

HIV Services (HHS) Director's Report

HIV Community Planning Council Meeting

May 19, 2025



City and County of San Francisco (CCSF) Budget Updates

Current Status (Unchanged from Last Month's Report):

- Mayor Lurie recently asked for additional SF GF budget reductions of SF DPH.
 - Current 2025 SF DPH budget reduction proposals do not significantly impact funding to community providers.
 - All vacant DPH general fund (GF) positions are under evaluation for elimination to meet budgetary reduction goals
- There is a Citywide hiring freeze on all positions not providing direct patient care
 - Vacant HHS 2591 and 2119 positions are on hold due to the hiring freeze

Federal Budget Updates

The Republican House version of the Presidential Administration's budget ("skinny budget") passed out of the House Energy and Commerce Committee on 5/15/26, and the House Republicans voted to advance the full budget reconciliation bill last night so it will now move to the House Rules Committee for a vote at 1:00 AM Wednesday, May 21. Speaker Mike Johnson and Republicans' goal remains to bring the bill to the House floor for a vote later in the week, with threats of cancelling Memorial Day recess should a deal not get done by close of business on May 23, 2025

- The "Skinny budget" if enacted will reduce federal discretionary spending for HHS by 1/3, eliminating \$41 billion in funding from the FY24 baseline for a total discretionary budget of \$80 billion.

The Skinny Budget would formally eliminate:

- CDC's Division of HIV Prevention.
- All Ending the HIV Epidemic Funding
- Minority AIDS Initiative Funding in both SAMHSA and the Secretary's Minority AIDS Initiative Fund
- Funding for Part F of the Ryan White HIV/AIDS Program, including funding for the AETCs, Ryan White Dental Program, and RWPF SPNS Program
- The CDC Global Health Center
- A large number of SAMHSA Substance Abuse Treatment Programs of National and Regional Significance, including:

- Overdose Prevention (naloxone)
- Screening, Brief Intervention and Referral to Treatment
- Treatment, Recovery and Workforce Support
- **The Budget outlines funding for the new HIV/AIDS Branch of the Administration for a Healthy Americas** as follows:
 - **Total funding of \$2.340 billion dollars, including:**
 - RWHAP Parts A-D at \$2.332 billion (level with FY24/25), but without inclusion of Part F or EHE funding)
 - **\$7.582 million for the Office of Infectious Disease and HIV/AIDS Policy, which is now listed as being a part of this AHA HIV/AIDS Branch**
 - **No funding for HIV prevention is included or mentioned.**
- **The Budget lumps together spending for Viral Hepatitis, STI, and TB prevention as part of one large block grant.**
 - **The combined total funding in FY 24/25 for CDC's Divisions of Viral Hepatitis, STI Prevention, and TB Elimination and the Opioid Related Infectious Diseases line was \$377.3 million**
 - A new block grant may be where some of the HIV prevention funding may have been moved.

Both Houses continue to debate both the funding level and the new provisions for Medicaid ("Medi-Cal" in California)

- On 5/14/25, the **House Energy and Commerce Committee completed** its portion of a **budget reconciliation bill to meet spending targets** aimed at funding President Trump's domestic priorities that **includes significant changes to the Medicaid program** (source; <https://www.kff.org/tracking-the-medicaid-provisions-in-the-2025-budget-bill/>).
 - **The Congressional Budget Office (CBO) estimates that the bill would decrease the federal deficit by more than the \$880 billion over 10 years** that was called for by the budget resolution passed by Congress in April 2025.
 - **CBO preliminary estimates show that the Medicaid provisions would reduce the deficit by \$625 billion over ten years and increase the number of people without health insurance by at least 7.6 million by 2034.**
 - **Summary of the Medicaid provisions included in the legislation approved by the Energy and Commerce Committee compared to current law:**
 - Current Status Expansion Coverage and Financing:** The Affordable Care Act expands Medicaid eligibility to non-elderly adults with incomes up to 138% FPL based on modified adjusted gross income and provides 90% federal financing for the expansion population. The Supreme Court effectively made expansion an option for states. The American Rescue Plan Act (ARPA) added a temporary financial incentive for states that newly adopt expansion. **Currently, 41 states, including DC, have implemented the Medicaid expansion.**
 - Proposed Changes in bill effective January 1, 2026:**
 - **Eliminates the temporary incentive for states that newly adopt expansion**
 - Current Status Premiums and Cost Sharing:** States have the option to charge premiums and cost-sharing for Medicaid enrollees within limits, and certain populations and services

(emergency, family planning, pregnancy and preventive) are exempt from cost-sharing. Cost-sharing is generally limited to nominal amounts but may be higher for those with income above 100% of the federal poverty level (FPL). Out-of-pocket costs cannot exceed 5% of family income. States may allow providers to deny services for enrollees for nonpayment of copayments.

