National ADAP Monitoring Project

Annual Report
May 19, 2004

Jennifer Kates
Henry J. Kaiser Family Foundation
and
Murray Penner
National Alliance of State and Territorial AIDS Directors

Also Produced in Partnership with the AIDS Treatment Data Network

National ADAP Monitoring Project

About the National ADAP Monitoring Project

- First commissioned in 1996 in response to rapid changes in ADAPs.
- The Project provides timely information on the current status of ADAPs, trends over time, and key issues affecting client access.
- The National ADAP Survey, conducted each year, serves as the basis for the Project's *Annual Report*. Other data from NASTAD used to supplement findings.

National ADAP Monitoring Project

The National ADAP Monitoring Project Annual Report, May 2004

- The 8th annual report released by the Project.
- 54 of 57 state and territorial ADAPs responded to the June 2003 survey.
- Data from June 2003 and FY 2003 except where noted
- ADAPs are dynamic programs:
  - ADAPs make changes during course of fiscal year
  - Data may have changed between the data collection period and the release of the *Annual Report*.

National ADAP Monitoring Project

Continued…

- Data provide a "snapshot" of program activity during June 2003, and FY 2003
- In addition, national and state level trends in ADAP utilization, expenditures, funding and other measures over time, since 1996
- Update on ADAP drug formularies and cost containment measures

National ADAP Monitoring Project

Findings

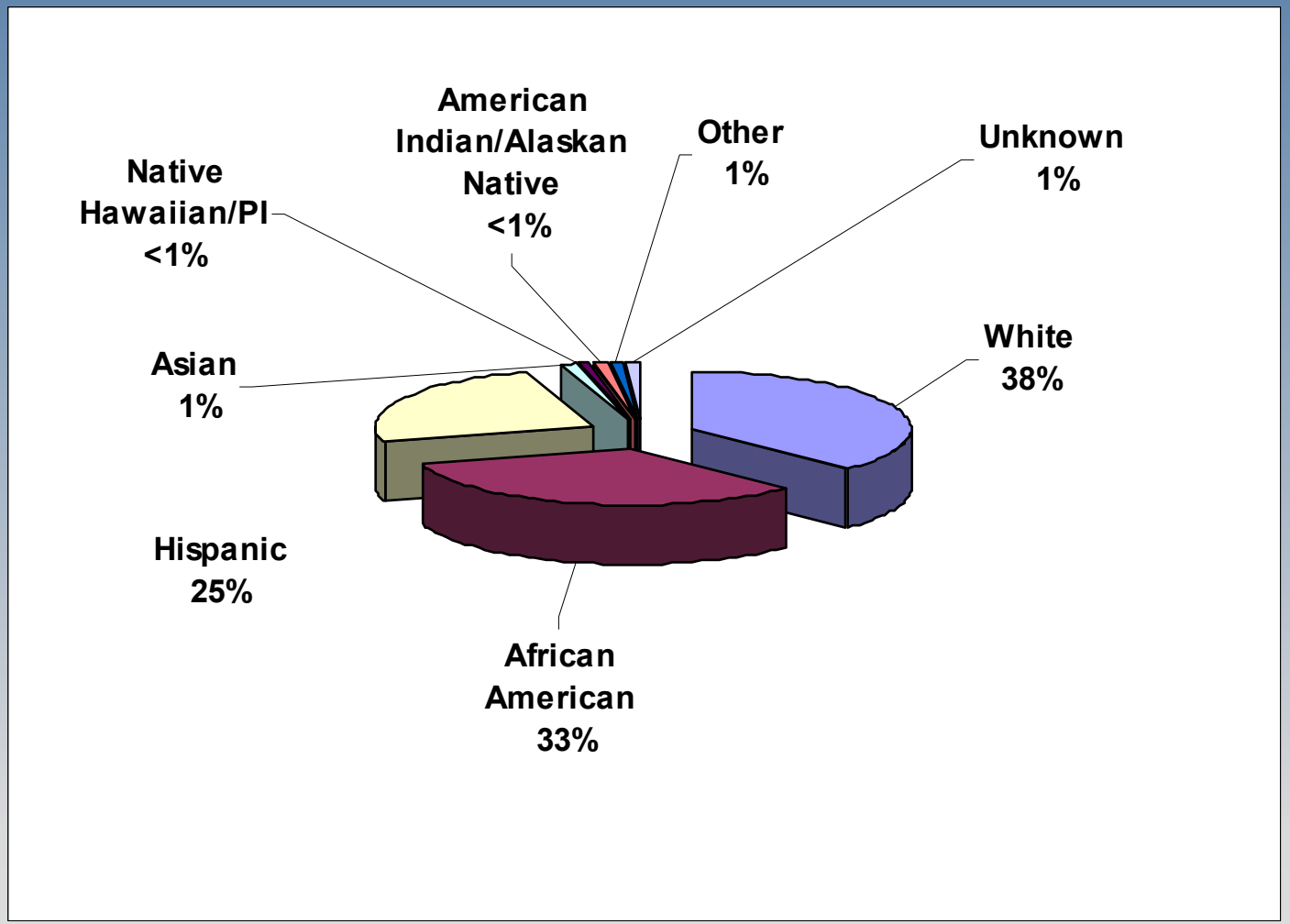
National ADAP Monitoring Project

ADAP Client Utilization, June 2003

- ADAPs served 85,825 clients in June 2003 (67% of total clients enrolled in that month—128,465 in June 2003)
- Ten states accounted for 73% of June 2003 clients served
- Clients served ranged from 1 to over 16,000
- Continues to increase, but at slower rate

National ADAP Monitoring Project

ADAP Clients by Race/Ethnicity, June 2003



National ADAP Monitoring Project

Other Client Demographics, June 2003

- Mostly male (79% were male, 21% female)
- Primarily younger adults (60% between ages 25 and 44)
- Very low-income (81% of clients fell at or below 200% FPL, with 49% at or below 100% FPL)
- Most have no other form of insurance coverage (13% with private insurance; 8% with Medicare; 7% with Medicaid coverage)
- Indications of advanced HIV disease (42% of clients had CD4 count < 350)

