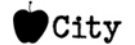
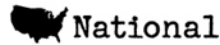
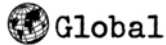


GMHC FOR THE RECORD

Analyzing trends and emerging issues in HIV and AIDS



October 28, 2003

Volume 1, Number 3

The Price of Life

NEW YORK - Five to six million people in the developing world are now in critical need of antiretroviral therapy (ART) and will die if they do not get access to these drugs. The high cost of these medications has been a key factor in keeping these life-saving therapies from those who need them most. The brand-name pharmaceutical companies have made discounts to some countries, particularly in sub-Saharan Africa, but their prices still remain unacceptably high in most places around the world. Generic companies offering low price alternatives have provided a strong source of competition for their brand-name counterparts but patent laws and other rules governing international trade severely limit the availability of generic drugs.

Two recent developments offer the promise of a dramatic change in this situation. Last week, the Clinton Foundation, after negotiations with four generic companies, three in India and one in South Africa, announced that they had struck a deal to lower the cost of a triple regimen to about \$138 per year. Currently, the lowest price for the same regimen using the patented drugs is \$562 per year. The discount will be available to African and Caribbean countries where the Clinton Foundation HIV/AIDS Initiative is working to establish plans for countrywide access to the drugs, health care, and treatment and prevention programs.

The second development is the World Health Organization's announcement, expected this week, of the first details of a global AIDS strategy to bring low-cost drugs to 3 million people in poor countries by 2005. The strategy eventually will

include endorsement of pills that combine three HIV drugs in a single tablet, also known as a fixed dose combination. Fixed dose combinations cut down on the number of pills people with HIV/AIDS will need to take and can simplify administration of ART in the developing world. Depending on the fixed dose combinations that WHO decides upon, there may be a need to harness products manufactured by different brand-name companies or to manufacture these combinations in a generic form. Since such combinations could violate existing drug patents, WHO's strategy is likely to meet resistance from the brand name firms.

Taken together, these developments are a significant leap forward in lengthening and enhancing the lives of people living with HIV/AIDS in critically affected and resource poor countries. The Clinton Foundation's negotiated agreement and WHO's global AIDS drug strategy also demonstrates that no problem is intractable and that solutions can be found when there is the will and commitment to find them. In contrast to these developments, President Bush's oft stated commitment to help fund desperately needed AIDS efforts in Africa has not yet materialized ■

Number of Uninsured Rises to Almost 44 Million

WASHINGTON - With public opinion polls showing that more people are worried about losing their health insurance than terrorism, the Census Bureau reported recently that the number of uninsured in the U.S. rose to 43.6 million in 2002, the largest increase in a decade. According to latest statistics, one in seven Americans now go without health insurance.

Public health insurance programs, especially Medicaid, have buffered the growth of those who are uninsured. An entitlement program that expands to meet

the need of those who qualify, Medicaid is the primary source of health insurance for low-income adults, children and seniors, and covers approximately 45 million Americans. In 2002, Medicaid spent \$7.7 billion dollars on HIV/AIDS care, surpassing the amounts spent by Medicare (\$2.2 billion) and Ryan White (\$1.9 billion). Without Medicaid, the number of the uninsured in the U.S. would be twice as high.

For people living with HIV/AIDS, health insurance is essential, especially since HIV medications are among the most expensive on the market. People with HIV/AIDS with private health coverage are disproportionately impacted by a loss of insurance compared to individuals with less complex health care needs. Furthermore, many people with HIV/AIDS rely on public health insurance, underscoring the importance of defending Medicaid from federal and state legislative attempts to "reform" the program by making it more difficult to enroll or result in capping benefits. By adversely affecting the health outcomes of people living with HIV/AIDS, and by increasing the number of uninsured, such "reform" efforts will exacerbate our national AIDS crisis. As Congress takes up Medicaid reform in January as expected, health advocates for people with HIV/AIDS will likely oppose measures to undermine Medicaid while demonstrating how the program helps close the gap between those with insurance and those without. ■

Government by Continuing Resolution

WASHINGTON - With no final Congressional action on approving appropriations for the federal fiscal year that began October 1, Congress has

passed a second Continuing Resolution (CR) to fund the government. The second CR expires on November 7, which means that a third CR is likely. To date, only three of the thirteen appropriation bills that fund the government have been passed and signed into law: bills for the Defense and Homeland Security Departments and for the legislative branch. All other government operations, including funding for HIV/AIDS, are covered under the CR.

