

May 2, 2025

The Honorable John Thune
U.S. Senate
511 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Chuck Schumer U.S. Senate 322 Hart Senate Office Building Washington, DC 20510

Dear Congressional Leaders:

The Honorable Mike Johnson U.S. House of Representatives 568 Cannon House Office Washington, DC 20515

The Honorable Hakeem Jeffries
U.S. House of Representatives
2433 Rayburn House Office Building
Washington, DC 20515

We are writing on behalf of 117 national, regional, and local organizations advocating for federal funding, legislation, and policy to end the HIV epidemic in the United States. We urge Congress to reject all proposals to enact cuts to Medicaid—whether through per capita caps or block grants, mandatory work reporting requirements, or reductions to the Federal Medical Assistance Percentage (FMAP)—during reconciliation for the 2025 and 2026 fiscal year budgets.

Cuts to Medicaid, whether accomplished through reductions in federal funding for Medicaid or imposition of work requirements, would undermine our national strategy to end the HIV epidemic. With access to regular antiretroviral treatment and care, HIV is not only a manageable health condition, but also impossible to transmit to others. Since Medicaid is a crucial source of access to HIV prevention, care and treatment, robust access to Medicaid must be at the center of the federal government's ambitious plan to end the HIV epidemic by 2030.

Medicaid is the most important source of health coverage and life-saving care for people living with HIV, providing coverage for more than 40% of people living with HIV and contributing 45% of all federal funding for domestic HIV care and treatment.³ Medicaid expansion is especially critical, since it enables people with HIV who lack access to private insurance to obtain full scope health insurance without having to wait until they have become disabled due to

¹ Myron Cohen, MD, Ying Q. Chen, Ph.D., et al. <u>Antiretroviral Therapy for the Prevention of HIV-1 Transmission</u>. N Engl J Med 2016; 375:830-839. September 1, 2016.

² About Ending the HIV Epidemic, Centers for Disease Control and Prevention, March 20, 2024.

³ Lindsay Dawson, Jennifer Kates, et al., Medicaid and People with HIV, March 27, 2023.

advanced HIV to qualify for Medicaid.⁴ Additionally, Medicaid expansion helps state AIDS Drug Assistance Programs (ADAPs)—payers of last resort for HIV medications for people with HIV who are lower income or under- or uninsured—to maximize their eligibility criteria and improve service offerings, since enrolling ADAP members into Medicaid helps ADAPs avoid having to pay the full cost of HIV medications.⁵

Medicaid coverage is also proven to increase access to HIV prevention, thereby reducing transmissions and furthering public health goals. In particular, Medicaid expansion has been found to be associated with increased awareness of HIV status among people living with HIV and increased use of Pre-Exposure Prophylaxis (PrEP). Increased use of PrEP is one of the key strategies embraced in the national plan to end the HIV epidemic in the U.S.

Finally, Medicaid is a key source of coverage for other public health epidemics that intersect with and exacerbate the HIV epidemic, such as hepatitis C, sexually transmitted infections, and substance use disorder. For example, Medicaid is the single largest payer for behavioral health services in the nation,⁹ and Medicaid expansion has helped states significantly impacted by the opioid epidemic to recover.¹⁰

A strong Medicaid program is thus critical to ending the national HIV epidemic. We therefore urge you to oppose all cuts to Medicaid in the fiscal year 2025 and 2026 reconciliation processes, including but not limited to the following proposals:

Per capita caps or block grants. These proposals reduce federal funds to the states and would transfer the burden to make up the shortfall. To do so, states could enact cuts to services, make changes that would reduce eligibility, cap enrollment, and/or cover fewer services—all actions that would place additional pressure on other safety net programs and harm people with chronic conditions and disabilities. With reduced Medicaid eligibility, the state population inevitably becomes sicker, driving up costs of care, at the same time that overall health care costs continue to grow nationwide. States may achieve more flexibility with less oversight, but state dollars simply will not go as far, creating program inefficiencies. Importantly, per capita caps and block grants also result in reduced reimbursement rates to physicians, hospitals, and nursing homes—placing further pressure on rural and suburban populations experiencing massive reductions in health care facilities and providers.

⁴ Jennifer Kates, Lindsay Dawson, <u>Insurance Coverage Changes for People with HIV Under the ACA</u>, February 14, 2017.

⁵ NASTAD, Expanding and Adapting ADAP Service Delivery in a Dynamic Healthcare Environment.

