



The Next US Congress and AIDS Funding

What should US policy on domestic and global HIV/AIDS look like in the 111th Congress? This question is now being debated as Congress reauthorizes the US global AIDS program and considers next steps to address an urgent AIDS crisis here in the US. It is also an important question for the Democratic and Republican candidates running for Congress in November 2008.

This document reviews the context for this issue and makes specific recommendations for how the US Congress should address HIV/AIDS both globally and domestically.

The Domestic Context

HIV/AIDS in the US has become a chronic public health issue—one that exacerbates social inequalities and underscores the growing challenges to the health care system. The epidemic is characterized by racial and geographic disparities, unrelenting new infections, inadequate access to treatment and care, high mortality rates, and a lack of a national, coordinated strategic response to HIV/AIDS.

Every year, at least 40,000 people are newly infected with HIV. Some 45% of these infections occur in the Southeastern part of the US, and the HIV infection rate has not fallen in 15 years.¹ Ethnic and racial minorities bear the brunt of the epidemic, with Latinos accounting for 18% of all new infections and African Americans for almost half of new infections. Between 2001 and 2004, African Americans accounted for 51% of new infections, and over 50% of HIV-positive African Americans do not know they are infected.² There are over one million people living with HIV, 40% of whom are believed to live in the South.³ Half of the people living with HIV are not receiving regular HIV-related health care even when they meet the medical criteria for receiving antiretroviral treatment. Many people are diagnosed with HIV late in the progression of the disease, with almost four out of 10 people who test HIV-positive receiving an AIDS diagnosis less than 12 months later.⁴

Over 17,000 people died of AIDS in 2005, and over half a million have died of AIDS in the last 26 years. Ethnic disparities are apparent in the mortality from AIDS. People of color do not receive equivalent benefits from HIV-related treatment and care; deaths among African

¹ http://www.nationalaidsstrategy.org/index.php?option=com_content&task=view&id=23

² Open Society Institute, *Improving Outcomes: Blueprint for a National AIDS Plan for the United States*, 2007
http://nationalaidsstrategy.org/Improving_Outcomes_Report.pdf

³ http://www.nationalaidsstrategy.org/index.php?option=com_content&task=view&id=23

⁴ Open Society Institute, *Improving Outcomes: Blueprint for a National AIDS Plan for the United States*, 2007

Americans and Hispanics declined by only 7% compared to a 19% decline among whites between 2000 and 2004.⁵

Insufficient results from domestic HIV/AIDS programs produce grave human and economic costs. In 2003, it was found that failure to achieve set goals of reducing HIV infections by half was likely to lead to \$18 billion in excess spending through 2010.⁶

There is an urgent need for better planning of HIV/AIDS policy and programs in the US to establish a more effective strategic approach to HIV/AIDS and provide care to people living with HIV/AIDS. In 2004, the Institute of Medicine found that fragmentation of insurance coverage and conflicting eligibility requirements and services across the country impede comprehensive access to HIV care.⁷ The lack of a national AIDS strategy creates difficulty in setting national public health goals for HIV/AIDS prevention, treatment, and care, identifying programs and systems needed to accomplish goals, and establishing metrics to assess progress in delivery of care and lowering incidence. The dearth of a national AIDS plan affects coordination of AIDS programs; federal agencies in charge of prevention, care, and housing do not adequately work in collaboration with each other.⁸

In 2007, US domestic expenditure on HIV/AIDS, tuberculosis, and STD prevention was a little over \$1 billion; expenditure on Ryan White programs was \$2.1 billion; \$286 million was spent on Housing Opportunities⁹ for Persons with AIDS (HOPWA); \$399 million for the Minority HIV/AIDS Initiative (MAI); and \$2.9 billion for the Office of AIDS Research at the National Institutes of Health.

The International Context

The struggle against AIDS and to promote health and life in impoverished nations is linked the broader debate about the US role in the world. Religious leaders from diverse traditions, from Pastor Rick Warren to Cardinal McCarrick to Rabbi David Saperstein, are united in the view that the continuation of extreme poverty, including lack of access to health care, is morally intolerable and that the US role in addressing this issue is vitally important.

