

National ADAP Monitoring Project

Findings from the Annual Report April 2003

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National ADAP Monitoring Project

About the National ADAP Monitoring Project

- First commissioned in 1996 in response to rapid changes in ADAPs.
- The Project seeks to provide timely information on the current status of ADAPs, trends over time, and key issues affecting state and territorial ADAPs.
- The National ADAP Survey, conducted by NASTAD, KFF, and ATDN, serves as the basis for the Project's *Annual Report*.

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The National ADAP Monitoring Project Annual Report, April 2003

- The 7th annual report released by the Project.
- 54 of 56 ADAPs responded to the June 2002 survey.
- Findings based on National ADAP Survey, June 2002 except where noted.
- Data may have changed between the June 2002 survey and the release of the *Annual Report*.
- ***ADAPs operate within dynamic environment, vary greatly across states.

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Detailed Findings

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Report Findings

- Data provide a “snapshot” of program activity during June 2002
- Trends in ADAP utilization, expenditures and funding over time since 1996
- Update on ADAP drug formularies
- Update on program restrictions and changes in program eligibility criteria
- Other: insurance purchasing/maintenance; drug purchasing mechanisms; State coverage of resistance testing, HCV screening

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ADAP Client Utilization, June 2002

- ADAPs served 80,035 clients in June 2002 (66% of total clients enrolled—120,385)
- 4% increase over June 2001 (compared to 10% between June 2000 and June 2001)
- Ten states accounted for 75% of June 2002 clients served (CA, NY, FL, TX, GA, NJ, PR, IL, PA, and LA)
- Continues to increase, but at decreasing rate

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ADAP Drug Expenditures, June 2002

- ADAP drug expenditures totaled \$70.7 million in June 2002
- 12% increase compared to June 2001 (compared to 16% between June 2000 and June 2001)
- Ten states accounted for 77% of June 2002 expenditures (CA, NY, FL, TX, NJ, GA, PA, IL, PR, and NC)
- Continues to increase, but at decreasing rate

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ADAP Drug Expenditures by Class, June 2002

- 46 states provided expenditure data by class—representing 92% of total expenditures
- Antiretrovirals account for the bulk of expenditures (86%)
- OI and other drugs make up 14% of drug spending
 - Including 5% spent on the 14 “A1” drugs recommended by the PHS/IDSA guidelines
- Very similar to last year’s breakdown

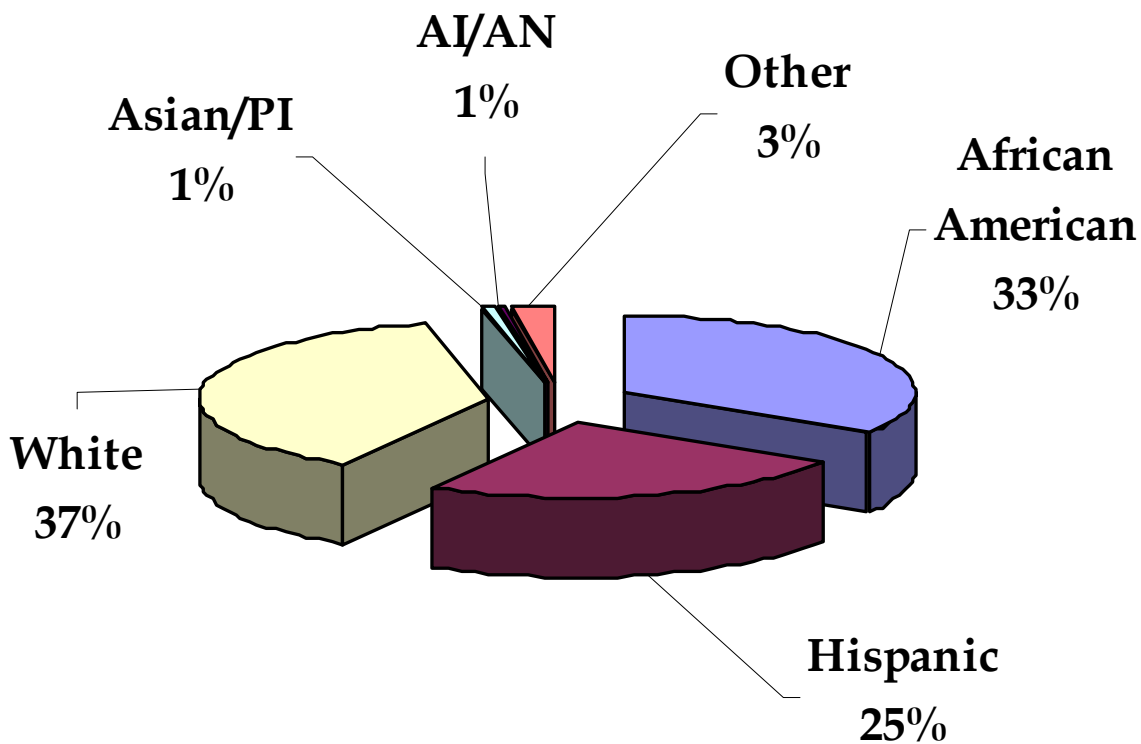
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ADAP Prescriptions Filled by Class, June 2002