Proposed Changes to Cost Sharing effective October 1, 2028:

- **Eliminates enrollment fees or premiums for expansion adults.**
- **Requires states to impose cost sharing of up to \$35 per service on expansion adults with incomes 100-138% FPL;** maintains existing exemptions of certain services from cost sharing and limits cost sharing for prescription drugs to nominal amounts.
- **Maintains the 5% of family income cap on out-of-pocket costs.**

Current Status State Funded Coverage of Undocumented

Immigrants: Under current law, undocumented immigrants are not eligible for Medicaid coverage. As of April 2025, 14 states and DC use state-only funds to provide health coverage to children regardless of immigration status, including 7 states that do so for at least some adults.

Proposed Changes effective October 1, 2027:

- **Reduces the expansion match rate from 90% to 80% for states that use their own funds to provide health coverage or financial assistance to purchase health coverage for individuals who are not lawfully residing in the United States effective**

HHS Funding Updates

HHS received a second Partial Notice of Award (NOA) for RWPA on 5/14/25.

Immediately below is a chart detailing current known and projected funding for FY25-26 for SF EMA RWPA, SF DPH RWPB, RWPC, SF DPH RW EHE, SF DPH HHS General Fund (GF) and SF Getting to Zero (GTZ) GF

RYAN WHITE PART A	CATEGORY	NOA AMOUNT	ANNUALIZED	% REDUCTION	\$ REDUCTION
RWPA Previous Year Funding Level					
2024-2025	Formulary	\$9,020,844			
2024-2025	Supplemental	\$5,192,075			
2024-2025	MAI	\$745,088			
2024-2025	TOTAL	\$14,958,007			
RWPA First Partial Notice of Award					
2025-2026	Formulary	\$2,521,326			
2025-2026	Supplemental*				
2025-2026	MAI	\$135,861			

2025-2026	TOTAL	\$2,657,187			
RWPA Second Partial Notice of Award					
2025-2026	Formulary	\$3,708,469	\$8,829,688	-2.12%	-\$191,156
2025-2026	Supplemental*				
2025-2026	MAI	\$198,566	\$735,430	-1.30%	-\$9,658
2025-2026	TOTAL	\$3,907,035			
ESTIMATED 2025-2026			\$14,757,193	-1.34%	-\$200,814
SOA RYAN WHITE PART B	CATEGORY	NOA AMOUNT	ANNUALIZED	% REDUCTION	\$ REDUCTION
2024-2025	N/A	\$3,149,750			
ESTIMATED 2025-2026			\$3,149,750	\$0	\$0
RYAN WHITE PART C	CATEGORY	NOA AMOUNT	ANNUALIZED	% REDUCTION	\$ REDUCTION
2024-2025	N/A	\$293,137			
2025-2026	Partial	\$69,519	\$278,076		
ESTIMATED 2025-2026			\$278,076	-5.14%	-\$15,061
RYAN WHITE EHE	CATEGORY	NOA AMOUNT	ANNUALIZED	% REDUCTION	\$ REDUCTION
2024-2025	N/A	\$2,559,215			
2025-2026	First Partial NOA	\$1,076,917	\$2,564,088		
ESTIMATED 2025-2026			\$2,564,088	0.19%	\$4,873
SF GF & GTZ	CATEGORY	NOA AMOUNT	ANNUALIZED	% REDUCTION	\$ REDUCTION
2024-2025	N/A	\$24,550,471			
ESTIMATED 2025-2026			\$24,550,471	0.00%	\$0

The following are clarifiers to projected funding in the chart above:

- Cuts could be made to EHE for the current fiscal year (3/1/25-2/28/26) and SF could have a short fall depending on the final federal budget currently functioning on a continuing resolution (CR).
- HHS has not yet received the total amount of the supplemental RWPA for the current fiscal year (3/1/25-2/28/26) so the projected \$200K short fall could increase or decrease
- As Ryan White Part B comes through the CA State Office of AIDS (SOA) and they have not yet received their complete NOF, if reduced SOA may reduce the amount of the award to SF for the current fiscal year and in the future

ARIES transition to HIV Care Connect

HIV Care Connect (HCC) went live on 04/07/25.

- HHS is providing significant support both to the California State Office of AIDS (SOA) as well as to SF DPH HHS contract agencies as they transition to the HCC system.

HHS CQI and Service Improvement Work

The next HHS quarterly CQI meeting will be held on 7/10/25

- **Planning Council Members are invited to attend** an HHS quarterly HIV CQI meeting
 - To do so **contact Beth.Neary@sfdph.org** \