The central challenge facing our generation is the eradication of poverty, and a growing number of Americans find this cause extremely compelling on moral grounds. In fact, major opinion polls show a strong desire for US leadership in this area. In a 2006 survey, three years after the launch of the Bush global AIDS initiative, 68% of Americans favored a foreign policy that puts greater emphasis on fighting the spread of HIV/AIDS¹⁰, and a large majority of Americans favor the US fulfilling a long-neglected pledge to devote seven-tenths of 1% of GDP to reducing world poverty.¹¹

⁵ Open Society Institute, *Improving Outcomes: Blueprint for a National AIDS Plan for the United States*, 2007

⁶ http://nationalaidsstrategy.org/index.php?option=com_content&task=view&id=21

⁷ Open Society Institute, *Improving Outcomes: Blueprint for a National AIDS Plan for the United States*, 2007

⁸ http://nationalaidsstrategy.org/index.php?option=com_content&task=view&id=21

⁹ AIDS Action, *Funding Facts*, October, 2007. <http://www.aidsaction.org/>

¹⁰ http://www.worldpublicopinion.org/pipa/pdf/oct06/SecurityFP_Oct06_rpt.pdf

¹¹ http://www.pipa.org/OnlineReports/ForeignAid/WorldPoverty_Jun05/WorldPoverty_Jun05_rpt.pdf

In addition, beyond purely humanitarian and moral concerns, there is strong justification for the US maintaining and even increasing its commitment to fight AIDS and poverty:

- ◆ It is in the interest of the United States to confront global health threats effectively, since many can affect the US directly. For instance, extremely drug-resistant tuberculosis (TB) is now spreading, exacerbated by the prevalence of HIV, and cases have already been found in the US. A bold response to HIV/AIDS would necessarily include a strong response to TB and the strengthening of health systems to cope with both AIDS and TB. Similarly, by strengthening health systems in order to make the AIDS response more effective, the US will help countries contain other threats before they reach the US, such as a possible human influenza epidemic.
- ◆ Polling data indicate that the US is viewed much less favorably than it was just a few years ago.¹² At the same time, since the late 1990s, public opinion in Europe has been marshaled as never before in favor of global action to eradicate poverty and disease. Thus, bold engagement on a basic, humanitarian issue such as AIDS helps the US recover global good will, both in developing countries and with European allies where relationships have weakened. Conversely, the reputation of the US will be harmed if it is seen as not doing its part to keep promises it has made with other nations to achieve universal access to HIV/AIDS services.
- ◆ The economic damage from global HIV/AIDS has already been severe and will increasingly harm the global economy and impact the United States. India's National Council of Applied Economic Research has stated that HIV/AIDS could reduce economic growth in India by almost 1% annually.¹³ The Chinese government has estimated that HIV/AIDS will cost China's economy nearly \$40 billion over the next five years.¹⁴ Between 1991 and 2002, the HIV/AIDS epidemic reduced average income growth among 35 African countries by 1.1% annually, with a total economic loss of \$144 billion.¹⁵

How much will the Bush Administration have spent on global AIDS by 2009?

The US has transformed the global response to HIV/AIDS and leveraged a much stronger contribution to this fight from other wealthy nations. The US contribution in the area of AIDS treatment has been especially important, and the US has pledged to provide treatment to roughly one-third of those in clinical need of treatment by 2008, and to support worldwide efforts to achieve universal access to prevention, treatment, and care by 2010.

¹² http://www.worldpublicopinion.org/pipa/articles/home_page/306.php?nid=&id=&pnt=306&lb=hmpg1

¹³ http://www.kaisernetwork.org/daily_reports/rep_index.cfm?hint=1&DR_ID=38617

¹⁴ http://www.kaisernetwork.org/daily_reports/rep_index.cfm?hint=1&DR_ID=37775

¹⁵ http://www.ilo.org/public/english/protection/trav/aids/publ/global_est/part1_chapter2.pdf

In 2003, President Bush pledged a five-year, \$15 billion program to combat global AIDS, tuberculosis, and malaria—known as the President’s Emergency Plan for AIDS Relief, or PEPFAR. When President Bush leaves office, the US will be spending more than \$6 billion per year on “global AIDS,” which includes spending not only on HIV/AIDS but also on TB and malaria through bilateral programs and contributions to the Global Fund.

This level of spending has strong bipartisan support from Congress, since overall the AIDS program has had excellent results, as noted in an examination by a nonpartisan panel of experts at the US Institute of Medicine (IOM). The IOM stated:

“In its first two years, PEPFAR has demonstrated what many doubted could be done, namely that HIV/AIDS services can be scaled up rapidly in countries with severe resource constraints and other daunting obstacles. These accomplishments are just a start, however. For continued progress toward PEPFAR’s five-year targets and ultimate goals, US efforts should transition from focusing on emergency relief to long-term strategic planning and capacity building. And they should ensure that countries can direct resources where they are needed most.”¹⁶

To build on this success, the US Congress recently passed a reauthorization of PEPFAR, along with the expansion of malaria and TB programs that are not a part of PEPFAR, which effectively makes the transition to a long-term response called for by the IOM.