- ADAPs filled 257,279 prescriptions in June 2002
- 5% increase compared to June 2001 (compared to 19% between June 2000 and June 2001)
- Antiretrovirals (ARVs) represented 61%
- Opportunistic Infection (OI) and other drugs represented 38%
 - Including 9% spent on the 14 “A1” drugs recommended by the PHS/IDSA guidelines
- Percentage of prescription drugs filled by class has remained relatively constant

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ADAP Clients by Race/Ethnicity, June 2002



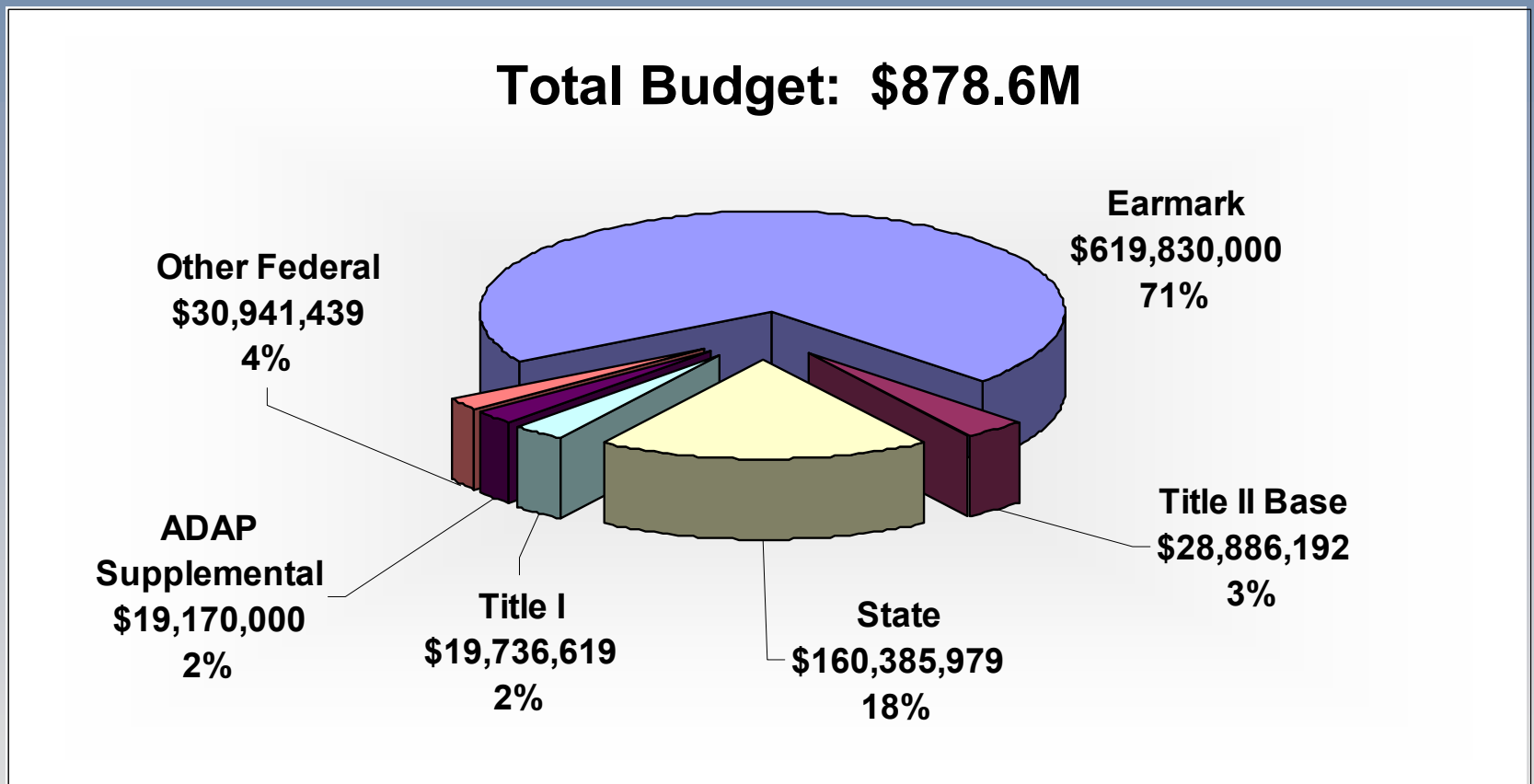
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Other Client Demographics, June 2002