⁶ Alex Hollingsworth, Shyam Raman, et al., <u>Panel Paper: Does Providing Insurance Coverage Reduce the Spread of Infectious Disease? The Impact of Medicaid Expansions on HIV Diagnoses</u>, Association for public Policy Analysis and Management 41st Annual Fall Research Conference, November 9, 2019.

⁷ Bita Fayaz Farkhad, David R Holtgrave, and Dolores Albarracín, <u>Effect of Medicaid Expansions on HIV Diagnoses and Pre-Exposure Prophylaxis Use</u>, March 1, 2022.

⁸ HIV.gov, <u>Key EHE Strategies</u>, June 27, 2024.

⁹ Heather Saunders, A Look at Substance Use Disorders (SUD) Among Medicaid Enrollees, Feb. 17, 2023.

¹⁰ Alexis Robles-Fradet, Why Medicaid is Important for Treating Substance Use Disorders, January 15, 2025.

People living with HIV rely on consistent access to medication to achieve and maintain viral suppression—and keep the broader community safer. Medicaid block grants and per capita caps that force a reduction in Medicaid patient roles can place people living with HIV who also rely on Medicaid at greater risk. Additionally, when compared to the broader Medicaid population, people living with HIV have a higher prevalence of certain co-morbidities, which may lead to higher costs, and 25% of people living with HIV are dually eligible for Medicaid and Medicare—a population with more chronic conditions requiring long-term care. A loss of Medicaid eligibility could simply transfer that coverage burden to Medicare.

If these cuts were restricted to states that have expanded Medicaid, it would have an outsized impact on people living with HIV. Medicaid expansion is the biggest enrollment pathway for people living with HIV, with 42% of people living with HIV in Medicaid qualifying for coverage because of expansion. In states that have expanded Medicaid, over half of people living with HIV have coverage because of expansion eligibility. Per capita caps for expansion states would restrict the most important pathway for people living with HIV to access Medicaid coverage, which would threaten access to care and set back years of progress.

- Instituting work reporting requirements. Mandatory work reporting requirements for any Medicaid population, even healthy adults in the Medicaid expansion group, would jeopardize efforts to end the HIV epidemic. Although many Medicaid beneficiaries living with HIV are already working or would likely qualify for an exemption, these individuals would still be vulnerable to interruptions in their coverage due to difficulty meeting administrative burdens associated with work reporting requirements. For people living with HIV, even temporary losses of coverage can be life-threatening, as HIV requires continuous access to treatment to achieve viral suppression and live a healthy life. And for the smaller population of Medicaid beneficiaries with HIV who may be able to work but are not yet working—possibly due to stigma and discrimination or the need to spend more time seeking medical care—continuous access to Medicaid coverage supports them to eventually work by enabling them to remain healthy.
- Reductions to the FMAP. All proposals to reduce federal matching funds for Medicaid would also hinder efforts to end HIV by shifting additional costs to states. However, dramatic reductions to the current FMAP rate for the Medicaid expansion population (currently 90%) could have particularly dire repercussions for people living with or vulnerable to HIV. Medicaid expansion has been associated with increased coverage for those living with HIV, increased HIV testing (which informs people of their status and

¹¹ Lindsay Dawson, Jennifer Kates, et al., Medicaid and People with HIV, March 27, 2023.

¹² Lindsay Dawson, Priya Chidambaram, et al., <u>5 Key Facts About Medicaid Coverage for People with HIV</u>, April 1, 2025.

¹³ Lindsay Dawson and Jennifer Kates, Medicaid Work Requirements and People with HIV, February 3, 2020.

keeps communities safer), as well as increased PrEP uptake.¹⁴ In short, Medicaid expansion is crucial to ending the HIV epidemic by increasing access to care and prevention services.

Unfortunately, despite the benefit to people living with and at risk for HIV particularly, twelve states with Medicaid expansion have trigger laws that would likely result in immediate or eventual termination of Medicaid expansion in those states if the FMAP falls below 90%. ¹⁵ In addition, other states will likely follow suit if they simply cannot afford the billions of dollars that would be needed to maintain the expansion without the 90% FMAP rate. The result would be significant losses of coverage to people living with and vulnerable to HIV and dramatically increased pressure on the Ryan White HIV/AIDS Program to pay the full cost of HIV treatment for the newly uninsured.

