

Insuring Sustainability of Services

Why should we focus on funding around HIV to insure sustainability of services?

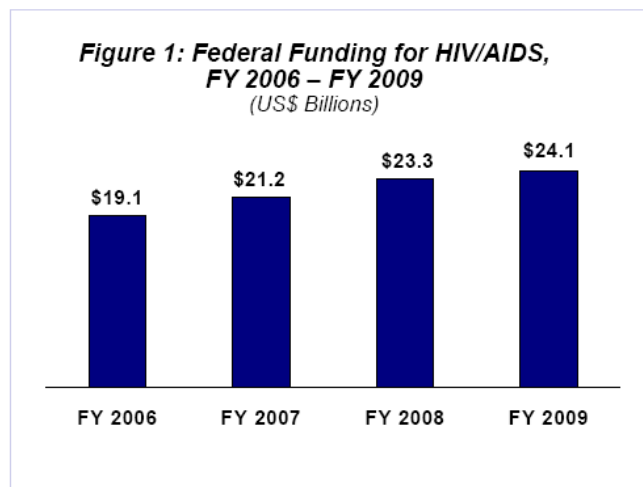
Developing a sustainable funding base is a recurring issue facing organizations. A solid financial base ensures that essential services will continue even if a major piece of funding is lost. Sustainability requires seeking out a variety of resources to develop long-term strategies to ensure a continuous flow of support to an organizations mission and the programs.

Until there is a cure, HIV will continue to be a complex and costly disease to treat. If free care is not available, costs will be absorbed by hospital emergency rooms, increasing the cost of healthcare for everyone and decreasing the quality of care for people with HIV.

There is no guarantee that federal and state funding will continue to be available to fund prevention and care. And looking at the bigger picture, nationally and statewide – budgets are being tightened more and more – with cuts occurring to the most client focused areas.

The President’s Fiscal Year (FY) 2009 federal budget request, released in February, includes an estimated \$24.1 billion for domestic and global HIV/AIDS activities. Domestic HIV/AIDS is funded at \$18.2 billion and global at \$5.9 billion. The FY 2009 request represents a 3.6% increase (\$844 million) over FY 2008 funding, which totaled \$23.3 billion. Congress will now consider the budget request and is expected to finalize spending levels in late 2008.

Federal funding for HIV/AIDS has increased significantly over the course of the epidemic, including by almost \$5 billion since FY 2006, driven by increased funding for global HIV/AIDS and for domestic care and treatment programs, the latter a reflection of the growing number of people living with HIV/AIDS in the United States. Federal funding for HIV/AIDS represents less than 1% of the overall federal budget.



The Domestic HIV/AIDS Budget

- **Care:** The largest component of federal funding for HIV/AIDS is health care for people living with HIV/AIDS in the U.S., which totals \$12.3 billion in the FY 2009 request (51% of the total and 68% of the domestic share). This represents an increase of 6% over FY 2008. Most care funding is for Medicaid and Medicare; these mandatory programs also account for almost all of the increase in the care budget. 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 level funded in the request at \$2.2 billion (a <1% increase over FY 2008 levels). Within this amount, the AIDS Drug Assistance Program (ADAP) receives a 3%, or \$20 million increase, over FY 2008.
- **Cash and Housing Assistance:** Cash and housing assistance total \$2.3 billion, or 10%, of the FY 2009 budget request, a 2% increase over FY 2008. The increase is due to increases in 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, is level funded at \$300 million in the request.
- **Prevention:** The FY 2009 request includes \$892 million for domestic HIV prevention efforts, the same level as FY 2008 funding (<1% decrease compared FY 2008). Domestic HIV prevention represents the smallest category of the HIV/AIDS budget (4%) and its share of the budget has decreased over time. Most funding for domestic prevention is provided through the Centers for Disease Control and Prevention (CDC)'s National Center for HIV/AIDS, Viral Hepatitis, STD, and TB Prevention (NCHHSTP), which receives \$691 million in the FY 2009 request, about the same level as in FY 2008 (<1% decrease).
- **Research:** The budget request includes \$2.7 billion for domestic HIV research, the same level as FY 2008 (a <1% decrease), and primarily consists of funding at the National Institutes of Health (NIH), at \$2.5 billion in FY 2009, which conducts the bulk of HIV research in the U.S. and throughout the world.

What are we doing in Sacramento?

Agencies in the greater Sacramento region are experiencing having too little capital to support their ongoing projects. This may be due to having too many agencies in the same geographical location with the same services all going for the same funding source.

There has also been a noticeable increase with clients "double dipping" for various services provided, again with limited funding. This could be from having too many clients living in the same geographical location going to the same agencies requesting the same services.

Agencies are now working together to end this problem so that individuals receive the necessary services available to them.

To find out what the current need of the HIV-positive community is and to help make sure funding is being allocated to the appropriate areas, a Needs Assessment Survey is conducted every two years. It also helps develop a strategic plan to manage expectations as efforts move forward with care and treatment and it may uncover unexpected complications, challenges and problems with receiving services.

What is the ideal for sustainability of services?

- The ability to build on current activities, existing capabilities, and already-established relationships with stakeholders.
- Develop an entrepreneur-like spirit and relationship between organizations, clients and community members.
- Increase the self-sufficiency of an organization, thus reducing its reliance on donations and grants.
- Seek out potential assets and gifts from the community that can benefit all stakeholders.

What are the issues we need to address when it comes to sustainability of services?

- How can we sustain the needed level of service if federal funding is eliminated or significantly reduced?
- Should organizations merge?
- What is the best way to raise funds in the HIV/AIDS community? Should organizations consolidate their efforts?
- What can we expect in the future from CMISP, Medicare, Medi-Cal, 340B, state funding through EIP, and state funding for prevention?

Sustainability of Services Information

Kaiser Family Foundation- U.S. Federal Funding for HIV/AIDS: The FY 2009 Budget Request
<http://www.kff.org/hivaids/upload/7029-041.pdf>

Kaiser Family Foundation – Ryan White Program
http://www.kff.org/hivaids/upload/7582_04.pdf

Kaiser Family Foundation – Medicaid Program
<http://www.kff.org/hivaids/upload/7172-03.pdf>

Kaiser Family Foundation – Medicare Program
<http://www.kff.org/hiv aids/upload/7171-03.pdf>

States and the 340B Drug Pricing Program – National Conference of State Legislators
<http://www.ncsl.org/programs/health/drug340B.htm>