- 78% of June 2002 clients were male
- 98% of June 2002 clients were over age 19
- 81% of clients fell at or below 200% FPL
- 13% with private insurance; 6% with Medicare; 10 % with Medicaid coverage
- Half of clients had CD4 count < 350
- Relatively constant over duration of project

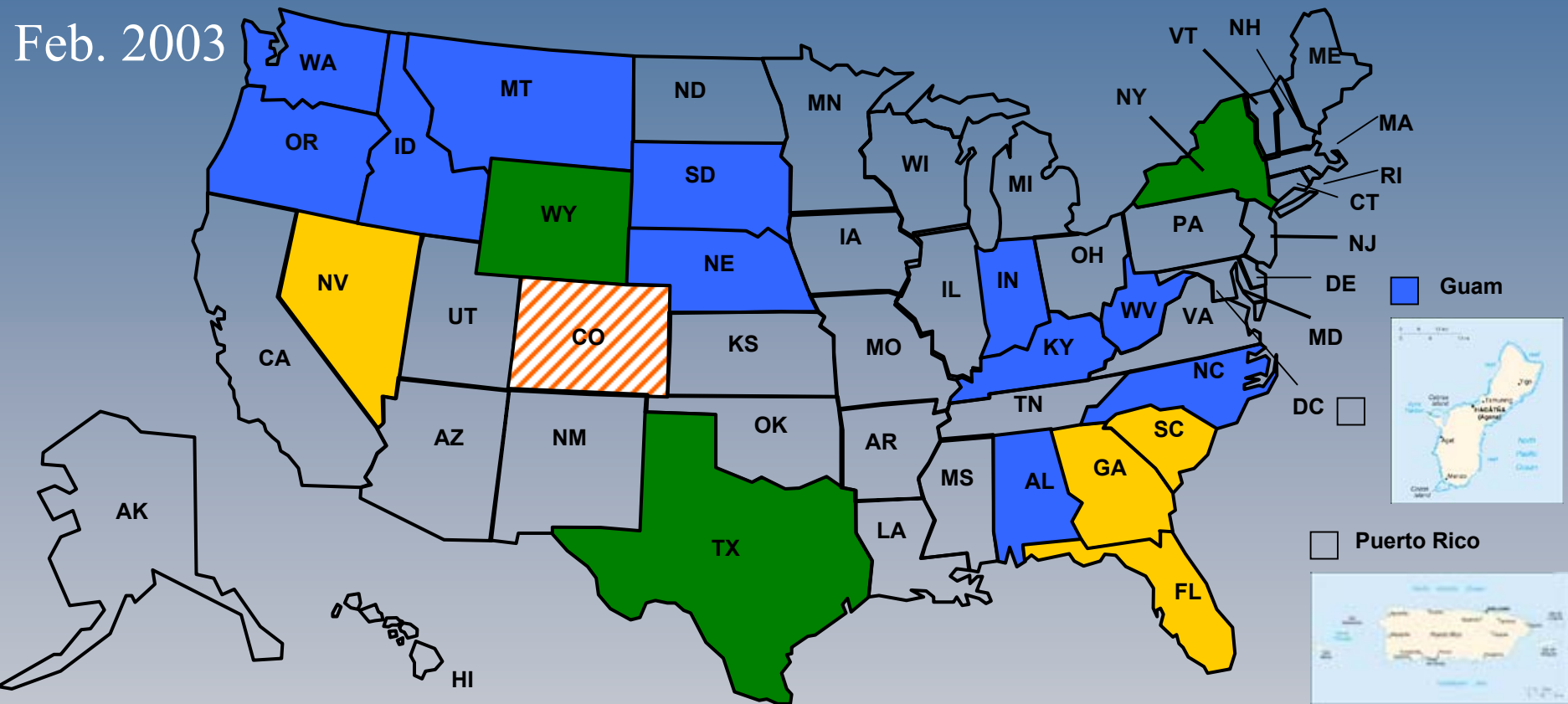
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National ADAP Budget by Source, FY2002



