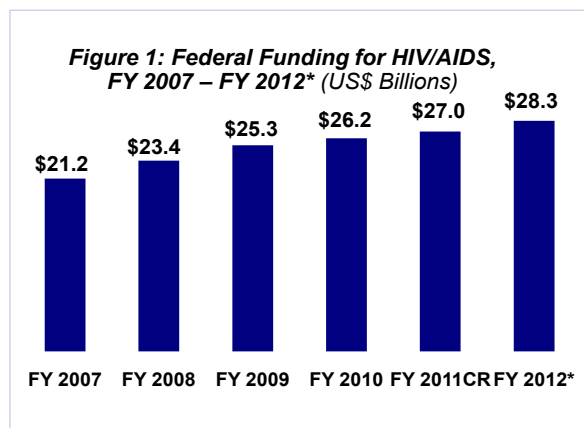


### U.S. Federal Funding for HIV/AIDS: The President's FY 2012 Budget Request

February 2011

President Obama's Fiscal Year (FY) 2012 federal budget request, released on February 14, includes an estimated \$28.3 billion for combined domestic and global HIV/AIDS activities.<sup>1</sup> Domestic HIV/AIDS is funded at \$21.4 billion and global at \$6.9 billion.<sup>2</sup> The FY 2012 request represents a 4.8% increase (\$1.3 billion) over FY 2011 levels, which are currently funded at FY 2010 enacted amounts under a Continuing Resolution (CR) set to expire on March 4. As Congress begins to consider the President's FY 12 budget request, it continues to debate FY 11 levels and must also act to either finalize the FY 11 budget or extend the CR. This fact sheet will be updated accordingly. Detailed data for FY 2007-FY 2012 are provided in Tables 1-2.

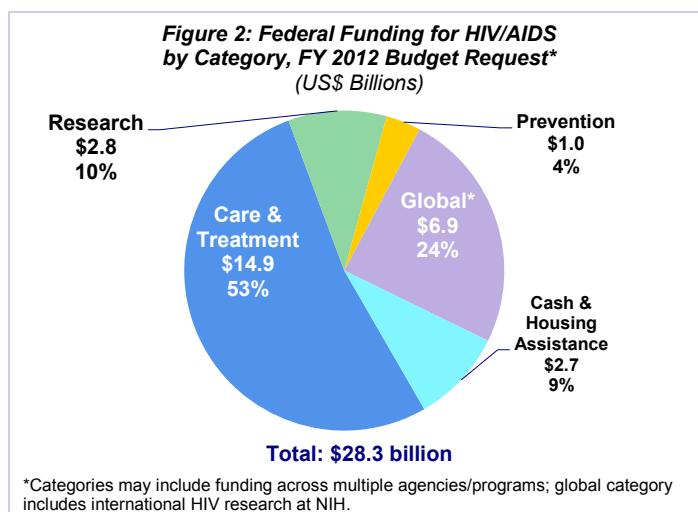
Federal funding for HIV/AIDS has increased significantly over the course of the epidemic, including by \$7 billion (or 33%) since FY 2007 (see Figure 1). This growth has been driven primarily by increased spending on mandatory domestic care and treatment programs, as more people are living with HIV/AIDS in the U.S., and by increased funding to combat the global epidemic. Federal funding for HIV/AIDS, however, represents a small fraction (<1%) of the overall federal budget of the United States.



The federal HIV/AIDS budget is generally organized into five broad categories: *care*; *cash & housing assistance*; *prevention*; *research*; and *global/international*. The first four categories are for domestic programs only. More than half (53%) of the FY 2012 request is for care and treatment programs in the U.S.; 9% is for domestic cash/housing assistance; 4% is for domestic HIV prevention; 10% is for domestic HIV research; and 24% is for the global epidemic, including funding for international research (See Figure 2).

