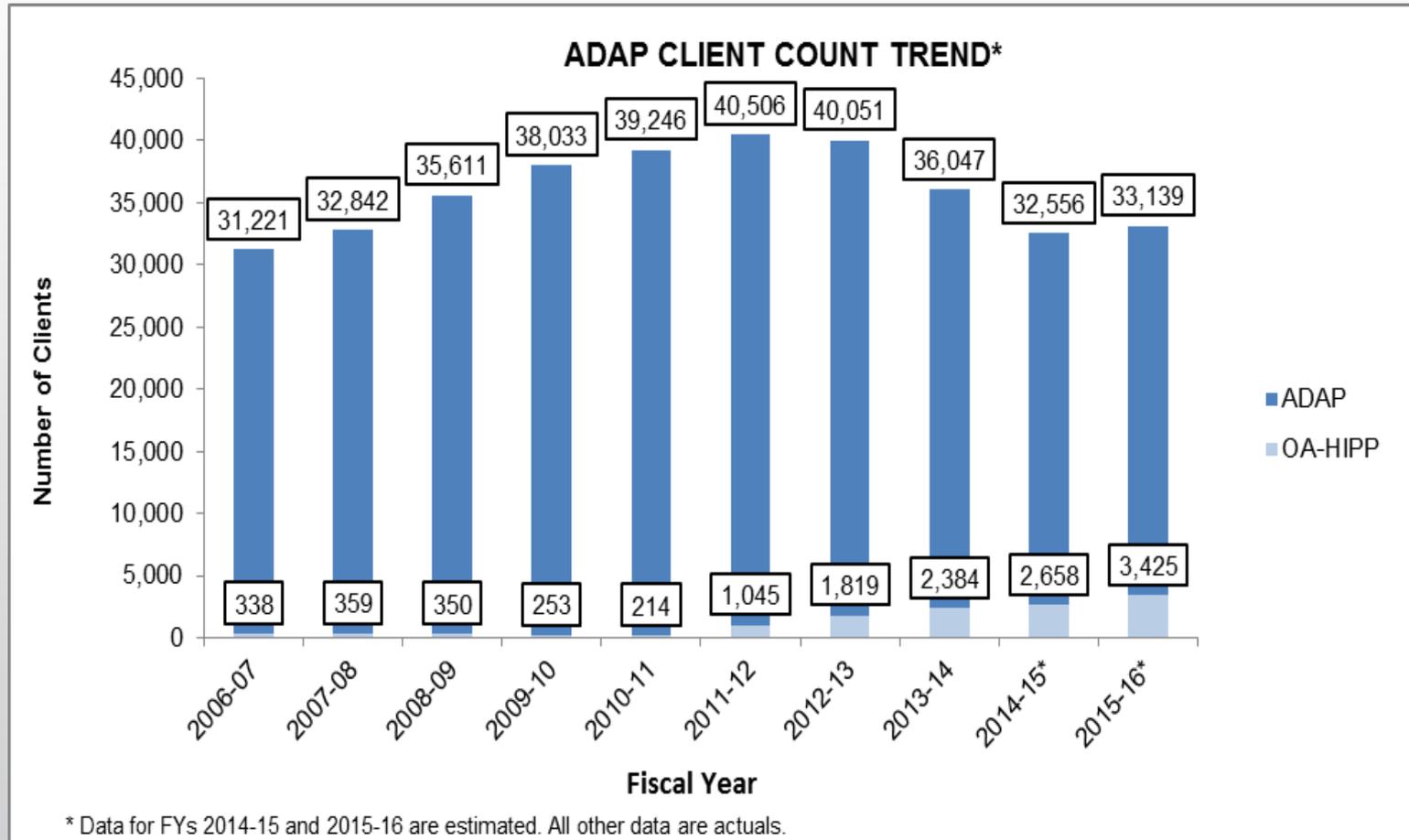


Office of AIDS AIDS Drug Assistance Program (ADAP)