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Feb. 2003



- States with waiting lists and/or access restrictions in place in February 2003 (13 ADAPs).
- States anticipating waiting lists and/or access restrictions prior to the end of FY2002 (March 31, 2003) (4 ADAPs).
- States with current restrictions and anticipate the need to implement *additional* restrictions in FY2003 (begins April 1, 2003) (3 ADAPs).
- ▨ States anticipating the need to implement new program restrictions in FY2003 (1 ADAP).
- No current or planned restrictions (33 ADAPs).

■ Virgin Islands



■ Guam



Puerto Rico



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ADAP Drug Formularies, 2002

- Range from 18 to 463 drugs covered
- Almost all states cover all 18 FDA-approved antiretrovirals
- Fifteen states offer all 14 PHS/IDSA guideline drugs for the prevention of OIs
 - 39 states cover 10 or more (up from 35 in June 2001)
 - 3 states cover none (up from 2 in June 2001)

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State Coverage of Resistance Testing, FY2002

- 24 states reported their state AIDS program provides funding for resistance testing
 - 15 reported covering both genotypic and phenotypic testing
 - 9 reported covering genotypic testing only
- 15 state AIDS programs cover HCV testing

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Other Detailed Findings

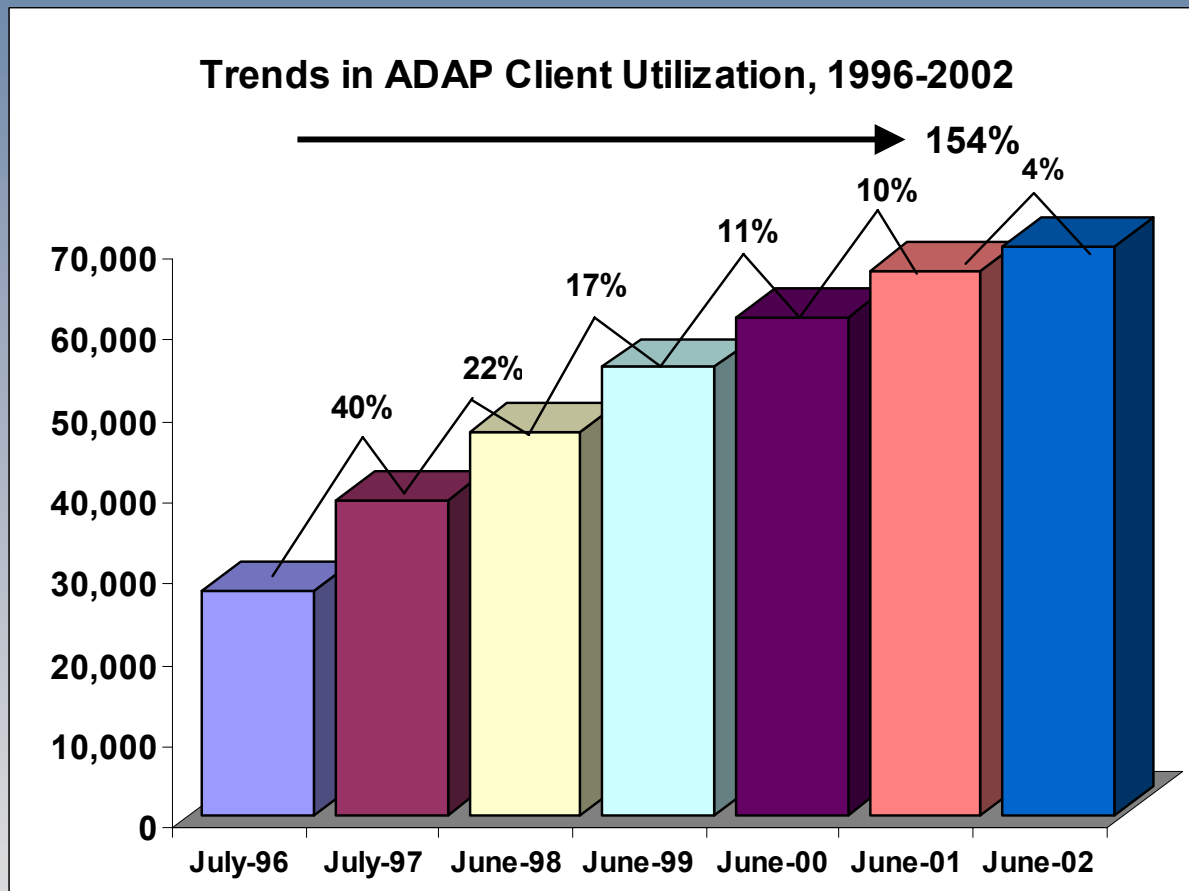
- Cost recovery (including drug rebates and insurance recovery) represented \$107 million to ADAPs in FY2002
- In FY2002, \$18.5 million (2% of national ADAP budget) went to insurance purchase and maintenance for 5,272 clients
- 49 jurisdictions participate in the 340B program (23 direct purchase and 26 rebate)

