



Maximizing the Use of Rebates and Program Income to Meet Program Goals DSHAP ARSV

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Vision: Healthy Communities, Healthy People



Learning Objectives

1. Understand the federal requirements for the utilization of program income and rebates.
2. Understand allowable uses of RWHAP funds.
3. Review real world examples of how states and territories have made strategic decisions on short and long-term projects to fully spend program income and rebate funding on current and future projects to meet the needs of people with HIV in the jurisdiction.
4. Share examples of successful cross-RWHAP and ADAP partnerships that illustrate how program income and rebates can be shared to increase the holistic care and services for people with HIV.
5. Understand the range of technical assistance available to assist states and territories in most effectively using their resources to maximize RWHAP Part B and ADAP service delivery.



HIV/AIDS Bureau Vision and Mission

Vision

Optimal HIV/AIDS care and treatment for all to end the HIV epidemic in the U.S.

Mission

Provide leadership and resources to advance HIV care and treatment to improve health outcomes and reduce health disparities for people with HIV and affected communities.



Agenda

- Federal requirements for the utilization of program income and rebates, including the allowable uses of RWHAP funds. (Glenn)
- Considerations for states and territories when determining how to fully spend program income and rebate funding to meet the needs of people with HIV in the jurisdiction. (Jimmy)
- NASTAD resource and state examples of program income and rebate utilization. (Kamrin)
- Available technical assistance
- Questions



Federal Requirements for the Utilization of Program Income and Rebates

Glenn Clark

AIDS Drug Assistance Program (ADAP) Advisor

Division of State HIV/AIDS Programs, HIV/AIDS Bureau



Rebates: Legislative Requirements

- RWHAP Legislation

- Section 2616(g) of the PHS Act states: “A state shall ensure that any pharmaceutical rebates received on drugs purchased from funds provided pursuant to this section [i.e., ADAP] are applied to activities supported under this subpart [i.e., RWHAP Part B], with priority given to activities described under this section [i.e., ADAP].”
- Section 2622(d) states: “If an expenditure of ADAP rebate funds would trigger a penalty under this section or a higher penalty than would otherwise have applied, the State may request that for purposes of this section, the Secretary deem the State's unobligated balance to be reduced by the amount of rebate funds in the proposed expenditure.”



Rebates: Federal Grants Policy Requirements

- Federal Grants Policy

- 45 CFR § 75.305(b)(5): Requires that, to the extent available, recipients must disburse all rebates, including those generated by an ADAP's participation in the 340B program, before requesting additional cash payments. As such, RWHAP Part B recipients must spend rebates received prior to drawing down grant funds.
- 45 CFR § 75.302(b)(3): Sets forth requirements for the tracking and accounting for all pharmaceutical rebates.



Rebates: HAB Policy Requirements

- HRSA HAB Policy
 - PCN #15-04 clarifies HRSA guidelines for the utilization and reporting of pharmaceutical rebates by ADAPs and the effect of other program provisions on these rebates.



Program Income: Federal Grants Policy Requirements

- Federal Grants Policy

- 45 CFR § 75.2: Provides the legislative definition of program income. Program income means gross income earned by the non-federal entity that is directly generated by a supported activity or earned as a result of the federal award during the period of performance except as provided on 45 CFR § 75.307(f).
- 45 CFR 75.305(b)(5): Requires that, to the extent available, recipients and subrecipients must disburse funds available from program income and interest earned on such funds before requesting additional cash payments through the PMS. As such, RWHAP Part B recipients must spend program income received prior to drawing down grant funds.
- 45 CFR § 75.302(b)(3): Sets forth requirements for the tracking and accounting for all program income.



Program Income– HAB Policy Requirements

- HRSA HAB Policy
 - PCN #15-03 provides the definition of program income and guidance regarding its use and reporting requirements.



Allowable Uses of RWHAP Funds

- RWHAP Legislation
 - Core Medical Services
 - Support Services
 - Administration, Planning, Evaluation and Clinical Quality Management
- HRSA HAB Policy
 - PCN 16-02, “Ryan White HIV/AIDS Program Services: Eligible Individuals & Allowable Uses of Funds”, defines and provides program guidance for each of the Core Medical and Support Services named in statute
 - Ending the HIV Epidemic funding-specific policy



Key Considerations for Spending Program Income and Rebates

Jimmy Borders
ADAP Medication Access Manager
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Points to Ponder

How can I spend \$\$\$\$?

