

2017-19 Biennium Budget Decision Package

FINAL

Agency: 303 Department of Health

Decision Package Code/Title: D2 Expand HIV Intervention Program

Budget Period: 2017-19

Budget Level: PL- Performance Level

Agency Recommendation Summary Text:

The Department of Health requests General Fund – Local expenditure authority to expand the HIV Early Intervention Program by increasing financial eligibility requirements and targeting case efforts toward populations with health disparities. Attracting and retaining more clients in care significantly increases their quality of life and reduces the capacity to transmit the virus. This is a central goal of the End AIDS Washington Initiative.

Fiscal Summary: Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
Fund 001-7	4,048,000	4,048,000	4,048,000	4,048,000
Total Cost	4,048,000	4,048,000	4,048,000	4,048,000
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	0.6	0.6	0.6	0.6
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
Fund 001-7	1,000,000	1,000,000	1,000,000	1,000,000
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
A - Salaries and Wages	31,000	31,000	31,000	31,000
B - Employee Benefits	11,000	11,000	11,000	11,000
E - Goods and Services	6,000	6,000	6,000	6,000
N - Grants, Benefits & Client Svc	4,000,000	4,000,000	4,000,000	4,000,000

Package Description

The Department of Health (DOH) requests expenditure authority to expand the HIV Early Intervention Program (EIP).

Currently, EIP assists HIV infected clients with their health care premiums, deductibles, and co-pays/co-insurance so that clients at high risk for being out of care are reconnected with care. This ensures that their viral load is suppressed, both increasing their personal health outcomes and reducing their capacity to transmit HIV. When an individual does not have health insurance, EIP assists with covering the clients' full pay medical and medication costs until they can obtain insurance at open enrollment.

To be eligible for EIP, a person must: prove Washington State residency; HIV positive status; and income that is equal to, or less than, 400% of the FPL. Those making just above the current financial eligibility threshold are most at risk for not being engaged and retained in care (see attached [HIV Health Disparity Report](#)). DOH's federal funder, Health Resources and Services Administration (HRSA), strongly suggested in last year's audit report that DOH raise the EIP income eligibility to increase the number of clients that stay in care.

Individuals making 400% FPL or more do not qualify for publicly-supported programs. However, many cannot afford paying their health insurance premiums, deductibles, copays/co-insurance, etc. HIV medications are expensive. For example, for those individuals with a co-insurance requirement (often up to 50%) when a given medication costs approximately \$1,400/month, a client could have a monthly cost of \$700 for just that one medication. Increasing the eligibility requirement to 600% would allow the program to serve an additional 200 to 250¹ people. By expanding this program to include these 200-250 individuals with HIV infection, DOH can engage them in care which will reduce their viral load. Retaining more clients in care significantly increases their quality of life and decreases the chances of new infections. This is a central goal of the End AIDS Washington Initiative and part of DOH's strategic plan to address HIV in Washington State.

DOH is also requesting expenditure authority to expand HIV case management services to more effectively reach targeted populations with health disparities. The program does well with providing important services to many people with HIV who need them. However, there are issues with access to care and retention in care for minorities; people with HIV over the age of 50; and intravenous drug users. These populations are less linked to care, less retained in care, and have less viral suppression than the rest of the population.

Purchasing targeted case management services for those facing barriers to care will enable the program to reach these populations. Connecting these populations to care, retaining them in care, and suppressing their viral levels, will improve their health and reduce the potential for additional HIV transmission. DOH estimates that by enhancing this program's ability to focus case management (linkage and retention in care services) on those with health disparities, 800² additional individuals will be linked and retained in care and health disparities will be reduced.

The HIV Client Services program participates in the Health Resources and Services Administration (HRSA) 340B HIV drug rebate program. Under the program, DOH receives pharmaceutical

¹ Other States that expanded their eligibility up to 400% (15 states) reported an average increase in client population between 5 and 7.4%. If this same addition were true for clients above 400%, then Washington's EIP would increase approx. 200 to 250 people.

² Average case management cost per average client is \$1,600/year. However, clients with health disparities are more difficult to reach and more difficult to retain in care, causing higher cost of staff time to locate and provide intensive case management. DOH estimates that the average cost for a client with health disparities would be closer to \$3,750. Assuming a funding level of \$3 million per year at \$3,750 per client, there will be an estimated 800 more EIP clients.

rebates on medication purchases for clients. HRSA requires that these rebate funds be reinvested back in to HIV client services, so the fund balance cannot be used for any other programs.

DOH will utilize its HIV Drug Rebate (General Fund – Local) balance to fund this proposal, therefore no new funds are needed. However, additional expenditure authority is necessary.

Contact Information:

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Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service. Please include annual expenditures and FTEs by fund and activity (or provide working models or backup materials containing this information).

The current base budget for the program consists of 13.6 FTEs and \$14.0 million General Fund-Federal and \$13.0 million General Fund-Local per year for FY18 & FY19. These funds fall under Activity A016.

Decision Package expenditure, FTE and revenue assumptions, calculations and details: Agencies must clearly articulate the workload or policy assumptions used in calculating expenditure and revenue changes proposed.