Federal funding is either **mandatory** or **discretionary**. Discretionary funding levels are determined by Congress each year through the appropriations process. Mandatory spending, primarily for entitlement programs, is determined by eligibility rules and cost of services for those who are eligible, and is not dependent on annual Congressional appropriations (e.g., if

more people are eligible and/or the cost of services goes up, mandatory spending will also increase). Mandatory spending accounts for \$13.7 billion, or 49%, of the budget request and includes: Medicaid, Medicare, Social Security Disability Insurance (SSDI), Supplemental Security Income (SSI), and the Federal Employees Health Benefits Plan (FEHB), programs which provide health coverage and cash assistance for people with HIV/AIDS. In FY 10 and FY 12, it also includes mandatory spending from the "Prevention and Public Health Fund (PPHF)", recently created under the Affordable Care Act (ACA).



The remaining \$14.6 billion (51%) of the federal HIV/AIDS budget is discretionary, and is determined annually by Congress during the appropriations process. Of this, \$7.7 billion (27% of the overall AIDS budget request and 53% of the discretionary component of the request) is for domestic programs – prevention research, housing, and non-mandatory care programs (e.g., the Ryan White Program). The remainder of the discretionary budget, \$6.9 billion (24% of the overall request and 47% of the discretionary component), is for the global epidemic. The share of the discretionary budget allocated to global HIV/AIDS has increased over time.

#### The Domestic HIV/AIDS Budget

In July 2010, the White House released the first comprehensive *National HIV/AIDS Strategy* (NHAS) to combat the domestic epidemic, with three main goals: to reduce new HIV infections, increase access to HIV care, and reduce HIV-related disparities.<sup>3</sup> The FY 2012 budget request includes funding to achieve these goals.

**Care:** The largest component of the federal AIDS budget is health care for people living with HIV/AIDS in the U.S., which totals \$14.9 billion in the FY 2012 request (53% of the total and 70% of the domestic share). This represents a 6% increase

over FY 2011, primarily due to increased mandatory spending for Medicaid and Medicare. The Ryan White Program, the largest HIV-specific discretionary grant program in the U.S. and third largest source of funding for HIV care, is funded at \$2.4 billion in the budget, a \$109.7 million increase (5%) over FY 2011. Most of this increase is for the AIDS Drug Assistance Program (ADAP) which provides access to HIV-related medications to people with HIV/AIDS but has been subject to ongoing waiting lists in several states due to shortage of funds and increased demand; ADAP receives \$940 million in the request, a \$105 million (13%) increase – this includes \$60 million for a new supplemental grants program to help those states with waiting lists and other access limitations.

**Cash/Housing Assistance:** \$2.7 billion (9%) of the FY 2012 budget request for HIV/AIDS is for cash and housing assistance. This includes mandatory spending estimates for SSI and SSDI, which provide cash assistance to disabled individuals with HIV. Housing assistance, through the Housing Opportunities for Persons with AIDS Program (HOPWA), is funding by discretionary spending and receives \$335 million in the request, the same level as in the prior two years.

**Table 1: Federal Funding for HIV/AIDS by Category, FY 2007-FY 2012\* (US \$Billions)**

Category	2007	2008	2009	2010	2011 CR	2012 Request
Care/Treatment	\$11.0	\$11.7	\$12.4	\$13.2	\$14.0	\$14.9
Cash/Housing	\$2.2	\$2.3	\$2.5	\$2.6	\$2.7	\$2.7
Prevention	\$0.9	\$0.9	\$0.9	\$0.9	\$0.9	\$1.0
Research	\$2.7	\$2.7	\$3.0	\$2.7	\$2.8	\$2.8
Global	\$4.4	\$5.9	\$6.5	\$6.6	\$6.6	\$6.9
<b>Total</b>	<b>\$21.2</b>	<b>\$23.4</b>	<b>\$25.3</b>	<b>\$26.2</b>	<b>\$27.0</b>	<b>\$28.3</b>

**Prevention:** The smallest category of the HIV/AIDS budget is domestic HIV prevention (4%). The FY 2012 request includes \$997 million for HIV prevention, a \$93 million (10%) increase over FY 2011. Most prevention funding is provided to the Centers for Disease Control and Prevention's (CDC) National Center for HIV/AIDS, Viral Hepatitis, STD, and TB Prevention (NCHHSTP), which receives \$827.2 million<sup>4</sup> and an additional \$30.4 million from the PPHF, bringing its total to \$857.6 million, a 12% increase over FY 2011.