National ADAP Monitoring Project

ADAP Drug Expenditures, June 2003

- ADAP drug expenditures totaled $77.4 million in June 2003 (when annualized, represents $928.7 million, or 97% of the budget)
- Ten states accounted for 77% of June 2003 expenditures
- Expenditures ranged from $620 to $16.3 million
- Continues to increase, but at slower rate

National ADAP Monitoring Project

ADAP Drug Expenditures by Class, June 2003

- 54 states provided expenditure data by class—representing nearly all of total expenditures
- Antiretrovirals continue to account for the bulk of expenditures (86%)
- OI and other drugs make up 10% of drug spending
  - Including 4% spent on the 14 "A1" drugs recommended by the PHS/IDSA guidelines
- Similar to last year's breakdown

National ADAP Monitoring Project

Per Capita Drug Expenditures, June 2003

- $902 per client in June 2003 (increase from $838 in June 2002)
- If annualized, represents $10,824 per person per year
- Per capita expenditures range from $319 to $1,402 in June 2003

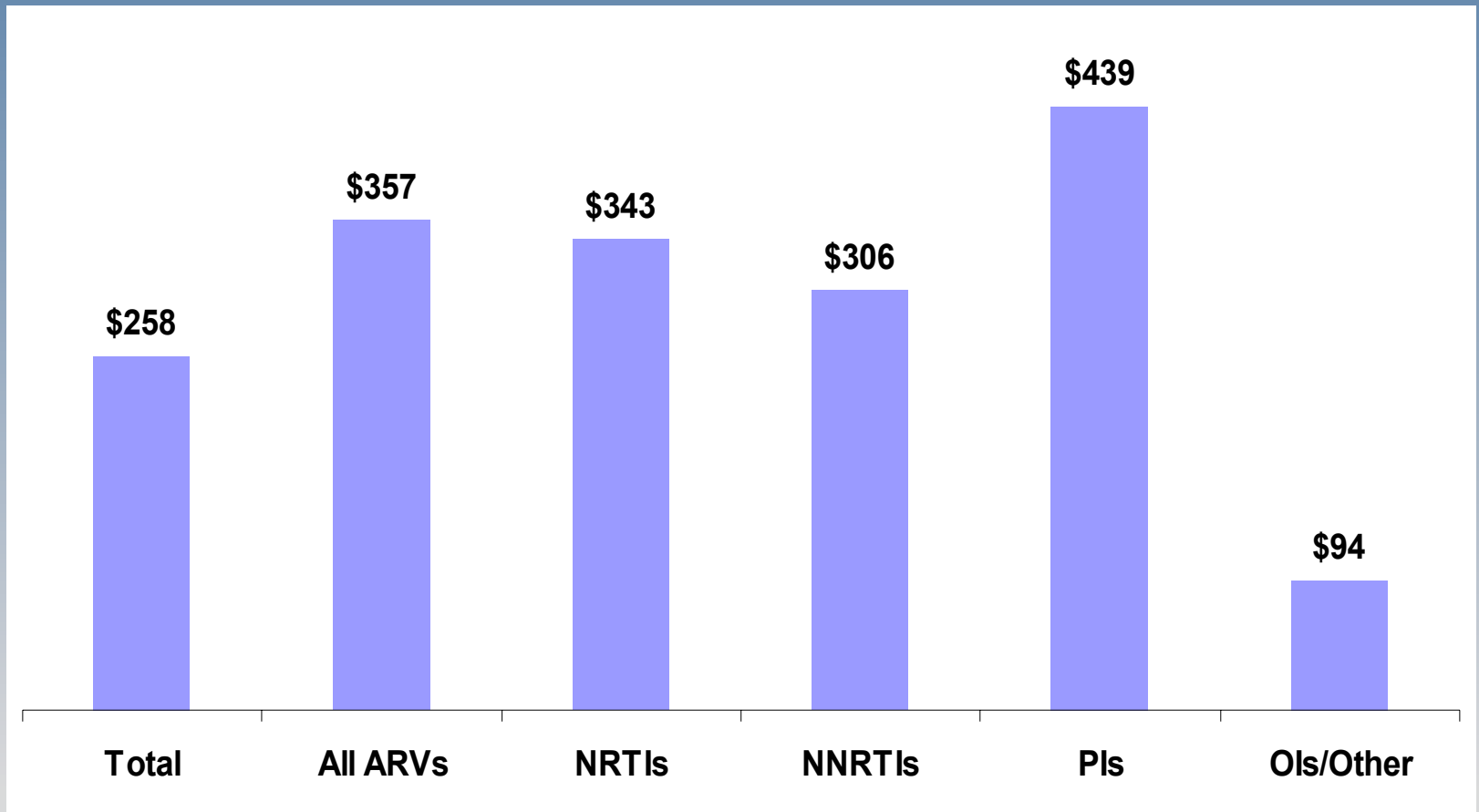
National ADAP Monitoring Project

ADAP Prescriptions Filled by Class, June 2003

- ADAPs filled 300,540 prescriptions in June 2003
- Antiretrovirals (ARVs) represented 61% of total prescriptions filled
- Opportunistic Infection (OI) and other drugs represented 37%
  - Including 11% spent on the 14 "A1" drugs recommended by the PHS/IDSA guidelines
- Similar to last year's breakdown

National ADAP Monitoring Project

ARVs Most Expensive: Expenditures per Prescription, June 2003



National ADAP Monitoring Project

ADAP Drug Formularies, FY 2003

- Range from 18 to 474 drugs covered; 4 jurisdictions with open formularies
- Sixteen states did not provide all approved antiretroviral drugs at the time of the survey (not including Fuzeon).
- Seventeen states offer all 14 PHS/IDSA guideline drugs for the prevention of OIs (up from 15 last year)
  - 39 states cover 10 or more (same as in June 2002)
  - 2 states cover none (down from 3 in June 2002)

