

Texas ADAP

By

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Basic Service Information

- 12,500 FY 04 Enrollment
- 7,500 Clients Served Monthly
- \$72 Million FY 04 Budget
- 68% Federal 32% State GR

Formulary Information

- 40 Total Drugs on Formulary
- 100 Formulations
- All FDA Approved Antiretrovirals
- 10 of the 14 HRSA Recommended Drugs to Treat OIs

FY 04 and FY05

Projected a \$34 Million Budget Shortfall

What Strategies Were Used to Prevent the Shortfall?

- Looked internally
- Brought medication distribution in house to the TDH Pharmacy saving 1% of our annual budget (\$720,000)

Strategies

- Partnered with other TDH Units and other state agencies that purchased drugs, including the Texas Department of Criminal Justice, when seeking bids for a drug wholesaler
- Increased purchasing power
- PHS minus 3% (\$2.1 Million + Savings)

Strategies

- Developed a Request for an Exceptional Item (Additional Revenue) and presented it to the Texas Legislature
- After a long legislative session, and through a lot of community and advocate support the legislature awarded the Texas ADAP \$26.5 Million in additional money for FY05 and FY06

Strategies

- Partnered with the National ADAP Task Force
- Worked with the Task Force to obtain supplemental rebates on drugs for ADAPs

Additional Cost-Containment Strategies

- Not currently implemented – Developed to be used if needed
- 1. Implement medical status for eligibility DHHS Guidelines
- 2. Delete the annualized client spend down for the cost of medications

Additional Cost-Containment Strategies

- 3. Lower the financial eligibility criteria below the current 200% of FPL but not lower than 125% of FPL
- 4. Close the program to new enrollment
- Currently enrolled clients grandfathered
- Strategies can be rescinded in the reverse order that they were implemented

What's on the Horizon?

- Exceptional item for FY04 and FY05 does not become a permanent part of the Texas ADAP Budget
- Shortfall projection for FY06 and FY07 is \$34.4 Million
- The Exceptional Item process starts all over again