

FUNDING MECHANISMS FOR HIV/AIDS CARE

With scientific advances providing improved treatments, individuals with HIV/AIDS are able to manage their disease much more effectively and improve their quality of life. Since the HIV/AIDS epidemic surfaced in 1981, the cost of treatment has always been a concern especially since hospital services and end-of-life care were very expensive. In 1987, the introduction of antiretroviral drug treatments, AZT, had significant medical benefits but carried a price tag of \$10,000 a year.¹ Currently, the standard of care for HIV/AIDS uses highly active antiretroviral therapy (HAART), which can cost around \$10,000-\$12,000 per patient.² The escalating costs of HIV/AIDS treatment not only place substantial financial barriers on access to care but also place tremendous pressure on the healthcare system to provide for individuals with this debilitating health condition.

In 2002, 42 to 59 percent of individuals living with HIV/AIDS were not receiving the expected healthcare services to manage their health conditions.³ With such an alarming statistic, it is important to analyze the sources of funding mechanisms for HIV/AIDS care and determine how they can be improved in order to reduce the financial barriers that affect individuals with HIV/AIDS. Currently, there are multiple mechanisms that cover HIV/AIDS care: private insurance, Medicaid, Medicare, Ryan White Care Act, Veterans Affairs, community health centers, and other safety net providers (public hospitals and free clinics). The HIV Cost and Services Utilization Survey

of individuals with HIV/AIDS are programs, 31 percent are percent have other forms of

The latter group of forms of insurance coverage) established by the Ryan White Assistance Programs – ADAPs) help provide treatment services. of funding for HIV/AIDS care, due to the following reasons: care (certain treatment drugs private insurance), programmatic variation across

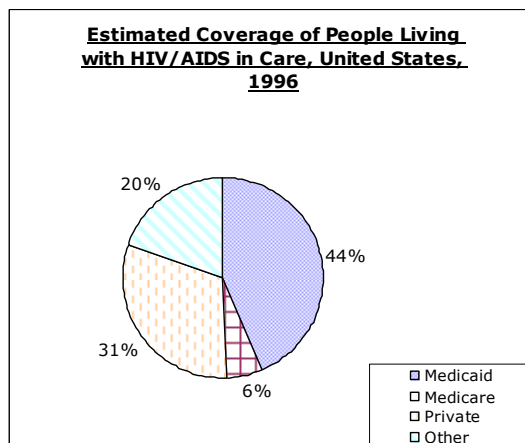
coordination between public insurance programs and safety net providers, and finally, lack of knowledge regarding one's HIV status. With HIV prevalence increasing in the United States, it is essential that policymakers strengthen public insurance programs and safety net providers in order to bridge the gaps in coverage and help individuals with HIV/AIDS obtain access to regular care to maintain their quality of life.

Sources:

¹ Arno, P. and Feiden, K. *Against the Odds: The Story of AIDS Drug Development, Politics, and Profits*, Harper Collins, New York, 1992.

² Jennifer Kates. *HIV/AIDS Policy Issue Brief. Financing HIV/AIDS Care: A Quilt With Many Holes. Kaiser Family Foundation*, May 2004.

³ Fleming P et al. *HIV Prevalence in the United States, 2000. 9th Conference on Retroviruses and Opportunistic Infections, Abstract #11, Oral Abstract Session 5, February 2002.*



found that in 2002, 50 percent dependent on public insurance privately insured, and 20 insurance coverage.²

individuals (those with other has access to the programs CARE Act (AIDS Drug and safety net providers that Despite multiple mechanisms gaps in coverage are persistent eligibility barriers, high cost of not covered by public or administrative and the states, lack of proper



Women In Government
2600 Virginia Avenue, NW, Suite 709
Washington, DC 20037
202-333-0825