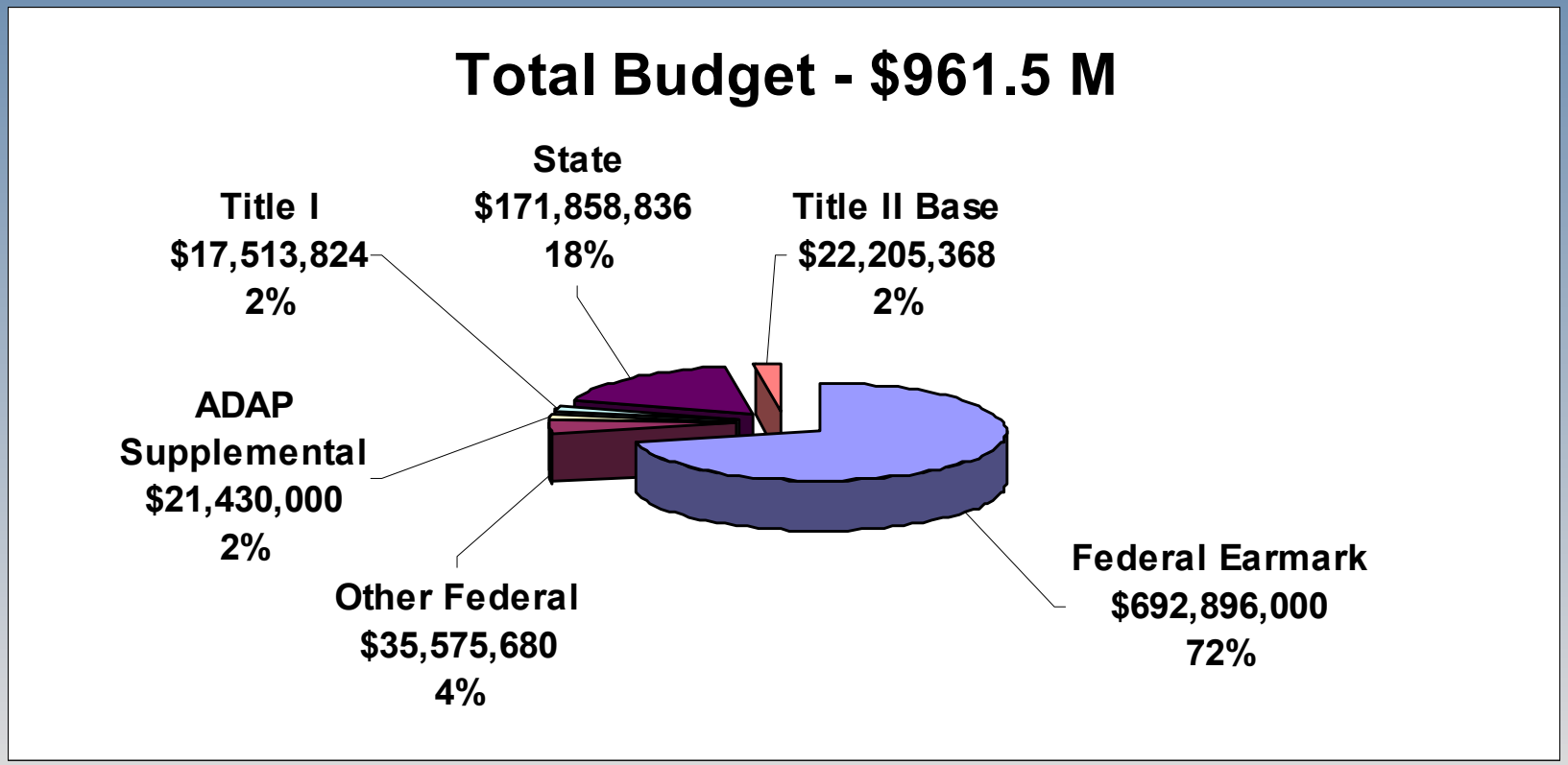
National ADAP Monitoring Project

ADAP Drug Formularies, continued

- 33 states provide Fuzeon (first drug in a new class of drugs – fusion inhibitors)
- 20 states reported coverage of hepatitis C (HCV) treatments
- 22 states offer hepatitis A and B vaccines

National ADAP Monitoring Project

National ADAP Budget by Source, FY 2003



National ADAP Monitoring Project

National ADAP Budget

- FY2003 budget grew to $961.5 million (increase of $83 million, or 9% over FY02)
- Federal earmark is largest component (72%), with state general revenue at 18%
- Title II base funding decreased by 23% from FY02, dropping to $22.2 million
- Title I contributions to ADAP decreased by 11% from FY02, dropping to $17.5 million