We appreciate your support for ending the HIV epidemic in the U.S. and again urge you to reject all proposals to enact cuts to Medicaid during reconciliation for the 2025 and 2026 fiscal year budgets. If you would like to discuss any of these points further, please contact the Co-Chairs of the Federal AIDS Policy Partnership's HIV Healthcare Access Working Group: John Card (icard@law.harvard.edu) with the Center for Health Law and Policy Innovation; Rachel Klein (rklein@taimail.org) with The AIDS Institute; and Leslie McGorman with AIDS United (LMcGorman@aidsunited.org).

Sincerely,

AIDS United AIDS Alabama South

Center for Health Law and Policy Innovation AIDS Foundation Chicago

The AIDS Institute AIDS Law Project of Pennsylvania

5280 Fast Track Cities Alliance Care 360

Access Support Network American Academy of HIV Medicine

Act Now: End AIDS (ANEA) Coalition Amida Care

Advocates for Youth APLA Health

African American Health Alliance Association of Nurses in AIDS Care

Agape Missions, NFP AVAC

AID Upstate Inc. Black Women's Health Imperative

AIDS Action Baltimore CAEAR Coalition

AIDS Alabama CAPSLO

¹⁴ Jennifer Kates, Lindsay Dawson, <u>Insurance Coverage Changes for People with HIV Under the ACA</u>, February 14, 2017; Bita Fayaz Farkhad, David R. Holtgrave, et al., <u>Effect of Medicaid Expansions on HIV Diagnoses and Pre-Exposure Prophylaxis Use</u>. Am J Prev Med. 2021 Mar; 60(3):335-342.

¹⁵ Adam Searing, <u>Federal Funding Cuts to Medicaid May Trigger Automatic Loss of Health Coverage for Millions of Residents of Certain States, November. 27, 2024.</u>

Cares of Southwest Michigan

Cascade AIDS Project

CenterLink: The Community of LGBTQ

Centers

Chicago Women's AIDS Project

Christie's Place

Citizen Action/Illinois

Collaborative Solutions

Colorado Health Network

Colorado Organizations and Individuals Responding to HIV/AIDS (CORA)

CORE Medical Clinic

CrescentCare

Delaware HIV Consortium

Ending Criminalization of HIV and

Overincarceration in Viginia (ECHO VA)

Coalition

Equality California

Equality Federation

Equitas Health

Equity Is the Word

Family Centers Inc.

Family Health Care Clinic, Inc.

Five Horizons Health Services

Food is Medicine Coalition

Georgia AIDS Coalition

Georgia Equality

GMHC

God's Love We Deliver

Health GAP

Healthcare Across Borders

HealthHIV

HIV Dental Alliance

HIV Medicine Association

HIV/AIDS Alliance of Michigan

HIV+Hepatitis Policy Institute

Housing Works, Inc.

ICAN!

iHealth, Inc.

International Association of Providers of

AIDS Care

International Community of Women Living

with HIV - North America

Kedren Community Health Center

KLowInspires, LLC

Lambda Legal Defense and Education Fund

Lansing Area AIDS Network

Latino Commission on AIDS

Legal Council for Health Justice

Los Angeles LGBT Center

LOTUS

Matthew 25 AIDS Services, Inc.

Metropolitan Charities, Inc.

Michael Reese Care Program

Mother and Child Alliance

MPact Global

Naper Pride Inc

NASTAD

National Alliance for HIV Education and

Workforce Development

National Coalition for LGBTQ Health

National Harm Reduction Coalition

National HIV/AIDS Housing Coalition

National Working Positive Coalition

NC AIDS Action Network

Neelyx Labs

NMAC

Positive Impact Health Centers

Positive People Network, Inc.

Positive Women's Network-USA

PrEP4AII

PrEP in Black America (PIBA)

Prevention Access Campaign

Proactive Community Services

PWN-USA-Ohio

Radiant Health Centers

Ribbon-A Center for Excellence

Ryan White Medical Providers Coalition

SAGE

San Francisco AIDS Foundation

SIECUS: Sex Ed for Social Change

Silver State Equality - Nevada

Sinai Chicago

Southern Black Policy and Advocacy

Network

Southwest Care Center

The Amistad Clinic

The Center for HIV Law and Policy

The Institute for Health Research & Policy at

Whitman-Walker

The Reunion Project

The Sero Project

The TransLatin@ Coalition

The Well Project

Thrive Alabama

Treatment Action Group

US PLHIV Caucus

Vivent Health

W King Health Care Group

Waves Ahead

Wellness Services, Inc.

Whitman-Walker Health