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Major Trends & Themes

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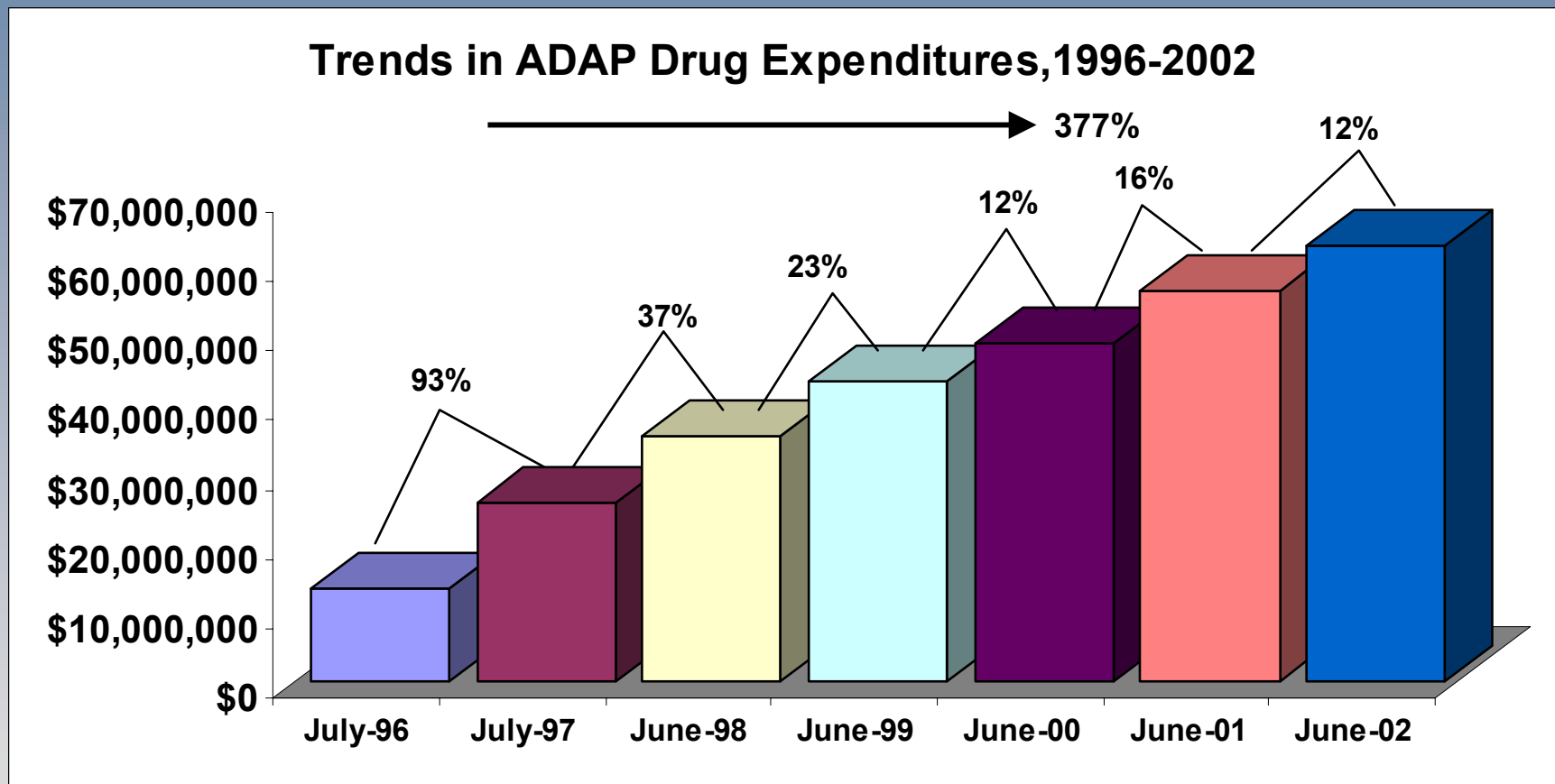
Increasing ADAP Client Utilization Over Time, but at Slower Rates