National ADAP Monitoring Project

Key Themes & Trends

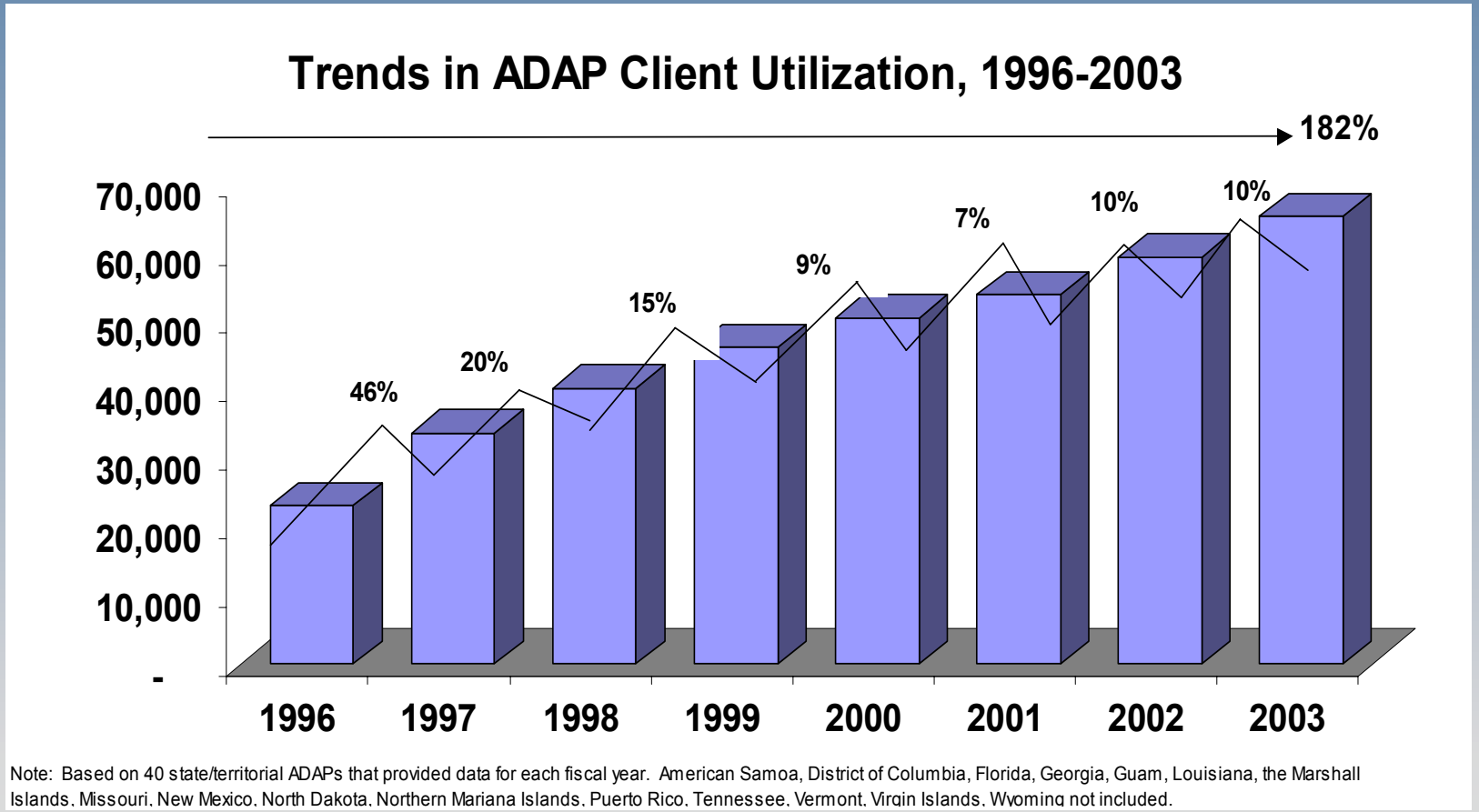
National ADAP Monitoring Project

Trends in Clients Served and Drug Expenditures

- Increasing, but biggest increase early on, after earmark introduced and HAART
- National trends mask important differences at state level; between June 2002 and June 2003:
  - 41 ADAPs had an increase in clients served, 11 had decreases
  - 35 ADAPs had increases in drug expenditures, 18 had decreases
- Clients served and Drug Expenditures largely function of the budget

National ADAP Monitoring Project

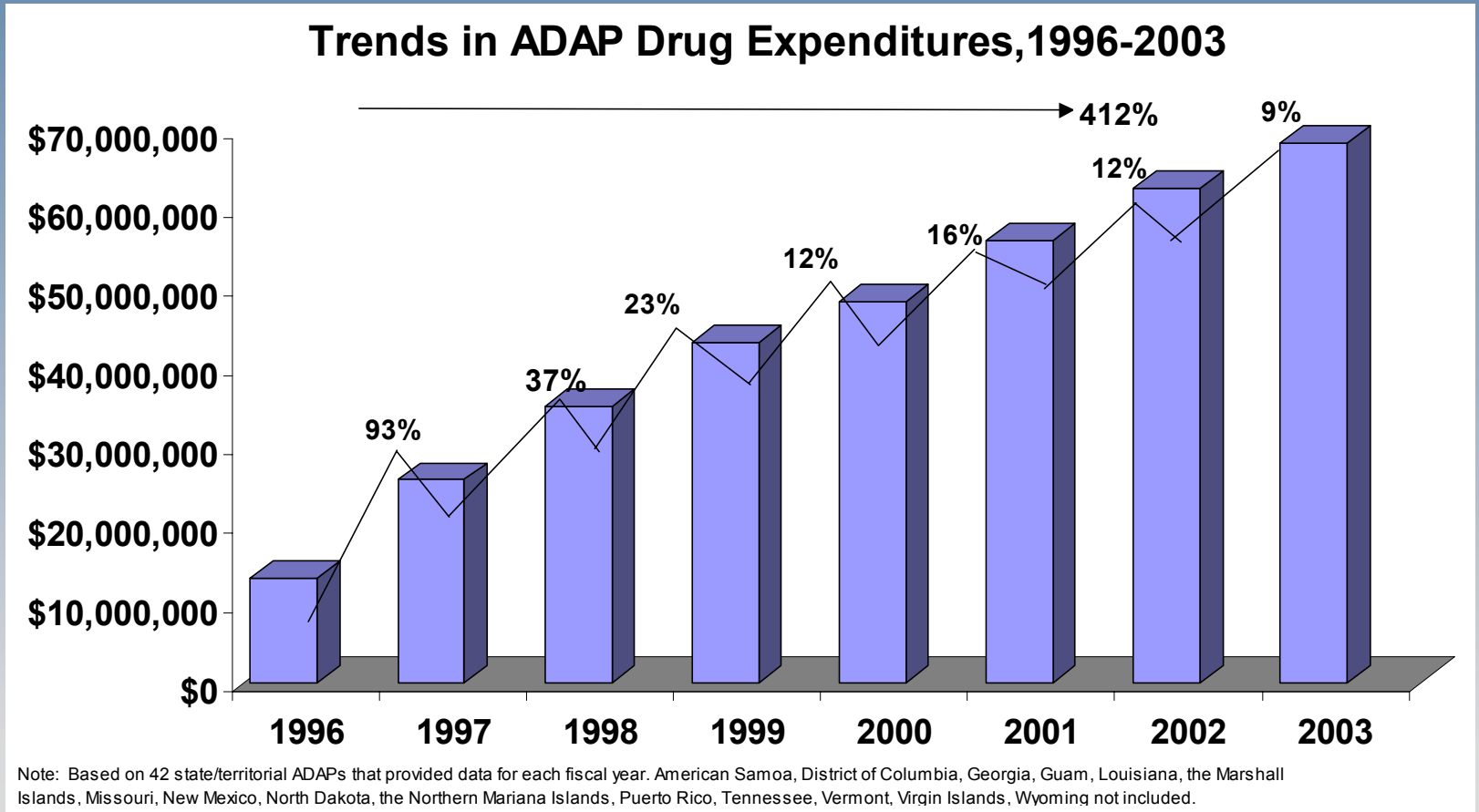
Increasing ADAP Client Utilization Over Time, but at Slower Rates



Note: Based on 40 state/territorial ADAPs that provided data for each fiscal year. American Samoa, District of Columbia, Florida, Georgia, Guam, Louisiana, the Marshall Islands, Missouri, New Mexico, North Dakota, Northern Mariana Islands, Puerto Rico, Tennessee, Vermont, Virgin Islands, Wyoming not included.

