NASTAD

ADAP WATCH

# July 2026

This report tracks the current and projected fiscal health and cost-containment measures of AIDS Drug Assistance Programs (ADAPs). ADAPs provide life-saving HIV treatment to low income, uninsured and underinsured individuals living with HIV/AIDS in all 50 states, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, three U.S. Pacific Territories (Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa) and one Associated Jurisdiction (the Republic of the Marshall Islands). Federal funding for ADAPs has remained relatively unchanged over the last decade, while client enrollment and healthcare costs, including prescription drug, insurance premium, and cost-sharing expenditures, have continued to increase.

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## Reporting Jurisdictions

Analysis based on data received in response to a Request for Information (RFI) conducted July 6–24, 2026, from the following 43 states and territories:

> Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Georgia, Guam, Hawaii, Idaho, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, D.C., Wisconsin, Wyoming

**Jurisdictions reporting for the first time since the April 2026 *ADAP Watch*:** Alabama, Guam, Puerto Rico, and Texas.

**April *ADAP Watch* respondents that did not respond to the July RFI:** Delaware, Kansas, Louisiana, Minnesota, Mississippi, New York, and Ohio. Of these, Delaware, Kansas, and Louisiana reported active cost-containment measures in April. Their current status is unknown.

**Jurisdictions for which data are not available for either the April or July *ADAP Watch*:** Florida (February, April, and July data not available), Washington State (April and July data not available), and West Virginia (February, April, and July data not available)

# At a Glance: Fiscal Outlook

## Status of ADAP Budgets for the Current RWHAP Part B Fiscal Year (ending March 31, 2027)

Fifteen ADAPs report a projected deficit for the current fiscal year — six minor (<5% of total operating budget) and nine significant (≥5%). This represents a decrease from the April 2026 *ADAP Watch*, which reported 19 deficit-projecting programs. Four programs that reported deficits in April have since resolved them — Arizona, New Jersey, Washington, D.C., and Wisconsin. Two programs are newly reporting deficits in July: Georgia and Texas. Twenty-three ADAPs report balanced budgets, and five anticipate a surplus.

| Metric | Current RWHAP Part B Fiscal Year (ending 3/31/27) |
|---|---|
| **Minor Deficit (<5% of ADAP Budget)** | 6 ADAPs |
| **Major Deficit (≥5% of ADAP Budget)** | 9 ADAPs |
| **Balanced Budget** | 23 ADAPs |
| **Surplus Anticipated** | 5 ADAPs |

*ADAPs by anticipated budget status for the current RWHAP Part B fiscal year (ending March 31, 2027):*

**Minor deficit projected (<5% of total operating budget) — 6 ADAPs:**

Idaho, Illinois, Michigan, Nebraska, New Hampshire, Rhode Island

**Significant deficit projected (≥5% of total operating budget) — 9 ADAPs:**

Connecticut, Georgia, Hawaii, Iowa, Massachusetts, Missouri, Pennsylvania, Texas, Utah

**Balanced budget — 23 ADAPs:**

Alabama, Alaska, Arkansas, California, Colorado, Guam, Indiana, Maine, Maryland, Montana, Nevada, New Jersey, New Mexico, North Carolina, Oklahoma, Oregon, Puerto Rico, South Carolina, South Dakota, Vermont, Washington, D.C., Wisconsin, Wyoming

