



Senators Fight To Preserve Funding For States With High HIV/AIDS Populations

June 23, 2005

WASHINGTON, D.C. – U.S. Senator Dianne Feinstein (D-CA) joined five other Senators today to call on the Government Accountability Office (GAO) to recognize the importance of care and treatment funding provided to cities with high incidence of HIV and AIDS under Title I of the Ryan White CARE Act.

The letter to the GAO, seeking to protect Americans living with HIV, was drafted by Senator Hillary Rodham Clinton (D-NY) and Frank Lautenberg (D-NJ). Senators Charles Schumer (D-NY), Barbara Boxer (D-CA), and Jon Corzine (D-NJ) also signed the letter.

The Ryan White CARE Act was first enacted in 1990 to provide care and treatment to Americans living with AIDS. The two biggest funding streams in the CARE Act are Titles I and II. Title I money is for cities with high rates of AIDS cases, known as eligible metropolitan areas (EMAs), and Title II money is for states with the bulk of the money going to AIDS Drug Assistance Programs (ADAPs).

In addition to Title II funding, California received \$99 million in 2005 in Title I funding for its nine eligible metropolitan areas in: Los Angeles, Oakland, Orange County, Riverside-San Bernardino, San Diego, San Francisco, San Jose, Sacramento, Santa Rosa.

California was and still is an epicenter for the AIDS epidemic. California ranks second in the nation in the number of cumulative AIDS cases as well as those living with AIDS. By May 31, 2005, California had 137,213 cumulative AIDS cases and 57,308 individuals living with AIDS.

At a hearing Thursday in the Homeland Security and Governmental Affairs Committee's subcommittee on Federal Financial Management, the GAO presented preliminary findings on variations in CARE Act funding across the United States. States that receive funding for EMAs under Title I of the CARE Act are in danger of losing those resources because of the perception they are “double dipping.”

In its preliminary analysis, the GAO failed to account for the scope of services provided, the cost of living in various areas, and the differences between community –driven services provided by cities and the state level services provided under Title II.

“Changing such an allocation so that states receive funding only for cases located outside of EMAs would devastate the current AIDS service infrastructure, and result in delays or denials of care for the vast majority of people living with AIDS,” the Senators wrote in their letter.

Senator Feinstein was Mayor of San Francisco during the beginning of the AIDS epidemic. In 1981, she began the first AIDS program in the nation. Since then she has consistently fought for increased funding for the Ryan White CARE Act and is an original cosponsor of the Early Treatment for HIV Act.

This legislation redresses a fundamental flaw in the current Medicaid system that provides access to care only after HIV-positive individuals have been diagnosed with AIDS. It would also give states the option of providing a full spectrum of preventive health care and treatment to low income individuals as soon as they are diagnosed with HIV, before they become sick.

The following is the text of the letter:

June 23, 2005

The Honorable David M. Walker
Comptroller General of the United States
United States Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20548

Dear Mr. Walker:

As Senators representing states with high HIV/AIDS caseloads and populations served by Title I Eligible Metropolitan Areas (EMAs), we are concerned with the preliminary data as presented in the testimony of the Government Accountability Office (GAO) before the Subcommittee on Federal Financial Management, Government Information, and International Security of the Senate Homeland Security and Government Affairs Committee on Thursday, June 23. We hope that in the final report, the GAO will take into account the necessity for stable, continued funding for the Title I EMA program, which provides community-directed services, care and treatment to the vast majority of those living with HIV/AIDS in the United States.

We would like the GAO to address the following issues in its final report:

- The role of the grandfather clause in ensuring service provision

In the Ryan White CARE Act, a clause from the 1996 reauthorization states that EMAs designated prior to fiscal year 1996 will retain their status in subsequent fiscal years. Even if the criteria for designation as an EMA are not currently met by several grantees, over 70% of the Americans living with AIDS reside in areas served by Title I funding. Clearly, the burden of the domestic epidemic is still disproportionately based in cities that receive Title I funding. We would ask that, in the final report, the GAO include a discussion of the barriers to care and

treatment in EMAs that would arise were the grandfather clause to be lifted. We would also ask that you consider the role the grandfather clause has played in protecting areas with high prevalence rates, as defined in the 1990 CARE Act. These areas would have been severely impacted by the 1996 reauthorization's elimination of the density factor from the Title I formula were it not for this grandfather clause.

· The inadequacies of using a per capita formula in funding analyses
There has been some concern that the amount allocated to various regions does not represent an equal distribution, on a per capita basis, of funding. What such an analysis fails to consider is both the level of services provided and the cost of living in various areas. Per capita funding formulations do not address the scope of services provided and the true extent of need in high cost-of-living areas like New York City, San Francisco, and other EMAs. In your report, we ask that the GAO consider both the range and actual cost of services provided in states and local communities prior to any analysis of funding distributions.

· The continued need for separate Title I and Title II funding streams
There is a perception that states with EMAs are somehow “double dipping” into Ryan White CARE Act funding, as such areas benefit from both Title I and Title II funding streams. However, such criticism fails to take into account differences between the local, community-driven services provided in EMAs, and the state-level services funded by Title II. This issue has already been addressed legislatively in the CARE Act. Formula allocations in Title II specifically place a greater weight on cases in non-EMA areas, so that more funding will be directed to non-EMA states. Changing such an allocation so that states receive funding only for cases located outside of EMAs would devastate the current AIDS service infrastructure, and result in delays or denials of care for the vast majority of people living with AIDS. We ask that when examining Title I vs. Title II funding issues, the GAO take into account the impact of reducing Title II funding upon service provision in these states with the greatest burden of cases.

Thank you for your consideration of our request.

Sincerely,