Note: includes data from the 42 states/territories that provided complete client and expenditure data over full period of Monitoring Project

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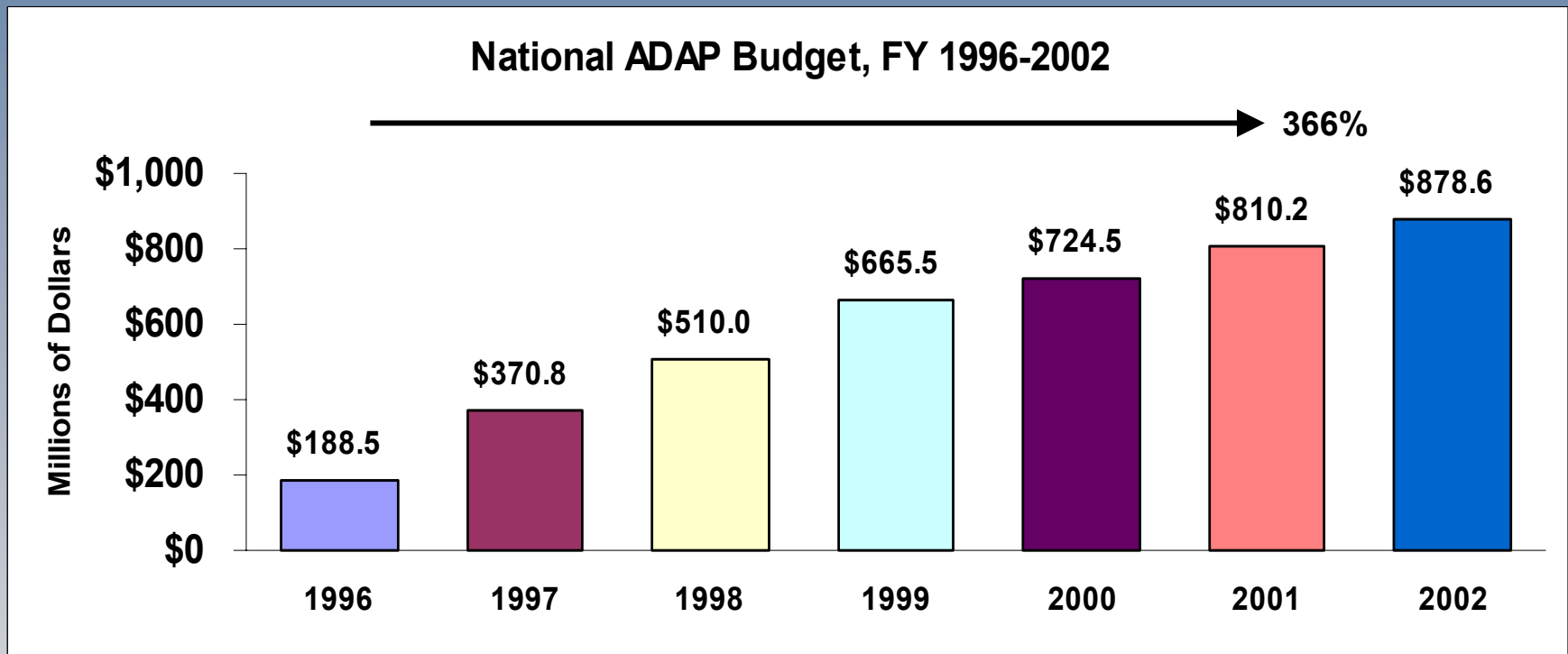
Similarly, Increasing ADAP Drug Expenditures Over Time, but at Slower Rates