October 28, 2015

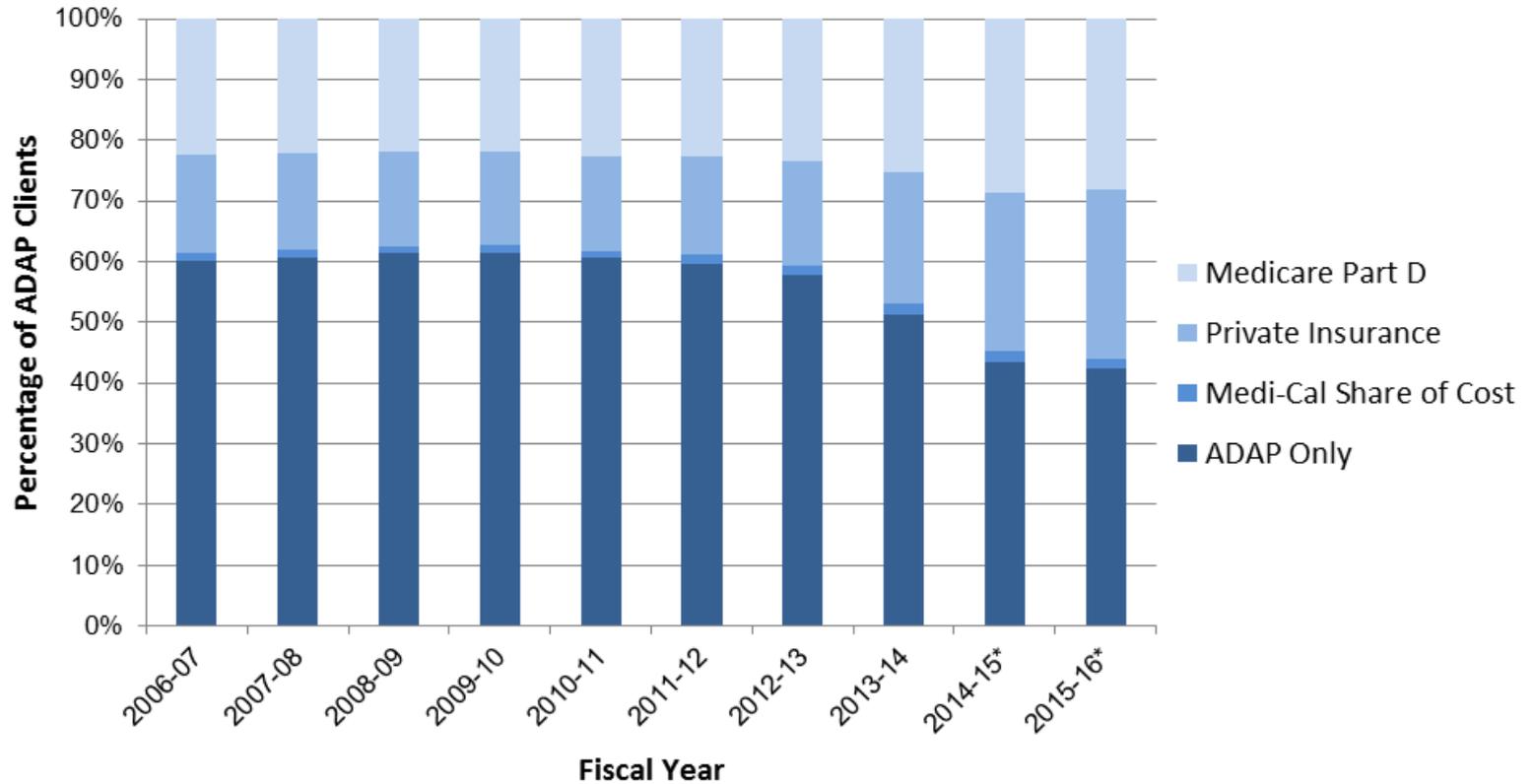


ADAP Update



PERCENT OF ADAP CLIENTS BY PAYER SOURCE *

* indicates estimated payer source



ADAP Update

Expanded Access to Hepatitis C Virus Medications

Effective July 1, 2015, ADAP expanded access to hepatitis C virus (HCV) medications to include all HCV co-infected ADAP clients, regardless of liver disease stage. This policy is in alignment with the federal Health and Human Services guidelines for treating HCV co-infection among HIV-infected persons and the revised Department of Veteran Affairs' HCV clinical guidelines, which recommend that all HIV/HCV co-infected patients be treated. Medi-Cal also expanded access to all HIV/HCV co-infected beneficiaries, regardless of liver disease stage.

