



**Fact Sheet: Ryan White Part B and ADAP State Matching Requirement**

**Purpose of State Match Requirement**

- To ensure federal Ryan White Program supplement resources provided by metropolitan areas and States in providing services to individuals with HIV/AIDS and their families
- To assure a concomitant level of state support for HIV/AIDS care.

**Summary: Ryan White Part B Base and ADAP Earmark State Matching Requirement<sup>i</sup>**

Ryan White legislation requires that after a state maintains at least one percent of total AIDS cases for two consecutive years preceding the fiscal year for which the state is applying to receive a grant, the state is required to match federal funds based on the number of years the state meets the one percent threshold. States may not receive a federal grant unless the state agrees to meet the state matching requirement. For every year in which the state has at least one percent of the total AIDS cases, the state will pay an escalated match up to a maximum amount of one state dollar for every two federal dollars. The following table outlines the escalated requirements.

<b>Escalated Match Following Two Consecutive Years with 1% of the Total U.S. AIDS Cases</b>	<b>Dollar Matching Requirement</b>
First year with 1% of AIDS cases	\$1 state funds for each \$5 of federal funds
Second year with 1% of AIDS cases	\$1 state funds for each \$4 of federal funds
Third year with 1% of AIDS cases	\$1 state funds for each \$3 of federal funds
Fourth year with 1% of AIDS cases	\$1 state funds for each \$2 of federal funds
Fifth and subsequent years with 1% of AIDS cases	\$1 state funds for each \$2 of federal funds

If a state does not meet the state matching requirement for a given year, the state will continue to be eligible for a grant only with respect to the amount of funds the state can contribute, in accordance with the ratios noted above.

If a state meets the one percent threshold in a given year and falls below the threshold in the following year, it is not required to meet the state matching requirement for the year it is below the threshold. If the state, however, subsequently meets the threshold again, all of the years in which the state meets the threshold are counted together in determining the required rate of match.

**Summary: ADAP Supplemental State Matching Requirement**

States applying for and receiving ADAP Supplemental awards are required to match their award at a rate of \$1 in state funds for each \$4 of federal funds provided in the supplemental grant. Grantees can apply for a waiver from the ADAP Supplemental matching requirement if they have complied fully with their Part B base grant matching requirements (grantees who have not met the case threshold for Part B matching funds are not eligible for the ADAP Supplemental match waiver). The waiver request must be included in the narrative application for ADAP Supplemental grant funds submitted to the HIV/AIDS Bureau.

## **Types of Allowable State Contributions**

Funds used to meet the state matching requirements must expand HIV-related activities and have a designated line-item in the state budget and expenditure report. Examples include:

- State contributions to ADAP and/or other Ryan White services
- Rebate funds received from pharmaceutical companies for prescription drug purchases
- State Pharmacy Assistance Program (SPAP) funds
- State-funded HIV-related salaries (DIS, ADAP, pharmacy, program staff, home care, etc.)
- State funds spent on health insurance for HIV positive individuals not served by the Ryan White Program
- ADAP delivery/courier fees
- Department of Corrections funds for medical care to incarcerated individuals living with HIV
- State share of Medicaid expenses for HIV positive individuals
- State-funded HIV prevention, HIV care and/or surveillance efforts

State contributions may be made in cash or in in-kind contributions as follows:

### **Cash**

Cash is defined as the transfer of funds directly from the state general legislature to the Part B or ADAP program for use in providing HIV-related services or funds that are provided to the Part B or ADAP through donations from private or public entities.

### **In-kind Contributions**

In-kind contributions are defined as non-cash contributions that a state may provide to support HIV-related services. These non-cash contributions must be fairly valued and may include plant, equipment, supplies, or services. The value of plant and equipment must be assessed based on the purpose of the award, not to exceed fair market value. The value of supplies must be reasonable and not exceed fair market value. The value of services must include the rate of pay plus reasonable and allowable fringe benefits.

It is important to note that state contributions claimed as match for other federal programs (i.e., Medicaid) may not be used to meet the match requirement for the Ryan White Part B grant.

## **Documentation of State Matching Requirement**

States must provide documentation with the submission of the annual Part B application that they can and will meet the state matching requirement. This documentation includes the signed assurance that accompanies the Ryan White Part B application. States should maintain the documentation of the calculations and sources for meeting the state matching requirement for audit purposes.

Ninety days following the end of each budget period, states must submit a final Federal Financial Report (FFR). Lines 10b and 10e of the FFR should total to equal the required state matching requirement amount. In addition, states with both Ryan White Part B/ADAP match and ADAP Supplemental match requirements must indicate in the Remarks section what amount of the total match is designated for the Ryan White Part B/ADAP match and what amount of the total match is designated for the ADAP Supplemental match.

If a state submits an FFR in which the total of lines 10b and 10e falls below the required state matching requirement, subsequent grant awards will be offset by the appropriate proportional amount. The amount by which the grant was offset will be reallocated to other Part B grantees.

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<sup>i</sup> Puerto Rico is specifically exempt from the state matching requirement.