \$6.7 billion). PEPFAR legislation also authorizes bilateral funding for malaria but those amounts are counted separately as part of the President’s Malaria Initiative (PMI).

**Table 1: Federal Funding for HIV/AIDS by Category, FY 2006-FY 2010 (USD \$Billions)**

Category	2006	2007	2008	2009	2010
Care/Treatment	\$10.3	\$11.0	\$11.7	\$12.5	\$13.2
Cash/Housing Assistance	\$2.1	\$2.2	\$2.3	\$2.4	\$2.5
Prevention	\$.878	\$.900	\$.872	\$.875	\$.929
Research	\$2.6	\$2.7	\$2.7	\$2.8	\$2.8
Global	\$3.2	\$4.4	\$5.9	\$6.4	\$6.5
<b>Total</b>	<b>\$19.2</b>	<b>\$21.2</b>	<b>\$23.4</b>	<b>\$24.9</b>	<b>\$25.8</b>

**References**

<sup>1</sup> Unless otherwise noted, all data sources are listed below Table 2.  
<sup>2</sup> It is difficult to disaggregate federal funding for HIV/AIDS into discrete domestic and global categories, since some agencies do not report activities along these lines and certain activities may have application to both arenas. An example is international HIV research at NIH, which can be counted as either “research” or “global” but is attributed to the global category in this fact sheet.  
<sup>3</sup> P.L. 108-25, May 27, 2003; P.L. 110-293, July 30, 2008.  
<sup>4</sup> See: www.theglobalfund.org.

**Table 2: Federal Funding for HIV/AIDS: FY 2006 - FY 2010<sup>1,2</sup>**

Program/Account (USD \$ Millions)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	Change FY 2009-FY 2010	
						\$	%
<b>Domestic Programs &amp; Research</b>							
Ryan White Program <sup>3</sup>	2,061.3	\$2,137.8	\$2,166.80	\$2,238.4	\$2,292.4	\$54.0	2.4%
<i>ADAP (non-add)</i>	789	789.5	794.4	815	835	\$20.0	2.5%
CDC Domestic Prevention (& Research)	715.7	758.3	732.1	732.1	785.1	\$53.0	7.2%
<i>NCHHSTP (non-add)</i>	651.7	695.5	691.9	691.9	744.9	\$53.0	7.7%
National Institutes of Health (domestic only)	2,528.9	2,544.1	2,516.7	2,584.7	2,620.0	\$35.3	1.4%
Substance Abuse & Mental Health Services Admin (SAMHSA)	171.9	171.5	172.1	177.8	177.8	\$0.0	0.0%
Department of Veterans Affairs (VA)	468	505	639	730	834	\$104.0	14.2%
Housing Opportunities for Persons with AIDS (HOPWA)	286.1	286.1	300.1	310	310	\$0.0	0.0%
<i>Minority HIV/AIDS Initiative (non-add)</i>	399.8	399.8	401	410.6	414.5	\$3.9	0.9%
Other discretionary <sup>4</sup>	281.1	279.4	285.49	294.1	293.2	(\$0.9)	-0.3%
<i>Subtotal discretionary</i>	6,513.0	6,682.2	6,812.3	7,067	7,312.5	\$245.5	3.5%
Medicaid (federal only)	3,600.0	3,900.0	4,100.0	4,400.0	4,700.0	\$300.0	6.8%
Medicare	3,900.0	4,200.0	4,500.0	4,800.0	5,100.0	\$300.0	6.3%
Social Security Disability Insurance (SSDI)	1,404.4	1,478.2	1,536.6	1,588.	1,636.2	\$47.5	3.0%
Supplemental Security Income (SSI)	435	410	465	480	500	\$20.0	4.2%
Federal Employees Health Benefits (FEHB) Plan	100	107	114	123	132	\$9.0	7.3%
<i>Subtotal mandatory</i>	\$9,439.4	\$10,095.2	\$10,715.6	\$11,391.7	\$12,068.2	\$676.5	5.9%
<b>Subtotal Domestic</b>	<b>\$15,952.4</b>	<b>\$16,777.4</b>	<b>\$17,527.9</b>	<b>\$18,458.7</b>	<b>\$19,380.7</b>	<b>\$921.98</b>	<b>5.0%</b>
<b>Global Programs &amp; Research</b>							
USAID (through CSH Fund)	346.5	325	347.2	350	350	\$0.0	0.0%
USAID (other)	27.3	20.9	24.7	0	0	\$0.0	--
State Department Global AIDS Initiative (GAI)	1,777.1	2,869.0	4,116.4	4,559.0	4,659.0	\$100.0	2.2%
Foreign Military Financing	2	1.6	0	0	0	\$0.0	--
CDC Global AIDS Program (GAP)	122.6	121	118.9	118.9	119.0	\$0.1	0.1%
Department of Defense (DoD)	5.2	0	8.99	8	0	(\$8.0)	-100.0%
<i>Subtotal bilateral prevention, care, treatment</i>	2,280.7	3,337.5	4,616.2	5,035.9	5,128.0	\$92.1	1.8%
Global Fund <sup>5</sup>	544.5	724	840.3	1000	900	(\$100.0)	-10.0%
<i>Global Fund – USAID (non-add)</i>	247.5	247.5	0	100	0	(\$100.0)	-100.0%
<i>Global Fund – GAI (non-add)</i>	198	377.5	545.5	600	600	\$0.0	0.0%
<i>Global Fund – NIH (non-add)</i>	99	99	294.8	300	300	\$0.0	0.0%
<i>Subtotal bilateral prevention, care, treatment &amp; Global Fund</i>	2,825.2	4,061.5	5,456.5	6,035.9	6,028.0	(\$7.9)	-0.1%
NIH international HIV research	373	361.7	411.7	425.7	435.5	9.8	2.3%
<b>Subtotal Global</b>	<b>\$3,198.2</b>	<b>\$4,423.2</b>	<b>\$5,868.1</b>	<b>\$6,461.5</b>	<b>\$6,463.5</b>	<b>\$2.0</b>	<b>0.03%</b>
<b>TOTAL</b>	<b>\$19,150.6</b>	<b>\$21,200.6</b>	<b>\$23,396.0</b>	<b>\$24,920.3</b>	<b>\$25,844.2</b>	<b>\$923.9</b>	<b>3.7%</b>

**NOTES:** (1) Data are rounded and adjusted to reflect across-the-board rescissions to discretionary programs as required by appropriations bills in some years and some data are still considered preliminary. (2) FY 2009 does not include funding from the American Recovery and Reinvestment Act (ARRA), 2009. (3) Ryan White totals in each year include \$25 million for Special Projects of National Significance (SPNS). (4) Other domestic funding includes: DHHS Office of the Secretary, Health Resources and Services Administration, Food and Drug Administration, Indian Health Service, Agency for Healthcare Research and Quality; Departments of Defense, Justice, and Labor (5) Global Fund grants support country projects that address HIV/AIDS, tuberculosis, and malaria; approximately 61% of grants awarded to date have been for HIV/AIDS. Figures used here are not adjusted to represent an estimated HIV/AIDS share.

**SOURCES:** Kaiser Family Foundation analysis of data from: FY 2010 Budget of the United States; Congressional Appropriations Bills and Conference Reports; Federal Agency Budget and Congressional Justification documents; Office of Management and Budget, personal communication, May-June 2009; Social Security Administration, personal communication, May 2009; Centers for Medicare and Medicaid Services, personal communication, May 2009; Congressional Research Service.