

*News from the*

**U.S. Senate Committee on  
Health, Education, Labor and Pensions**

**Michael B. Enzi (Wyoming), Chairman**



**For Immediate Release**

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***NEWLY RELEASED GAO REPORT CONFIRMS NEED TO REVISE  
HIV/AIDS FUNDING FORMULAS IN RYAN WHITE ACT***

**Washington, D.C.** - U.S. Senator Mike Enzi, R-WY, Chairman of the Senate Health, Education, Labor and Pensions (HELP) Committee, said today a newly-released Government Accountability Office (GAO) study confirms the need for Congress to revise funding formulas associated with the "Ryan White Comprehensive AIDS Resource Emergency Act," (RWCA) and "Housing Opportunities for Persons with AIDS" (HOPWA) to more closely reflect the distribution of persons living with HIV/AIDS.

"This disease affects more women, minorities, and people from rural areas than ever before, yet funding provisions limit the services available to some Americans based on their gender, race, or where they live," Enzi said. "It is clear that serious changes must be made as we begin reauthorizing the Ryan White CARE Act to ensure that people who are most in need of care and assistance are being served."

RWCA and HOPWA appropriate funds to provide treatment and housing for persons living with HIV/AIDS. These funds are distributed using formulas based on the number of HIV/AIDS cases within a geographic jurisdiction. However, the GAO study (GAO-06-332), released Tuesday, concludes that both

formulas do not accurately reflect the number of persons living with HIV/AIDS within each jurisdiction.

Although both programs allocate grant monies to treat persons diagnosed with HIV as well as those with AIDS, the formulas used to determine funding take into account only cases that have progressed to AIDS. Had HIV and AIDS cases been incorporated into these formulas, funding would have shifted dramatically to the South, the Midwest, and rural areas.

“We must work to improve measures of accountability and enhance methods used to target funding so that these populations are not underserved or under-funded,” he added. To that end, Enzi has scheduled a hearing for tomorrow, Wednesday, March 1, 2006, titled “Fighting the AIDS Epidemic of Today: Reauthorizing the Ryan White CARE Act.”

The current system also provides disproportionate funds to states with eligible metropolitan areas (EMAs) by:

- Using formulas that include deceased cases;
- Counting HIV/AIDS cases in EMAs twice;
- Granting grandfather clauses and other provisions that allow EMAs to operate under advantageous funding rules.

The result of these formula discrepancies is that states with EMAs receive significantly more funding per case than states without them. Last year, for example, GAO found that under the current funding formula, states with one EMA can receive as much as \$4954 per case in RWCA funding, while those without an EMA can receive as little \$3340 per case.

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