



State of California—Health and Human Services Agency
California Department of Public Health



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Governor

OFFICE OF AIDS (OA)
AIDS DRUG ASSISTANCE PROGRAM (ADAP)

Management Memorandum
Memorandum Number: 2016-15

DATE: July 20, 2016
TO: ADAP ENROLLMENT WORKERS AND COORDINATORS
SUBJECT: ADAP BUDGET & POLICY UPDATES

The purpose of this memorandum is to inform ADAP enrollment workers and coordinators that the State Enacted Budget includes the following changes for ADAP: 1. Removes the ADAP monthly co-payment obligation requirement; 2. Allows the Office of AIDS, Health Insurance Premium Payment (OA-HIPP) program to pay health insurance premiums and medical out-of-pocket costs for all ADAP clients, including those with employer-based health coverage; and 3. Establishes a pre-exposure prophylaxis (PrEP) affordability program.

Elimination of ADAP Co-Payment Obligations

Effective July 1, 2016, individuals with a household Modified Adjusted Gross Income (MAGI) between 400 percent and 500 percent of the federal poverty level (FPL) will no longer have an ADAP co-payment obligation. These clients or their enrollment workers will not have to take any action; ADAP co-payment obligations have been removed from the new enrollment system and clients will no longer be charged the ADAP co-payment obligation at the pharmacy.

For your reference, an updated Federal Poverty Guidelines chart has been included with this memo.

Insurance Assistance Expansion

In collaboration with ADAP's contractors, we are establishing a process to allow eligible ADAP clients to receive insurance premium payment and outpatient medical out-of-pocket cost assistance if they co-enroll in the OA-HIPP program. Once these processes have been finalized, a management memo will be dispersed to ADAP enrollment workers and coordinators.

PrEP Affordability Program

ADAP expects to implement a PrEP assistance program in the spring of 2017. Once implemented ADAP will be able to provide services to HIV-negative persons at risk for acquiring HIV by covering prescribed HIV Pre-Exposure Prophylaxis (PrEP) medication copays and deductibles for drugs on the ADAP formulary after Patient Assistance Programs are used. In addition, ADAP will cover related medical copays, coinsurance, and deductibles incurred by all individuals accessing PrEP in California with annual incomes below 500 percent of the Federal Poverty Level.

If you have any questions regarding the content of this memo please contact your [ADAP Advisor](#).

Thank you,



Niki Dhillon, ADAP Branch Chief
California Department of Public Health
cc: ADAP Coordinators

2016 Poverty Guidelines

Persons in Family Household	Poverty Guideline	MCE <138% FPL	MAGI* Household ≤Income 500% FPL
1	\$11,880	\$16,395	\$59,400
2	\$16,020	\$22,108	\$80,100
3	\$20,160	\$27,821	\$100,800
4	\$24,300	\$33,534	\$121,500
5	\$28,440	\$39,247	\$142,200
6	\$32,580	\$44,961	\$162,900
7	\$36,730	\$50,688	\$183,650
8	\$40,890	\$56,429	\$204,450

For families/households with more than 8 persons, add \$4,160 for each additional person.

***Modified Adjusted Gross Income**

Source: <https://aspe.hhs.gov/poverty-guidelines>