



May 16, 2008

Senator Max Baucus  
511 Hart Senate Office Building  
Washington, DC 20510-2602

Dear Senator Baucus:

On behalf of the HIV Health & Human Services Planning Council of New York, I write to ask that you prioritize one of the Planning Council's top access-related issues during your ongoing negotiations on a Medicare package. Specifically, I urge you to include language allowing AIDS Drug Assistance Program (ADAP) expenditures to count towards Medicare beneficiaries' true out-of-pocket (TrOOP) costs (\$ 1103). The Planning Council is a joint government-community planning body comprised of service providers, physicians, advocates, and people living with HIV/AIDS, all of whom are acutely aware of the tremendous financial strain imposed on individuals living with this infection who do not have adequate insurance coverage for the expensive but lifesaving medications. My fellow planners and I know that taking this step would benefit individuals living with HIV and AIDS in the New York eligible metropolitan area and across the nation.

In a world of scarce resources and under-funded Ryan White programs, maximizing Medicare coverage for Medicare beneficiaries with HIV/AIDS is essential so that limited Ryan White funds can provide life-saving treatment to uninsured people with HIV/AIDS. Including this modest provision in the Medicare package would represent an important step forward in our efforts to ensure that people living with HIV and AIDS have access to comprehensive and highly effective HIV treatment.

Ensuring that ADAP expenditures count toward meeting Medicare beneficiaries' TrOOP obligations will help individuals out of the enormous coverage gap or "donut hole" in the Medicare Part D program. It will also extend the reach of ADAP funds to meet the needs of low-income uninsured people living with HIV. As you know, other state contributions, such as State Pharmacy Assistance Program payments, count towards TrOOP. Allowing ADAP contributions to count as well is only fair. States make significant contributions to ADAPs. On average, state spending accounts for 22% of the total ADAP budget, with fifteen states contributing more than 25% of their state's overall ADAP budget. The cost to Medicare of allowing ADAP payments to count towards TrOOP is minimal.

The House-passed CHAMP Act included a provision to allow ADAP and Indian Health Service spending to count towards TrOOP. Those two programs combined were only expected to cost \$100 million over five years. Catastrophic coverage through Medicare Part D for Medicare beneficiaries with HIV/AIDS frees up ADAP to cover other unmet needs. Since ADAP contributions do not count

toward TrOOP, once ADAPs step in they assume responsibility for the drug costs for these Medicare beneficiaries for the remainder of the year and the beneficiaries are limited to more restrictive ADAP formularies. However, if ADAP did count toward TrOOP, Medicare catastrophic coverage would kick in and ADAP dollars would be freed up to help other needy individuals. Additionally, Medicare beneficiaries with HIV/AIDS would have better access to the host of medications they need to treat co-occurring conditions and side effects from their HIV treatment.

Thank you very much for your attention to this matter.

Sincerely yours,

A handwritten signature in black ink that reads "Soraya Elcock". The signature is written in a cursive style and is underlined with a single horizontal line.

Soraya Elcock  
Community Co-Chair  
HIV Health & Human Services Planning Council of New York

cc:

Senator Harry Reid  
Senator Mitch McConnell  
Senator Charles Grassley  
Senator Hillary Rodham Clinton  
Senate Finance Committee Members