- Think outside the “box” *but* inside your walls
- Community Voice
 - Statewide Integrated Plan and/or Needs Assessment
 - Collaboration is a HRSA HAB encouragement
 - Client Satisfaction Surveys
 - Cross-RW Part Planning Bodies
 - Client Meet & Greet

Key Questions:

- What’s best for the client?
- What’s best for my program?
- What level of effort is involved?
- What is achievable now? What is a longer-term project/goal?

Options to Consider

- Enhancing access to services
- Expanding services offered
- Improving systems and technology
- Easing client/staff burden

Key Questions:

- Are choices client-friendly?
- Are choices leadership-friendly?
- Are choices program-friendly?
- Are choices sustainable?

Enhancing Access to Services

Options to consider

- Increasing the FPL for RWHAP eligibility
 - RWHAP Part B services and ADAP
 - ADAP only
- Improving Case Manager access to care in rural areas
 - 4x4 Trucks
 - Mobile HotSpots
- Increasing capacity for care at providers by remodeling clinical space
 - Medical
 - Dental
- Premium and/or Medical copay assistance for Insured Clients
 - FFM
 - Medicare
 - Employer-sponsored
 - Other

Expanding Services Offered

Options to consider

- Expand the ADAP formulary
 - Hepatitis C curative treatment
 - Substance Abuse medications
 - Long-acting Antiretroviral Treatment (LAART)
 - Emerging HIV-related therapies
- Add client-centric services
 - Medication Therapy Management (MTM)
 - Medication Adherence Programs
 - Medical Copay wrap-around (*not through ADAP**)
- Add to HIV core medical & support services funded in the community
- Add specialized services to improve outcomes for marginalized clients

Improving Systems and Technology

Options to consider

- Improve your medication distribution system
 - Increase delivery options
 - Custom medication packing
- Build or purchase a new data system
- Work cross-parts to streamline eligibility
 - Going paperless is a win/win!
- Develop an on-line application for ADAP

NASTAD Resource and State Examples

Kamrin Johnson
Manager, Health Care Access
NASTAD



NASTAD Resource

- NASTAD has a resource on the *Uses of ADAP Rebate and Program Income*
- The resource contains a menu of potential expenditures of rebate and program income funds, organized into three primary categories:
 - Improving Systems and Technology
 - Enhancing Access to Services
 - Expanding Services Offered

Improving Systems and Technology

State Example: Consultants

- Rebate funds can be used to hire consultants to undertake projects, support existing staff, implement policies, and facilitate for RWHAP Part B and ADAPs.
- Examples
 - Targeted TA
 - Support financial forecasting activities
 - Reengagement for lost to care individuals

State Example: Health Equity & Trauma-Informed Approaches

- Trauma-informed care has become a great multi-disciplinary framework for our HIV programs.
- Rebate funds can be used to increase understanding of the impact of trauma for people with HIV through capacity building, technical assistance, etc.
- Examples
 - One Part B funded trauma-informed care training for all recipients and sub-recipients
 - Another Part B developed guidance for sub-recipients to help increase trauma-informed sensitivity towards clients.

Enhancing Access to Services

State Examples: Linguistics

- One state used funds to hire a full-time Spanish interpreter for their HIV programs, pharmacy, and other relevant services.
- One state used funds to translate all essential documents into their most common non-English languages: French, Portuguese, and Kinyarwanda.

State Examples: Housing

- One Part B launched two transitional housing programs for black/brown and queer individuals ages 18-24.
- One Part B used rebate funds to increase annual housing and food caps for clients under 350% FPL

Expanding Services Offered

State Example: Minor Alterations & Renovations

- Minor Alterations and Renovations (A&R) may include work referred to as improvements, conversion, rehabilitation, remodeling, or modernization
- One state used rebate funds to make minor A&R to a RWHAP Part B/C dental clinic.
 - Converted existing space and purchased dental chairs, X-ray equipment, and supplies.

State Examples: Medical Case Management

- One Part B used rebate funds to reduce client-to-case manager ratios and hire more case managers
- One state used rebate funds to increase case managers' salaries to reduce turnover
- One state used rebates to hire a licensed mental health professional to support case managers with supervision and case consultation.

Technical Assistance Resources

- HRSA HAB Project Officer
- DSHAP Advisors
 - Senior Policy Advisor
 - ADAP Advisor
- NASTAD
- Peers
- Consultants



Questions and Answers



Contact Information

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