Revenue:

The HIV Client Services program participates in the 340B HIV drug rebate program, allowing the Department of Health to receive rebates from pharmaceutical companies based upon the amount of the companies' medications for which EIP pays some or all of the prescription cost. It is anticipated that raising EIP financial eligibility will result in an additional 200-250 clients. Comparing present client usage of EIP and resulting rebates, DOH estimates that an additional 200-250 clients will result in an additional \$1 million in pharmaceutical rebates as a result of these new clients.

Expenditures:

Starting in Fiscal Year (FY) 2018 and ongoing, DOH will require \$4.0 million for grants and contracts. The DOH will use these funds to contract with Community Based Organizations and Local Health Jurisdictions. The services will include case management services, helping link clients to care, retaining them in care, and obtaining viral suppression.

In addition, estimated total expenditures include 0.6 FTE and \$48,000 to assist with increased division and agency workload.

Starting in FY 2018 and ongoing costs will be 0.6 FTE and \$4,048,000 per year.

Decision Package Justification and Impacts

What specific performance outcomes does the agency expect?

Describe and quantify the specific performance outcomes the agency expects as a result of this funding change.

Results WA Goal: Reduce the rate of new HIV diagnoses from 6.3 cases per 100K in 2014 to 3.2 cases per 100,000 in 2020.

Outcomes: Expanding program eligibility and targeting case management to those with health disparities will result in increased access to HIV medications and increased viral load suppression. Viral suppression reduces capacity to transmit infection, reducing the number of new infections.

End AIDS WA Initiative Goal: By 2020, achieve 80% viral suppression in those with HIV. Viral suppression increases the health of persons with HIV and reduces the ability to transmit the virus, reducing new infections.

Outcomes: Increasing program eligibility and addressing populations with health disparities will increase those retained in care, increasing viral load suppression.

End AIDS WA Initiative Goal & DOH Strategic Plan: By 2020, reduce the differences in rates of HIV diagnoses; linkage to care; retention in care; and, viral load suppression between the population with health disparities and the larger population by 2020.

Outcomes: Addressing population health disparities will increase those in these populations that are engaged in care, retained in care, and those achieving viral load suppression. This will reduce the difference in health disparity rates.

Performance Measure detail:

1. The number of people between 400-600% FPL who are accessing EIP who have a suppressed viral load.
2. The percent reduction in health disparities within the care cascade (those linked to care, those retained in care, those with viral suppression) in populations with HIV.

Is this DP essential to implement a strategy identified in the agency's strategic plan?

Goal 1: Protect everyone in Washington from communicable diseases and other health threats.
Objective 2: Implement plans to achieve End AIDS Washington plan.

Fully describe and quantify expected impacts on state residents and specific populations served:

The eligibility increase will support between 200-250 individuals. This change will keep more people in care. If EIP can pay an individual's premium or provide wrap around support for their health insurance plan, clients are more likely to be retained in care, maintain strong medication adherence, and reduce the likelihood that HIV can be transmitted to uninfected partners.

The case management services for those with HIV health disparities will directly impact 800 people with health disparities including US born and foreign born Blacks with HIV, US born and foreign born Latinos with HIV, people who inject drugs who have HIV, and people with HIV who are over forty. Case management services will be directed towards these populations to increase their linkage to, and retention in, care and treatment for HIV, increasing their individual health and reducing HIV transmission.

Reducing HIV infections and helping clients achieve viral suppression is the program’s public health mission as well as the objective of the End AIDS WA initiative.

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	Identify:
Other local gov’t impacts?	No	Identify:
Tribal gov’t impacts?	No	Identify:
Other state agency impacts?	No	Identify:
Responds to specific task force, report, mandate or exec order?	No	Identify:
Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	No	Identify:
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General’s Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important		

connections		
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Please provide a detailed discussion of connections/impacts identified above.

What alternatives were explored by the agency and why was this option chosen?

Since the program has an existing General Fund – Local fund balance that is required to be reinvested into HIV client services, it did not consider status quo as an option.

What are the consequences of not funding this request?

Without assistance, 200-250 people with HIV may not access health care, may not reduce their viral load, and may be able to infect others with HIV (see [HIV Health Disparity Report](#) for findings that HIV-positive residents with median socioeconomic position were frequently the least likely to be either engaged or retained in HIV care within the past 12 months).

Those in HIV populations with HIV health disparities (particularly Black, Latino, injection drug users, and those over forty with HIV) would continue to have significant health disparities.

How has or can the agency address the issue or need in its current appropriation level?

The agency has sufficient fund balance to address this need but is limited by its appropriation level.

Other supporting materials: Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

[HIV Health Disparity Report](http://www.doh.wa.gov/Portals/1/Documents/Pubs/150-071-HIVHealthDisparitiesSEWReportMar2015.pdf): <http://www.doh.wa.gov/Portals/1/Documents/Pubs/150-071-HIVHealthDisparitiesSEWReportMar2015.pdf>

Information technology: Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)