Framing Spending for 2010–2013: *The Tom Lantos and Henry Hyde United States Global Leadership Against HIV/AIDS, Tuberculosis and Malaria Reauthorization Act of 2008*

- ◆ The response to HIV/AIDS has bypassed the world’s children. For instance, while adults have increasing access to AIDS diagnosis and treatment, a much smaller proportion of children have such access. Orphaned children, whether HIV positive or not, need community-based care and support, as well as nutrition and education. The United States budget for global HIV/AIDS does include some funding for care and support for orphans, and by law this must be 10% of the total. However, the number of orphaned children is growing exponentially.
- ◆ The Bush Administration and civil-society groups recently agreed to an expansion of the Global Fund to Fight AIDS, TB and Malaria. The Board of the Fund, where the US has a seat, unanimously agreed on a size of between \$6 and \$8 billion by 2010. To maintain its current one-third proportion of funding for the Global Fund, the US contribution must increase to \$2.7 billion a year.

¹⁶ <http://www8.nationalacademies.org/onpinews/newsitem.aspx?RecordID=11905>

- ◆ The US has been providing AIDS treatment to one-third of those in clinical need of treatment. This proportion is appropriate since the US represents slightly more than one-third of the global economy. In addition, the US signed a promise as a part of the 2005 G8 Declaration to ensure universal access to treatment by 2010. In order to continue supporting treatment for one-third of those in need, the US will need to double the number of people on treatment in the second five years of US global AIDS initiatives, from a current target of 2 million to 4 million by 2014.
- ◆ Countries have faced a severe shortage of trained health workers. Further, new bilateral AIDS, tuberculosis, and malaria programs are hiring scarce doctors and nurses away from struggling public sector primary care systems, inadvertently weakening already struggling public health and frustrating the ability to achieve or sustain agreed upon health outcomes.

Defining a New Proposal

The *Tom Lantos and Henry Hyde United States Global Leadership Against HIV/AIDS, Tuberculosis and Malaria Reauthorization Act of 2008* proposes to transform the PEPFAR program from an emergency response to a more sustainable program to improve health outcomes in countries severely affected by AIDS, tuberculosis, and malaria. The legislation:

- ◆ Authorizes \$48 billion for AIDS, tuberculosis, and malaria programs through 2013; of this amount, \$9 billion is not for PEPFAR, but rather for urgent bilateral TB and malaria programs.
- ◆ Requires a strategy to train and retain at least 140,000 new health care professionals.
- ◆ Stipulates that 10% of all US global AIDS funds be directed to programs for orphans and vulnerable children, including school, nutrition, and community-based care programs.
- ◆ Outlines a comprehensive, evidence-based, country-specific, and culturally and gender-sensitive prevention strategy, with a prevention target of 12 million new infections over the next five years, including a target of 80% of pregnant women receiving HIV counseling and testing.

The bill also includes powerful oversight and accountability provisions:

- ◆ The Institute of Medicine is again required to publish findings on the success rates of various programs implemented under PEPFAR.
- ◆ The US Comptroller General must submit a report, within three years, that considers an assessment of the monitoring and evaluation used; the level of coordination of US federal agencies, with an eye toward the overall US global health and development agendas; procurement policies and practices; harmonization with national government and international health and development efforts; overall impact; and recommendations for improvement.

- ◆ The Global AIDS Coordinator is required to submit a study focused on treatment, which will identify per-patient cost to ensure that PEPFAR is utilizing the best and most cost-effective drugs available. Drug pricing data will also be published, and a mechanism will be established to ensure that drugs that have proven effective are purchased at the lowest possible price.
- ◆ Finally, the Inspectors General of major agencies involved with PEPFAR, most notably the Department of State and the US Agency for International Development, must develop coordinated oversight plans for each of the five years covered in the 2008 law. In addition, the Global Fund to Fight AIDS, TB and Malaria, to which the US is a major donor, has its own Inspector General, which publishes financial and reporting audits that the US can use to ensure its investment is being well used.

What is needed in the 111th Congress is the willingness to provide the appropriations necessary to fully fund the US global AIDS program.

Department of Global Development

US assistance to address poverty and disease has saved millions of lives around the world, as exemplified by the President's Emergency Plan for AIDS Relief. Yet, US foreign aid is implemented by at least 12 departments, 25 different agencies, and almost 60 government offices, which can lead to confusion and competing agendas. Cost-inefficiencies in aid delivery and poor coordination hamper US efforts, and US procedures undermine the sense of local ownership needed for development to succeed.

To solve these and other problems, we need a new US Department of Global Development to ensure that the funds allocated to reduce poverty across the globe are spent intentionally, wisely, and with full accountability.

A Cabinet-level Department of Global Development would bring together the numerous US government agencies and departments now working to reduce poverty throughout the world. It would have a streamlined organizational structure with empowered, high-level leadership and a clear mission focused on poverty alleviation. Establishing a Department of Global Development would permit the US government to put global assistance where it belongs—on an equal footing with national security and diplomatic relations—thereby making development a key priority for the incoming President.