Congress has been focused on acting on the President's \$87 billion request for Afghanistan and Iraq. The House of Representatives and the Senate have passed bills to appropriate the requested funds but because of major differences between the two bills, more time is needed to negotiate compromises. With the clock ticking before Congress adjourns for the first session, it is unlikely that final action on the ten remaining appropriation bills will be completed. There is increasing speculation that Congress will roll the remaining bills into an omnibus appropriations package.

The bulk of funding for domestic HIV/AIDS programs is included in the FY 2004 Labor/Health & Human Services appropriations bills. Both the House and Senate bills are essentially bad news for HIV/AIDS. For example, under both bills, funding for the AIDS Drug Assistance Program (ADAP) is well below the need identified by the community and not adequate to address the crisis affecting ADAPs nationwide. In the past, HIV/AIDS funding has been greater in an omnibus bill than in the separate Labor/HHS bill. The negative impact on domestic spending of the tax cuts and the enormity of the requests for Afghanistan and Iraq suggest that that past pattern may not hold. Advocacy in support of increased HIV/AIDS funding will need to be as strong as it has ever been. ■

🇺🇸 **Five Months Later, All Q and No A**

WASHINGTON - Nearly five months after the Federal Centers for Disease Control and Prevention (CDC) announced its new HIV prevention initiative to restructure radically the way HIV prevention is conducted in this country, HIV prevention providers and advocates are still scratching their heads and searching for clarification. The initiative, and its scientific rationale, has yet to be explained fully. Despite numerous meetings and briefings between members of the HIV/AIDS community and top officials of CDC and the Department of Health and Human Services (HHS), a consultation with people living with HIV, and a speech by CDC Director Julie Gerberding at the recent US Conference on AIDS, vital questions and concerns continue to go unanswered or only partially answered. This lack of clarity is of particular concern because the Program Announcement for direct CDC funding for community-based organizations is expected to be released in the next ten days. One of the immediate issues raised by the community when the initiative was released was the strong emphasis on prevention for positives and the seeming de-emphasis on primary prevention targeting high-risk individuals, including people who do not know their HIV status or who are HIV negative. In the follow-up conversations, CDC and HHS officials have expressed support for a comprehensive approach to HIV prevention that includes primary prevention as well as prevention for positives. The community's concern is yet to be relieved by a clear articulation of the balance that the CDC expects between prevention for positives and primary prevention, including the percentage of funds slated for primary HIV prevention and how high-risk persons will be defined.

Questions also remain as to the amount of new money that will be available for the initiative. In her speech to the USCA, Dr. Gerberding indicated that new money will be available. However, the CDC seems to be backing away from that pledge. Effective HIV prevention requires a partnership among the community and its federal, state, and

local government funders. The prospects for such partnership are not furthered by such a continuing lack of clarity. ■

🍷 **NYC's Equal Benefits Bill**

NEW YORK - GMHC and a coalition of community groups are supporting City Council Bill 271, known as the Equal Benefits Bill. This bill would change the city's administrative code to require companies that receive \$100,000 or more in city contracts to provide the same benefits to domestic partners, including same sex couples, that they provide to married couples.

Other cities such as San Francisco, Los Angeles, and Seattle have implemented similar laws. Their experience has shown that the costs associated with extending benefits to domestic partners are negligible. The commitment to equal benefits actually lowers employee turnover and recruitment costs, and helps improve employee job satisfaction and performance.

On a human level, offering the same benefits to an employee with a domestic partner as to an employee with a spouse ensures that workers receive equal pay for equal work; to do otherwise would be to discriminate against lesbian, gay, and bisexual employees. Providing equal benefits also shows respect for the diversity of employees and their individual circumstances. For members of the HIV/AIDS community, passage of the Equal Benefits Bill would mean that domestic partners gain access to life saving health insurance, family leave and bereavement benefits. Access to health insurance through the Equal Benefits Bill could serve to lower the number of uninsured individuals as well as providing an alternative to relying on the costly direct pay market.

Everyone wins when companies treat employees fairly and without discrimination. A hearing of the City Council Contracts Committee is scheduled for Thursday, November 13. It is important for supporters of the Equal Benefits Bill to attend and testify at this important hearing. For more information, contact fortherecord@gmhc.org. ■