ADAP Update

Expanded Income Eligibility Criteria

ADAP Eligibility Modernization legislation, effective June 24, 2015, changed ADAP income eligibility criteria to a Modified Adjusted Gross Income level of 500 percent of Federal Poverty Level based on family size and household income.

Prior to this change, the maximum qualifying income limit was \$50,000 adjusted gross income based on individual income.

ADAP Update

Funding Augmentation to Support Local Enrollment Services

\$2 million augmentation to Local Health Jurisdictions (LHJ) for a total of \$4 million annually to support local ADAP enrollment services:

- In FY 2015-16, each LHJ allocation is based on the proportion of all ADAP clients the LHJ enrolled during the prior year.
- In FY 2016-17, ADAP plans to allocate the funds directly to ADAP enrollment sites based on ADAP and OA-HIPP enrollment numbers at each site.

ADAP Update

Funding Augmentations to Support Enrollment Services at OA

- \$1 million to support eight positions within OA: Six positions to improve OA-HIPP application processing and provide support to local enrollment workers, and two positions to develop quality metrics for ADAP including insurance assistance programs, ensure data integrity, and develop and conduct client level surveys/reports.
- \$536,000 to support five positions within OA to perform a secondary review of eligibility documentation for all ADAP clients as required by the Health Resources and Services Administration (HRSA).

ADAP Update

Request for Proposal

On September 4, 2015, ADAP released a request for proposal (RFP) for insurance benefits management and medical benefits management services, RFP #15-10344. The purpose of this RFP is to select contractor(s) to administer premium and medical out-of-pocket cost payments for eligible clients. Final proposals for this RFP must be submitted by November 5, 2015. OA's goal is to implement payment of medical out-of-pocket costs for clients enrolled in OA-HIPP by the spring of 2016.

To view this RFP, please register with BidSync at <http://www.bidsync.com>.



ADAP Update

Request for Proposals

On October 20, 2015, ADAP, in collaboration with the Department of General Services, released a RFP for Pharmacy Benefits Management (PBM) services, RFP# 1503-001. The purpose of this RFP is to select a contractor to administer the ADAP statewide pharmacy network and manage patient medication services for ADAP clients. ADAP's current contract expires on June 30, 2016; this current contract includes both pharmaceutical services and enrollment services.

October 20, 2015 a separate RFP was released for enrollment benefits management services, RFP #15-10343. The purpose of this second RFP is to select a contractor to manage an enrollment system to track benefits and coverage for eligible ADAP clients.



**To view these RFPs, please register with BidSync at
<http://www.bidsync.com>.**

ADAP Update

Centralized Enrollment Files and Secondary Review

- Scanners sent to all ADAP Enrollment Sites - summer 2015
- Electronic enrollment system enhancements via ADAP's Pharmacy benefits management contractor – fall 2015
- Pilot Project - winter 2016
- Enrollment Worker Training
- Statewide implementation of electronic client file reviews upon initial enrollment or annual re-enrollment

ADAP Update

Proposed 340B Drug Pricing Program Omnibus Guidance

On August 28, 2015, HRSA released proposed 340B Drug Pricing Program Omnibus Guidance in the Federal Register (www.federalregister.gov/articles/2015/08/28/2015-21246/340b-drug-pricing-program-omnibus-guidance). The draft guidance limits ADAPs' authority to collect full rebates on partial pay claims, which are claims for which ADAP pays only a portion of the medication cost, such as a medication co-pay or deductible. If the guidance is finalized as written, it is expected to have a substantial adverse fiscal impact on California's ADAP, resulting in an estimated loss of significant rebate revenue annually starting in Fiscal Year 2017-18. An open public comment period was through October 27, 2015.

Questions?