PrEP Programs Face Devastating Loss of Funding for HIV Prevention

HIV clinics could lose over $100 million each year—notably those serving Black, brown, queer and Southern communities.

July 9, 2021 By Trent Straube

HIV clinics and nonprofits serving those at highest risk for the virus stand to lose over $100 million in funding annually, reports NBC News. That's because, effective January 2022, pharma giant Gilead Sciences, which manufactures several blockbuster HIV treatments, is ending a reimbursement system that helps finance the clinics.

Counterintuitively, the recent availability of generic and cheaper meds that prevent HIV actually worsen the dire financial situation of these HIV clinics.

The funding loss, NBC News reports, will be especially devastating to clinics that cater to the uninsured and provide pre-exposure prophylaxis (PrEP), the daily pill that HIV-negative people take to protect them from contracting the virus. This means that untold numbers of people could lose their access to PrEP and related services, such as blood work and HIV testing.

> Between 2018 and 2019, #PrEP use increased by 20% across the U.S. Explore the PrEP use trends at the state- and county-level on AIDSVu's interactive maps: https://t.co/ukZrkmKQDP pic.twitter.com/mzABSNc6Si
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> — AIDSVu (@AIDSVu) June 18, 2021

The situation stems from federal law 340B, which regulates drug pricing. As NBC News explains, 340B allows clinics that cater to uninsured or underinsured clients to obtain steep discounts on meds. The insurers, however, reimburse the clinics' pharmacies for an amount closer to the drugs' list price, leaving the clinics with extra cash. The clinics then use this surplus, referred to as the

“340B spread,” to fund their services and pay for their uninsured clients.

Gilead Sciences, which manufactures Truvada and Descovy—the two meds approved by the Federal Drug Administration for PrEP as well as for HIV treatment—had operated under a similar agreement with clinics, providing free HIV meds and allowing the clinics to receive substantial reimbursements. The drugmaker, NBC News reports, said it is ending the program because of increasing costs.

Considering that a month’s supply of Truvada costs $1,842, HIV clinics stand to lose a staggering amount of funding.

Of note, most insurance covers PrEP, and a generic version of Truvada recently hit the U.S. market, but when 340B clinics prescribe generics, they don’t receive the vital reimbursement funds that keep them afloat.

“This will shut us down,” Tony Christon-Walker, director of prevention and community partnerships at AIDS Alabama, which operates a PrEP clinic, told NBC News. Gilead’s withdrawal from the funding program, he said, will “destroy our program and totally inhibit our ability to see uninsured clients, which make up the bulk of our business.”

The funding loss will strike at those most vulnerable to HIV and the clinics that serve them. This includes African-American, Latino and LGBTQ people and residents of the South. For example, In 2019, African Americans represented 13% of the U.S. population but 43% of new HIV cases; in the South, they accounted for 52% of HIV diagnoses. You can learn more about HIV among African Americans—and several other minority populations—by visiting the HIV/AIDS Basics on POZ.com and clicking on the “HIV in Specific Populations” section.

The funding loss will also hinder the federal initiative titled “Ending the HIV Epidemic: A Plan for America.” The plan aims to lower new HIV rates 75% by 2025 and 90% by 2030, which would amount to fewer than 3,000 HIV cases a year, making transmission relatively rare. “Ending the HIV Epidemic” is built on four main pillars:

1. Diagnose all individuals with HIV as soon after infection as possible;

2. Treat HIV rapidly and effectively to achieve long-term viral suppression;

3. Prevent at-risk individuals from becoming HIV positive, including via the use of pre-exposure prophylaxis (PrEP); and

4. Rapidly detect and respond to emerging HIV clusters to further reduce new transmissions.

PrEP remains a vital element of the federal initiative in part because it is so effective. Scientists estimate PrEP to be about 99% effective among men who have sex with men and to be greater than the current estimate of 88% to 90% effective for heterosexual men and women. For more

details, see the POZ article “How Well Do U=U and PrEP Work? The CDC Updates Its Answers.”

And to learn more about the prevention regimen, see “What’s the Difference Between Truvada and Descovy for PrEP?” and “Prevention: Generic Truvada.” For more general information, see the POZ Basics on HIV Prevention.

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http://beta.docker.poz.com/article/prep-programs-face-devastating-loss-funding-hiv-prevention