**Research:** \$2.8 billion (10% of the request) is for domestic HIV research, a 2% increase over FY 2011. The National Institutes of Health (NIH), which carries out almost all domestic HIV research, receives \$2.7 billion (additional amounts are used for international HIV research, attributed to the global category).

**Minority HIV/AIDS Initiative:** The budget request also includes funding for the federal Minority HIV/AIDS Initiative (MAI), created in 1998 to address the disproportionate impact of HIV/AIDS on racial and ethnic minorities in the U.S. Funding for the MAI is \$432 million in the request, spanning across several agencies within the Department of Health and Human Services (DHHS) and is reflected in the domestic totals above.

## The Global HIV/AIDS Budget

The U.S. government first provided funding to address the global HIV/AIDS epidemic in 1986. Since then, funding for global HIV/AIDS has risen significantly and grown as a share of the HIV/AIDS budget, although recent increases have been much less. All U.S. funding for global HIV/AIDS is part of PEPFAR, the President's Emergency Plan for AIDS Relief, first authorized in FY 2003 and reauthorized in FY 2008.<sup>56</sup> In May 2009, President Obama announced a new Global Health Initiative (GHI) to develop a comprehensive U.S. government strategy for global health, acting as an umbrella over several U.S. global health programs including PEPFAR.<sup>7</sup> Funding for HIV/AIDS represents the largest share of the GHI budget.<sup>8</sup>

The FY 2012 budget request for HIV/AIDS includes \$6.9 billion for the global epidemic, a 4% increase over FY 2011, and represents a quarter (24%) of the budget request for HIV/AIDS. Of this amount, \$5.6 billion is for the following: bilateral activities in countries and regions (approximately \$5 billion); international research (\$489 million); and multilateral contributions to UNAIDS (\$45 million), the International AIDS Vaccine Initiative (\$28.7 million), and Microbicides (\$45 million). The request also includes \$1.3 billion for the Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund), a 24% increase over FY 2011 funding levels. The Global Fund is an independent, public-private, multilateral institution which finances HIV/AIDS, TB, and malaria programs in low and middle income countries. The U.S., the first contributor to the Global Fund when it was created, is its largest single donor today. Donors make contributions to the Global Fund without specifying disease allocations, and the Global Fund in turn distributes funding based on a review of country proposals. To date, 54% of Global Fund approved grant funding has been for HIV programs, 16% for TB, and 28% for malaria.<sup>9</sup> If this distribution is applied to U.S. Global Fund contributions to determine an estimated HIV/AIDS "share", the FY 2012 request would be approximately \$702 million.

## REFERENCES

- <sup>1</sup> Unless otherwise noted, all data sources are listed below Table 2.
- <sup>2</sup> It is difficult to disaggregate federal funding for HIV/AIDS into discrete domestic and global categories, since some agencies do not report activities along these lines and certain activities may have application in both arenas. An example is international HIV research at NIH, which can be counted as either "research" or "global" but is generally attributed to the global category.
- <sup>3</sup> White House, *National HIV/AIDS Strategy*; July 2010.
- <sup>4</sup> This also includes a transfer of \$40 million from the CDC's National Center for Chronic Disease Prevention and Health Promotion to the NCHHSTP.
- <sup>5</sup> P.L. 108-25, May 27, 2003; P.L. 110-293, July 30, 2008.
- <sup>6</sup> Congress also provides TB funding through PEPFAR, although these amounts are not included in the totals presented here; with TB, PEPFAR funding totals \$7.2 billion in FY 2012. PEPFAR legislation also authorizes funding for malaria which is counted separately as part of the President's Malaria Initiative (PMI).
- <sup>7</sup> U.S. Government, *Implementation of the Global Health Initiative: Consultation Document*; February 2010.
- <sup>8</sup> Kaiser Family Foundation, *U.S. Funding for the Global Health Initiative (GHI): The President's FY 2012 Budget Request*; February 2011.
- <sup>9</sup> See: [www.theglobalfund.org](http://www.theglobalfund.org).