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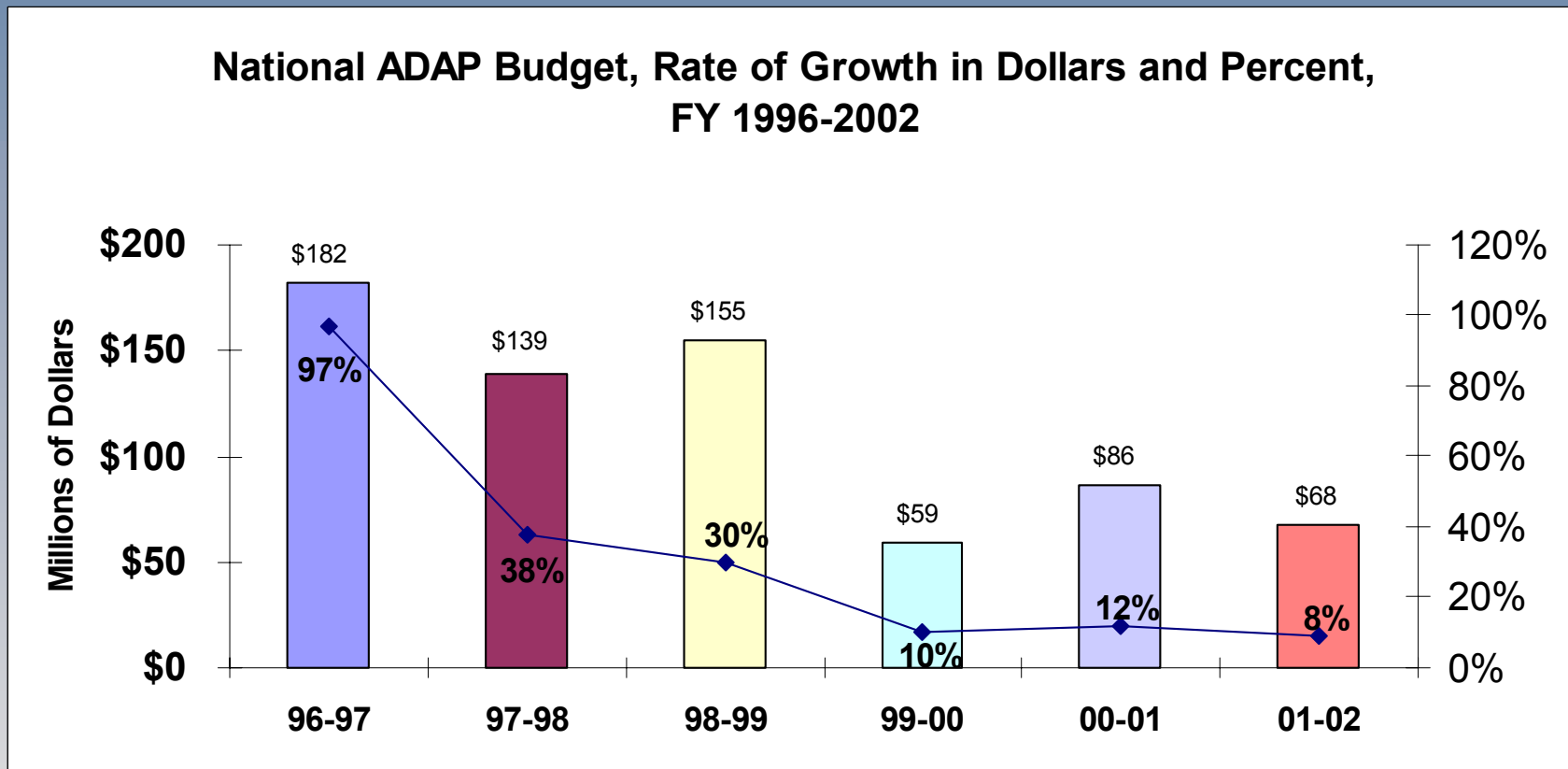
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The National ADAP Budget Has Also Grown