National ADAP Monitoring Project

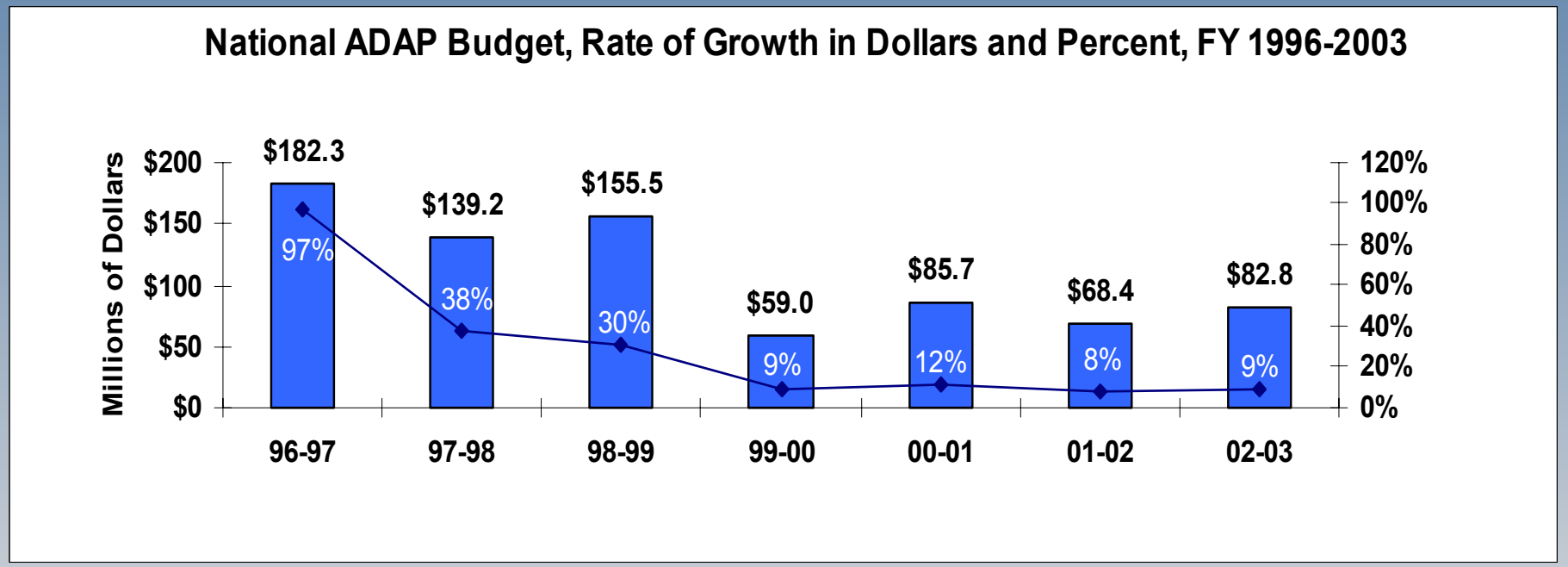
Increasing ADAP Drug Expenditures Over Time, but at Slower Rates



Note: Based on 42 state/territorial ADAPs that provided data for each fiscal year. American Samoa, District of Columbia, Georgia, Guam, Louisiana, the Marshall Islands, Missouri, New Mexico, North Dakota, the Northern Mariana Islands, Puerto Rico, Tennessee, Vermont, Virgin Islands, Wyoming not included.