**Table 2: Federal Funding for HIV/AIDS, FY 2007 – FY 2012<sup>1,2</sup>**

Program/Account (USD \$ Millions)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011 CR	FY 2012 Request	Change FY 2011-FY 2012	
<b>Domestic Programs &amp; Research</b>							\$	%
Ryan White Program <sup>3</sup>	\$2,137.8	\$2,166.8	\$2,238.4	\$2,315.2	\$2,290.9	\$2,400.6	\$109.7	4.8%
ADAP (non-add)	\$789.5	\$794.4	\$815.0	\$858.0	\$835.0	\$940.0	\$105.0	12.6%
CDC Domestic Prevention (& Research) – NCHHSTP <sup>4</sup>	\$758.3	\$731.9	\$731.9	\$768.9	\$769.0	\$827.2	\$58.2	7.6%
National Institutes of Health (domestic only)	\$2,544.1	\$2,516.7	\$2,870.6	\$2,599.7	\$2,600.0	\$2,670.1	\$70.2	2.7%
Substance Abuse & Mental Health Serv Admin (SAMHSA)	\$171.5	\$172.1	\$178.2	\$178.4	\$178.6	\$178.4	(\$0.2)	-0.1%
Department of Veterans Affairs (VA)	\$505.0	\$639.0	\$701.0	\$783.0	\$886.0	\$956.0	\$70.0	7.9%
Housing Opportunities for Persons with AIDS (HOPWA)	\$286.1	\$300.1	\$310.0	\$335.0	\$335.0	\$335.0	\$0.0	0.0%
Other discretionary <sup>5</sup>	\$279.4	\$285.5	\$290.6	\$302.6	\$296.1	\$297.3	\$1.2	0.4%
Minority HIV/AIDS Initiative (non-add)	\$398.7	\$400.8	\$395.5	\$420.9	\$422.1	\$431.9	\$9.8	2.3%
<b>Subtotal discretionary</b>	<b>\$6,682.2</b>	<b>\$6,812.3</b>	<b>\$7,320.6</b>	<b>\$7,282.8</b>	<b>\$7,355.6</b>	<b>\$7,664.6</b>	<b>\$309.0</b>	<b>4.2%</b>
Medicaid (federal only)	\$3,900.0	\$4,100.0	\$4,400.0	\$4,700.0	\$5,100.0	\$5,400.0	\$300.0	5.9%
Medicare	\$4,200.0	\$4,500.0	\$4,800.0	\$5,100.0	\$5,400.0	\$5,800.0	\$400.0	7.4%
Social Security Disability Insurance (SSDI)	\$1,490.7	\$1,563.1	\$1,682.4	\$1,746.9	\$1,783.8	\$1,833.8	\$50.0	2.8%
Supplemental Security Income (SSI)	\$410.0	\$465.0	\$485.0	\$530.0	\$575.0	\$505.0	(\$70.0)	-12.2%
Federal Employees Health Benefits (FEHB) Plan	\$107.0	\$114.0	\$123.0	\$143.0	\$165.0	\$177.0	\$12.0	7.3%
CDC - ACA Prevention & Public Health Fund	\$0.0	\$0.0	\$0.0	\$30.4	\$0.0	\$30.4	\$30.4	--
<b>Subtotal mandatory</b>	<b>\$10,107.7</b>	<b>\$10,742.1</b>	<b>\$11,490.4</b>	<b>\$12,250.3</b>	<b>\$13,023.8</b>	<b>\$13,746.2</b>	<b>\$722.4</b>	<b>5.5%</b>
<b>Subtotal Domestic</b>	<b>\$16,789.9</b>	<b>\$17,554.2</b>	<b>\$18,811.0</b>	<b>\$19,533.1</b>	<b>\$20,379.4</b>	<b>\$21,410.8</b>	<b>\$1,031.4</b>	<b>5.1%</b>
<b>Global Programs &amp; Research</b>							\$	%
USAID (through GHCS)	\$325.0	\$347.2	\$350.0	\$350.0	\$350.0	\$350.0	\$0.0	0.0%
USAID (other)	\$20.9	\$24.7	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	--
State Department (through GHCS)	\$2,869.0	\$4,116.4	\$4,559.0	\$4,609.0	\$4,609.0	\$4,642.0	\$33.0	0.7%
Foreign Military Financing	\$1.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	--
CDC Global AIDS Program (GAP)	\$121.0	\$118.9	\$118.9	\$119.0	\$119.0	\$118.0	(\$1.0)	-0.8%
Department of Defense (DoD)	\$0.0	\$9.0	\$8.0	\$10.0	\$10.0	\$0.0	(\$10.0)	--
NIH international HIV research	\$361.7	\$411.7	\$467.4	\$485.6	\$485.6	\$489.4	\$3.8	0.8%
<b>Subtotal bilateral prevention, care, treatment, research<sup>6</sup></b>	<b>\$3,699.2</b>	<b>\$5,027.8</b>	<b>\$5,503.3</b>	<b>\$5,573.6</b>	<b>\$5,573.6</b>	<b>\$5,599.4</b>	<b>\$25.8</b>	<b>0.5%</b>
Global Fund <sup>6</sup>	\$724.0	\$840.3	\$1,000.0	\$1,050.0	\$1,050.0	\$1,300.0	\$250.0	23.8%
Global Fund – State (non-add)	\$377.5	\$545.5	\$600.0	\$750.0	\$750.0	\$1,000.0	\$250.0	33.3%
Global Fund – USAID (non-add)	\$247.5	\$0.0	\$100.0	\$0.0	\$0.0	\$0.0	\$0.0	--
Global Fund – NIH (non-add)	\$99.0	\$294.8	\$300.0	\$300.0	\$300.0	\$300.0	\$0.0	0.0%
<b>Subtotal Global</b>	<b>\$4,423.2</b>	<b>\$5,868.1</b>	<b>\$6,503.3</b>	<b>\$6,623.6</b>	<b>\$6,623.6</b>	<b>\$6,899.4</b>	<b>\$275.8</b>	<b>4.2%</b>
<b>TOTAL</b>	<b>\$21,213.1</b>	<b>\$23,422.3</b>	<b>\$25,314.3</b>	<b>\$26,156.7</b>	<b>\$27,003.0</b>	<b>\$28,310.2</b>	<b>\$1,307.3</b>	<b>4.8%</b>