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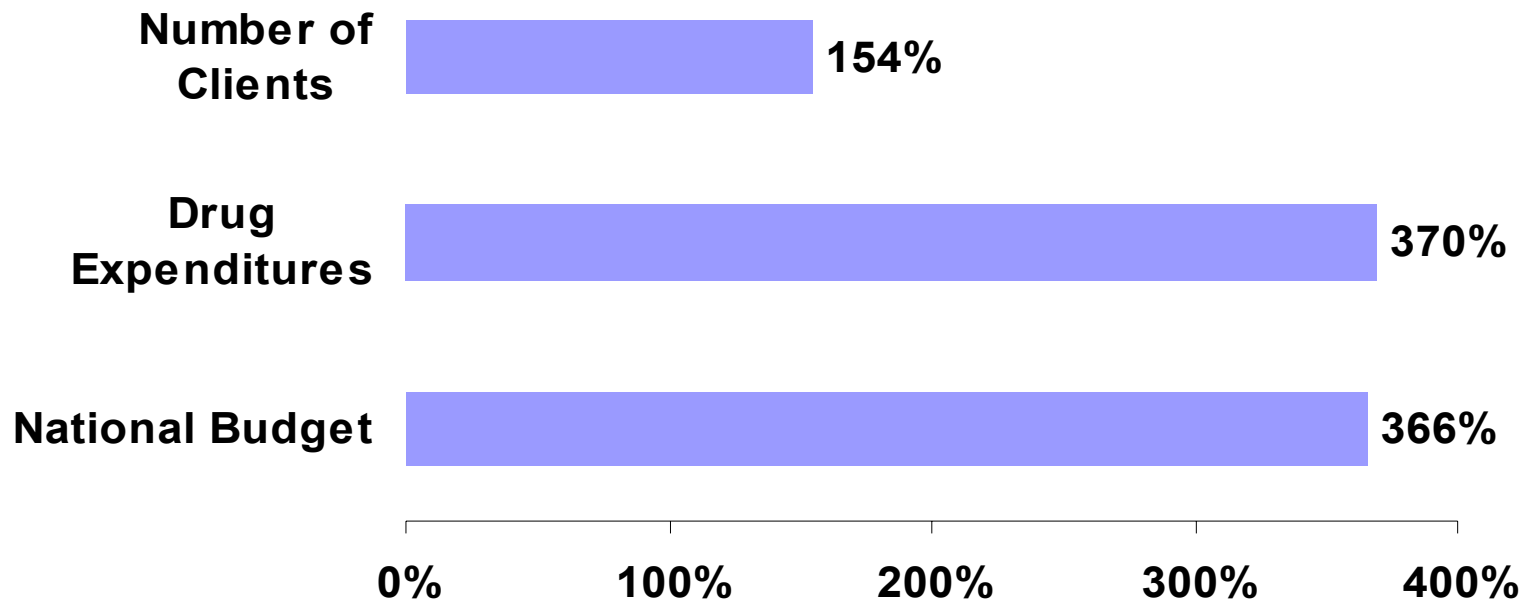
But Generally at Slower Rates



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ADAP Clients, Drug Expenditures, & National Budget Growth, 1996-2002

**ADAP Clients, Drug Expenditures, & National Budget:
Percent Change, 1996 - 2002**



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- Budget growth has enabled ADAPs to serve more clients, respond to rising drug costs, expand formularies.
- Despite budget growth, however, several states continue to face shortfalls and restrictions over time, including a subset that repeatedly struggles with restrictions.
- Some states experience significant fluctuations within a given fiscal year – challenges for planning, for continuity of patient care
- And, access continues to vary depending on where one lives. 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
- Over time, ADAPs have adopted new strategies to address fiscal pressures and uncertainties, but challenges continue.

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Looking Forward...

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Fiscal Outlook

- **Federal and state budget deficits**
 - FY2004 state budget shortfall projected to be \$69 billion (NCSL, 2003)
 - FY2004 federal deficit expected to hit \$304 billion (OMB, 2003)
- **Cuts in state Medicaid programs**
 - 45 programs will undertake pharmacy cost control measures in FY2003 (Kaiser, 2003)
- **Growing number of uninsured**
 - Due to declines in employer-sponsored health insurance, high unemployment and inability to afford health coverage (Kaiser, 2003)
- **Prescription drug prices**
 - Introduction of fusion inhibitors, Fuzeon
 - ADAP Crisis Task Force

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Treatment/Technological Outlook

- New drug classes
 - fusion inhibitors
 - integrase inhibitors
- Hepatitis C co-infection
 - Nearly 30% of jurisdictions now offer HCV screening through their Ryan White programs
- Drug resistance/resistance testing
 - 44% of state/territorial Ryan White programs offer resistance testing
 - Increased cost of salvage therapy regimens
- Rapid test—OraQuick

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In conclusion...

- ADAPs will increasingly feel the effects of the economic downturn and state budget crises.
- A growing number of states with historically stable ADAPs, including those with very large ADAP populations, are for the first time, considering or implementing programs restrictions.
- HIV treatment and technological changes will always affect ADAPs, given their affects on client demand and cost of care.