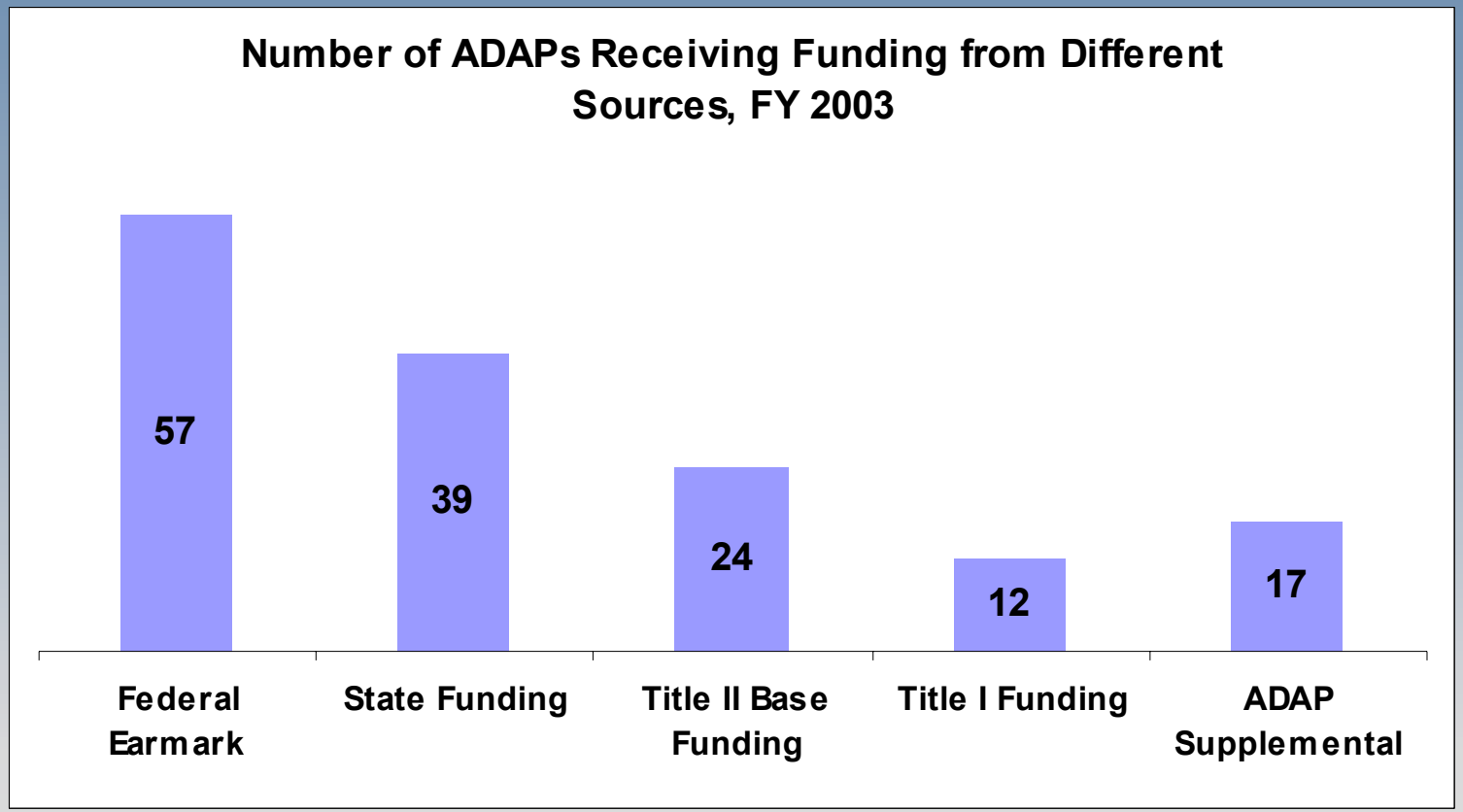
National ADAP Monitoring Project

Increasing ADAP Budget Over Time, but at Slower Rates



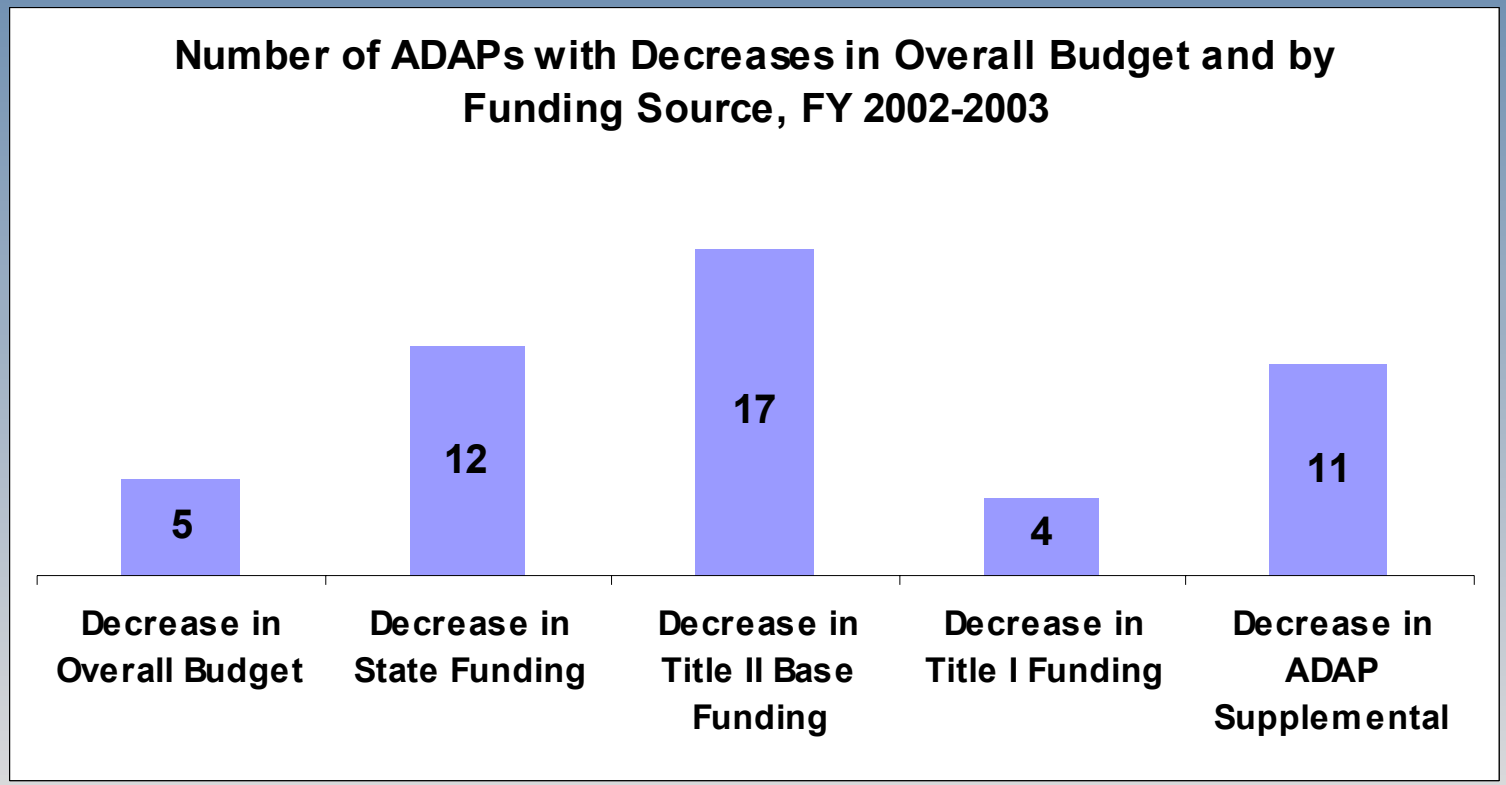
National ADAP Monitoring Project

Other than Earmark, Additional Sources of Funding Highly Variable and Not Available to all ADAPs