**Surplus anticipated — 5 ADAPs:**

Arizona, Kentucky, North Dakota, Tennessee, Virginia

### Florida Update

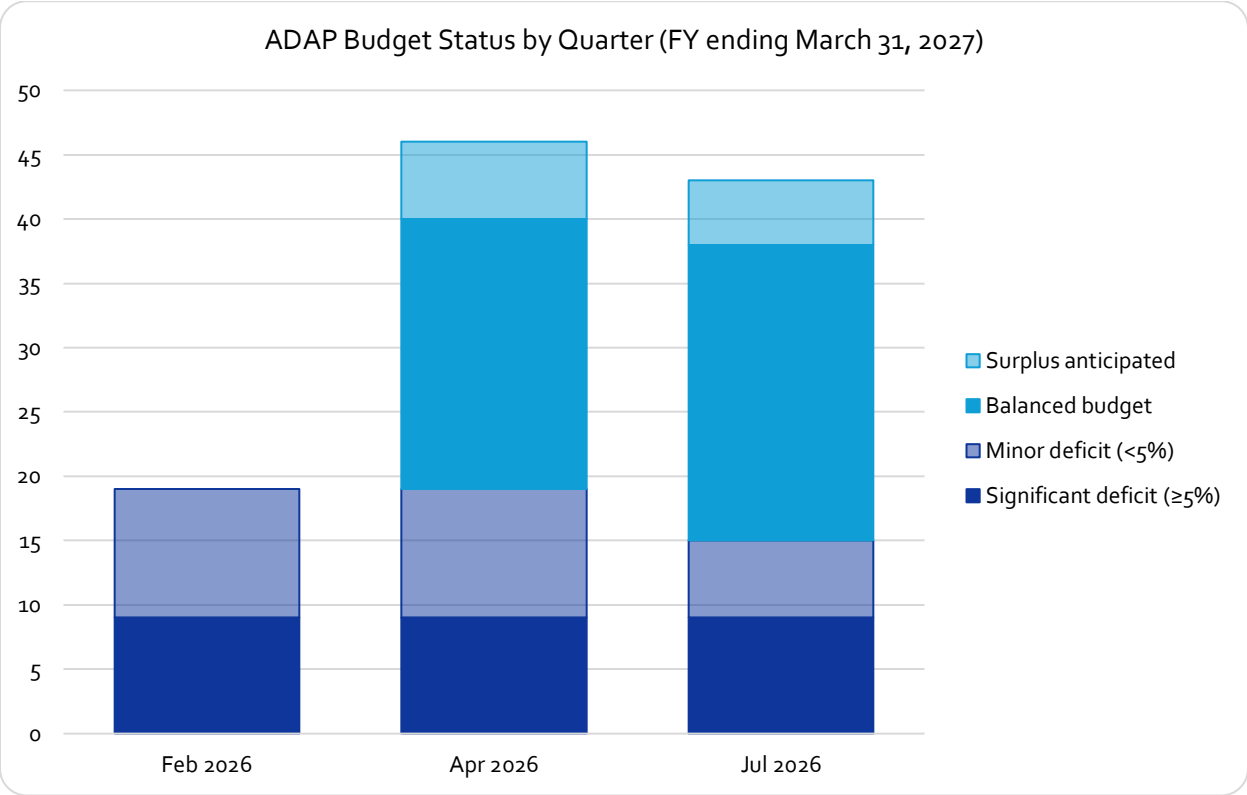
Florida did not respond to the July RFI. The following is based on publicly available information.

On June 29, 2026, Governor Ron DeSantis signed the state's Fiscal Year 2026–27 budget into law, which includes $75 million in state funding for ADAP and restores the full-pay medication program to its pre-cut configuration. Beginning July 1, 2026, financial eligibility remains at 400% FPL and all previously covered medications — including Biktarvy for direct dispense — are restored to the formulary.

One element of the original cuts remains in effect: insurance premium assistance has not been restored as part of the FY 2026–27 budget. A full-pay medication program enrollment cap of 21,000 clients was also established.

This resolution follows a round of emergency bridge funding: an initial emergency $30.9 million appropriation signed by Governor DeSantis in March 2026, which temporarily restored 400% FPL eligibility through June 30, 2026.

## Budget Status Trend – February through July 2026




| Status | February 2026 | April 2026 | July 2026 |
|---|---|---|---|
| Significant deficit (≥5%) | 9 | 9 | 9 |
| Minor deficit (<5%) | 10 | 10 | 6 |
| **Total deficits** | **19** | **19** | **15** |
| Balanced budget | — | 21 | 23 |
| Surplus anticipated | — | 6 | 5 |
| Respondents | 44 | 46 | 43 |

*These comparisons should be interpreted with caution. Respondent composition varies across reporting periods. Of 51 total jurisdictions contributing data across all three rounds, 35 responded to every round; an additional 16 submitted data to one or two rounds only. Changes in aggregate counts may reflect shifts in respondent composition as well as actual program changes. February data reflect programs forecasting a deficit for the then-upcoming fiscal year (now ending March 31, 2027); balanced/surplus projections were not collected in February.*

## Budget Change Since April 2026

For the first time, July respondents were asked to characterize the change in their budget status since the April 2026 *ADAP Watch*.

| Change Category | Count | States |
|---|---|---|
| New deficit (not reported in April) | 2 | Georgia, Texas |
| Continuing — worsened since April | 1 | Connecticut |
| Continuing — unchanged since April | 10 | Hawaii, Idaho, Illinois, Iowa, Massachusetts, Michigan, Missouri, Nebraska, New Hampshire, Utah |
| Continuing — improved since April | 2 | Pennsylvania, Rhode Island |
| Deficit resolved since April | 5 | Arizona, New Jersey, South Carolina, Washington, D.C., Wisconsin |
| No change (balanced/surplus) | 23 | Alabama, Alaska, Arkansas, California, Colorado, Guam, Indiana, Kentucky, Maine, Maryland, Montana, Nevada, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, Puerto Rico, South Dakota, Tennessee, Vermont, Virginia, Wyoming |