**NOTES:** (1) Data are rounded and adjusted to reflect across-the-board rescissions to discretionary programs as required by appropriations bills in some years and some data are still considered preliminary. (2) FY 2011 funding is currently operating under a Continuing Resolution at FY 2010 enacted levels for most programs funded through discretionary spending, although there are some exceptions; FY 2012 represents the President's budget request only and not final, enacted amounts. (3) Ryan White totals include \$25 million for Special Projects of National Significance (SPNS) in each fiscal year. FY 2010 ADAP funding includes \$25 million in funds redirected by DHHS under emergency authority to address state ADAP waiting lists. The FY 2012 request includes \$60 million in a new ADAP supplemental grants program for this purpose. (4) FY 2012 funding for NCHHSTP includes a transfer of \$40 million from the National Center for Chronic Disease Prevention and Health Promotion to the NCHHSTP; these amounts had previously been counted as "other domestic HIV prevention and research". Prior years have been adjusted to also reflect this realignment. (5) "Other domestic funding" includes amounts at: DHHS Office of the Secretary; Health Resources and Services Administration; Food and Drug Administration; Indian Health Service; Agency for Healthcare Research and Quality; and the Departments of Defense, Justice, and Labor. (6) Includes funding for UNAIDS, the International AIDS Vaccine Initiative, and Microbicides. (6) Global Fund grants support country projects to fight HIV/AIDS, tuberculosis, and malaria; approximately 61% of grants awarded to date have been for HIV/AIDS. Figures used here are not adjusted to represent an estimated HIV/AIDS share unless noted.

**SOURCES:** Kaiser Family Foundation analysis of data from: FY 2012 Budget of the United States and Congressional Budget Justifications; Congressional Appropriations Bills and Conference Reports; White House, *The President's FY 2012 Budget and Implementation of the National HIV/AIDS Strategy*, February 2011; Office of Management and Budget, personal communication, February 2011.