



COST CONTAINMENT MEASURES FOR ADAP PROGRAMS

	Reduced Formulary	Cost-Sharing	Eligibility Restrictions	Waiting List
<i>How is the cost containment measure structured?</i>	<p>Drug formularies are a list of medications that state ADAPs will cover for a patient. A reduced formulary will cover only a certain number anti-retroviral drugs, protease inhibitors, and fusion inhibitors.</p>	<p>Cost sharing is the cost for medical care paid by beneficiary. Based on the client's annual income as a percentage of the federal poverty level (100-300%), he/she will pay premiums, co-payments or deductibles.</p>	<p>Eligibility restrictions limit access to health services based on certain factors. New restrictions in the ADAP program could be disease progression and income.</p>	<p>After capping enrollment in an ADAP program, the next eligible individual for ADAP is on a waiting list to facilitate client access when the program can finally accommodate them.</p>
<i>How does it reduce coverage?</i>	<p>ADAP enrollees will only have access to drugs listed in the state's formulary and might be able to afford other drugs necessary for survival.</p>	<p>ADAP enrollees might not be able to afford the premiums/co-payments/deductibles, thereby reducing their access to ADAP services.</p>	<p>Individuals would not qualify if they fall within a certain percentage of the federal poverty level and those with incomes above the federal poverty level would still require ADAP services but would remain ineligible.</p>	<p>ADAP eligible clients may not have access to HIV-related medications or other ADAP services. A person can be placed on a waiting list for indeterminate period of time. States also have a waiting list for <i>Fuzeon</i> (an anti-HIV medication that blocks HIV infection).</p>
<i>Number of States Implementing the Cost Containment Measure</i>	4	1	2	9 (ADAP program) 3 (Fuzeon)
<i>How does it save money?</i>	<p>States will save money by decreasing their spending on drugs and might be able to allocate that money to other ADAP services.</p>	<p>The cost of ADAP services is split between the state and ADAP client.</p>	<p>Reduces the number of persons enrolled and served, thereby saving the state money.</p>	<p>Till more resources are made available, states cannot really save more money by implementing a waiting list.</p>

Source: Kaiser Family Foundation. (March 2006) HIV/AIDS Policy Fact Sheet: AIDS Drug Assistance Programs (ADAPs).

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