National ADAP Monitoring Project

Several ADAPs Faced Budget Cuts Overall or For Particular Funding Sources



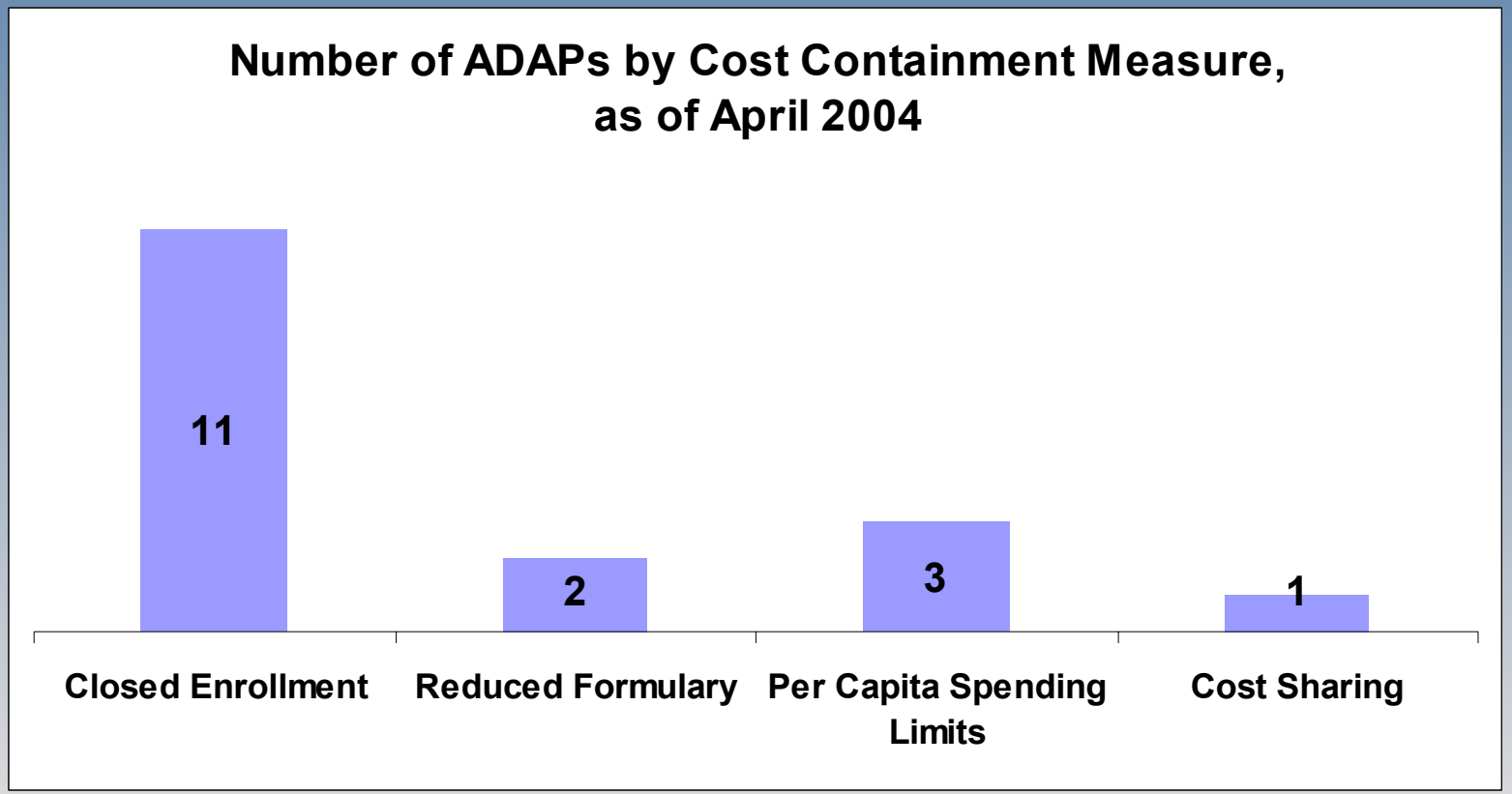
National ADAP Monitoring Project

What People Get Depends on Where They Live

- Income eligibility ranges from 125% FPL to 500% FPL
- Formulary variation significant in terms of number and types of drugs offered (4 to 474, not all recommended drugs offered)
- Variations in access are the result of both the availability of other resources – and therefore the size of the "gap" ADAPs are asked to fill – and state discretion over ADAP program design
- Not just variation across the country, but program changes may occur at multiple times during fiscal year for any given ADAP