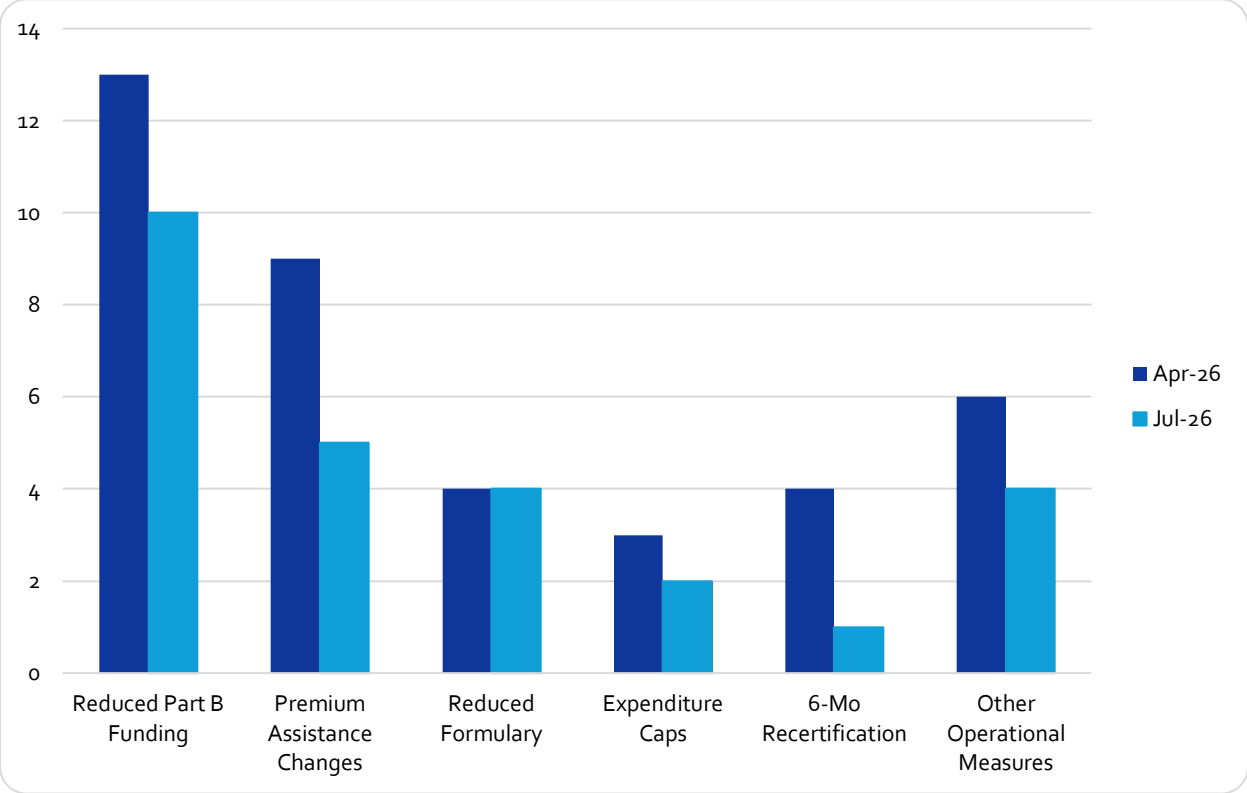
## Drivers of Budget Deficits

Among the 15 programs reporting projected deficits, the following drivers were cited (respondents could select all that apply):

| Driver | Count (n=15) | % of programs with deficits |
|---|---|---|
| Increased drug costs/expenditures per client | 13 | 87% |
| Increasing premium costs | 10 | 67% |
| Increased client enrollment | 9 | 60% |
| Expiration of enhanced premium tax credits | 9 | 60% |
| Decreased 340B rebate revenue | 8 | 53% |
| Changes in federal allocations or supplemental funding | 8 | 53% |
| State revenue reduction | 2 | 13% |

As in previous *ADAP Watch* reports, increased drug costs remain the most widely reported driver. Increasing premium costs and the expiration of enhanced premium tax credits together reflect continued insurance-market pressure on ADAP budgets.