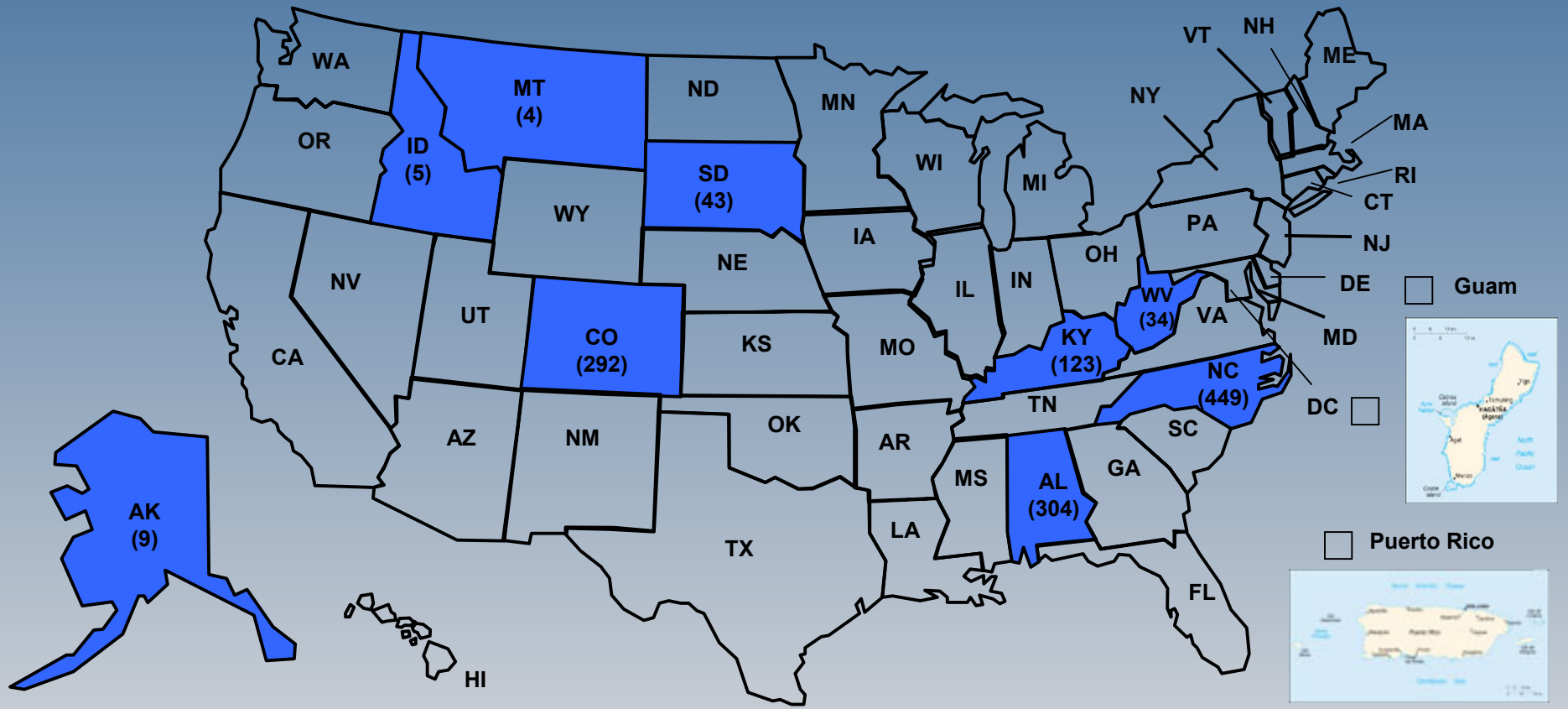
National ADAP Monitoring Project

Resource Constraints Lead to Cost Containment Measures that May Limit Client Access



National ADAP Monitoring Project

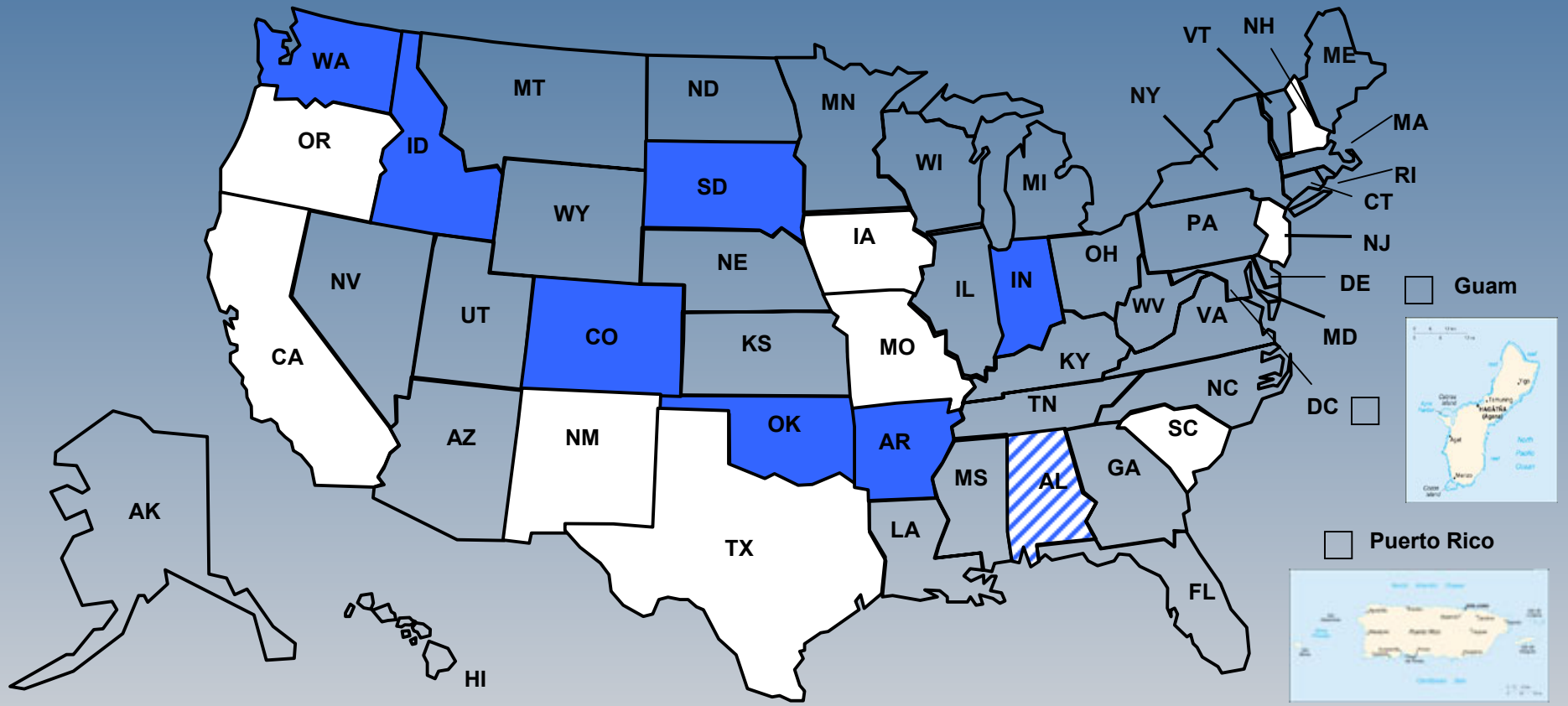
State ADAPs with Waiting Lists, as of April 2004



States with waiting lists – April 2004 (9 ADAPs) – 1,263 individuals

National ADAP Monitoring Project

ADAPs with Current or Planned Cost-Containment Measures, as of April 2004



States with current cost containment measures (other than waiting lists) – 7 states

States with current cost-containment measures in place and anticipate the need to implement additional measures in FY2004 – 1 state

States without current cost-containment measures in place but anticipate the need to implement measures in FY2004 – 9 states

National ADAP Monitoring Project

Looking Forward…

National ADAP Monitoring Project

- Importance of ADAPs, particularly for low-income, uninsured people with HIV/AIDS
  - Growing over time
  - Challenges of fiscal and treatment environment
  - Health and fiscal benefits due to ADAP, but do not directly accrue to the program
- Key issues on the horizon:
  - State Fiscal Environment, Medicaid, and ADAPs
  - Medicare Prescription Drug Law
  - IOM Report
  - Reauthorization of the CARE Act in FY 2005
  - ADAP Crisis Task Force