## Active Cost-Containment Measures: April vs. July 2026




| Cost-Containment Measure | April 2026 Active Programs | July 2026 Active Programs | Change |
|---|---|---|---|
| Reduced Part B Funding | 13 | 10 | ▼ 3 |
| Premium Assistance Changes | 9 | 5 | ▼ 4 |
| Reduced Formulary | 4 | 4 | — |
| Expenditure Caps | 3 | 2 | ▼ 1 |
| 6-Mo Recertification | 4 | 1 | ▼ 3 |
| Other Operational Measures | 6 | 4 | ▼ 2 |

*These comparisons should be interpreted with caution. Thirty-nine jurisdictions submitted data for both ADAP Watch reports; seven April respondents did not submit for July (Delaware, Kansas, Louisiana, Minnesota, Mississippi, New York, and Ohio), and four July respondents did not submit for April (Alabama, Guam, Puerto Rico, and Texas). Apparent decreases may partly reflect non-response from programs that had active measures in April, rather than actual resolution of those measures. Additionally, July data distinguish active measures (new or continuing) from those under consideration or resolved; the April ADAP Watch data do not apply this framework, making direct measure-by-measure comparisons approximate.*

# Active Cost-Containment Measures: Waiting Lists and Financial Eligibility Changes

Two ADAPs report **active waiting lists,** consistent with the April 2026 *ADAP Watch*. Iowa's waiting list has decreased slightly, while Utah's has grown.

| State | Individuals on List | Waiting List Start Date | Change from April |
|---|---|---|---|
| Iowa | 1,035 | March 9, 2026 | Down from 1,106 in April |
| Utah | 48 | March 19, 2026 | Up from 10 in April |

Iowa anticipates resuming pharmacy services by the next *ADAP Watch* reporting period.

### ADAPs Establishing a Maximum Number of Clients Served

Two ADAPs report active enrollment caps:

- Indiana: maximum of 5,500 clients (increase from 4,500 reported in April)
- Utah: maximum of 225 clients, paired with the waiting list above

### ADAPs Implementing Financial Eligibility Changes

Pennsylvania and Rhode Island confirmed their eligibility reductions remain in effect. The status for Kansas and Delaware, which did not respond to the July RFI, is unknown. Three states have expanded or restored their ADAP eligibility criteria since April: Alabama (400% →500%), Alaska (400% →550%), and South Dakota (300% →400%).

## Other Active Cost Containment Measures

| Measure | New since April 2026 | Continuing from April 2026 | Resolved since April 2026 |
|---|---|---|---|
| **Reduced Part B Funding** | Puerto Rico, South Carolina | Hawaii, Illinois, Iowa, Massachusetts, Michigan, Missouri, Nevada, Pennsylvania | Wisconsin |
| **Premium Assistance Changes** | — | Michigan, Montana, New Jersey, Oklahoma, Wisconsin | — |
| **Reduced Formulary** | Missouri[1] | Iowa, Michigan, Pennsylvania | — |
| **Expenditure Caps** | — | Colorado, Nevada | — |
| **6-Month Recertification** | — | Guam | Alaska |
| **Other Operational Measures** | Georgia[2] | Massachusetts[3], Michigan, New Hampshire | — |

*[1] Missouri removed all non-antiretroviral medications from the formulary, effective June 1, 2026.*

*[2] Georgia implementing a cost cap for high-cost dual and combination antiretroviral treatment regimens submitted through prior authorization; Hepatitis C treatment program changes also implemented.*

*[3] Massachusetts: staff reduction-in-force.*

## Watch List: ADAPs Considering New/Additional Cost-Containment Measures

The following programs have indicated the measures below are under active consideration but not yet implemented as of July 2026:

| Measure | States Under Active Consideration |
|---|---|
| Reduced Part B Funding | Alabama, Arizona, Connecticut, Indiana, Maine, Montana, Nebraska, Rhode Island (8) |
| Premium Assistance Changes | Alabama, Arizona, Connecticut, Illinois (4) |
| Reduced Formulary | Arizona, Connecticut, Idaho, Illinois, Rhode Island (5) |
| Expenditure Caps | Alabama, Connecticut, Idaho, Illinois, Montana (5) |
| Discontinued Lab Assays | Illinois (1) |
| 6-Month Recertification | Maine, Rhode Island (2) |
| Other Operational Measures | Hawaii, Illinois, Maine, Maryland, Montana, Texas (6) |

## References & Resources

1. **Context & Policy Analysis:** Federal Policy Changes and Their Impact on ADAPs (Oct 2025)
2. **Operational Guidance:** ADAP Cost Containment Considerations (Nov 2025)
3. **Previous:** *ADAP Watch* – February 2026, *ADAP Watch* – April 2026