

March 22, 2019

The Honorable Holly Mitchell
Chair, Senate Budget and Fiscal Review Committee
State Capitol Building, Room 5019
Sacramento, CA 95814

The Honorable Phil Ting
Chair, Assembly Budget Committee
State Capitol Building, Room 6026
Sacramento, CA 95814

RE: 2019-20 State Budget – Support HIV, HCV, STD Proposals

Dear Chair Mitchell and Chair Ting:

We, the undersigned organizations, strongly support the 2019-20 state budget proposals to address HIV, hepatitis C (HCV), and sexually transmitted diseases (STDs). These investments are urgently needed to restore California's depleted public health infrastructure, reduce new transmissions, and ultimately bring these epidemics to an end. The proposals include the following:

- \$20 million General Fund annually to support comprehensive HIV prevention services, including testing, linkage to care, access to PrEP, and services for people who use drugs;
- \$20 million General Fund annually to support HCV prevention, testing, and linkage to care;
- \$20 million General Fund annually to support STD prevention, testing, and treatment services;
- A one-time allocation of \$2 million General Fund to establish an End the Epidemics task force.

The Need for This Funding is Urgent

California has long been a leader in progressive health care policy, but the state is falling behind in effectively addressing HIV, HCV, and STDs. The public health efforts necessary to effectively address these epidemics are underfunded, inadequately coordinated with primary care, and not strategically aligned toward an overall statewide strategy.

➤ California's Efforts to End the HIV Epidemic Have Stalled

Over 151,000 Californians are now living with HIV and nearly half (46%) lack consistent care or access to treatment.ⁱ The state's annual number of new HIV diagnoses declined by less than 3% (5,208 to 5,061) from 2012 to 2016.ⁱⁱ Overall, black and Latinx individuals have the highest rates of HIV diagnoses compared to all other races and ethnicities. From 2012 to 2016, the rate of new HIV diagnoses decreased 16% among whites, while decreasing only 4% among Latinxs and increasing 5% among blacks. While transgender individuals account for less than 2 percent of new HIV cases, the rate of diagnosis among transgender women is among the highest of any group.

➤ California's HCV Epidemic is Growing, Particularly Among Young People

There are an estimated 400,700 Californians living with the HCV and over half (55%) are unaware of their status.ⁱⁱⁱ Nearly 34,000 new cases of chronic HCV were reported in 2015, with increasing rates among young people. From 2011 to 2015, rates of newly reported HCV increased 37% among females 20-29 years of age, 55% among males 20-29 years of age, and 4% among males age 15-19. These dramatic increases are related to the rapid increase in opioid use and injection of heroin and other drugs plaguing the state.

➤ **California's STD Rates are Skyrocketing**

STD rates in California have reached historic highs. There were more than 300,000 reported STD cases in California in 2017, a 45% increase since 2013.^{iv} In 2016 alone, gonorrhea rates increased by double digits in Los Angeles (27%), San Diego (35.5%), Orange County (32%), San Francisco (18%), Fresno (13%), Mendocino (81%), and Kings County (41%). Statewide data indicate over half of all STDs in the state are among California youth ages 15-24 years old. California has the third highest syphilis rate in the nation. The state ranks second only to Louisiana in congenital syphilis rates. In 2017, more than 280 babies were born with congenital syphilis and 30 of those were stillbirths.

Current Funding Doesn't Meet the Need

➤ **HIV Prevention Funding is Extremely Limited**

California cut \$33 million in state general fund assistance for HIV prevention during the 2009 fiscal crisis. Since that time, the state has restored only \$7.5 million in ongoing general fund support for HIV prevention services. While these investments are a step in the right direction, they are not nearly enough to support wide-scale implementation of PrEP, rapid treatment, syringe access, and other evidence-based prevention tools. The Office of AIDS recently conducted an assessment of PrEP implementation in the state and identified major gaps in funding for PrEP-related services. According to the report, "Very few organizations participating in this assessment had funding specific to their PrEP programs...many interviewees explicitly noted that they wished to expand PrEP-specific education, outreach, and navigation but were limited in their ability to do so given lack of direct PrEP funding."^v At the federal level, CDC funding for HIV prevention has remained relatively flat and health departments and other partners are continually asked to do more with less.

➤ **California Provides Almost No Funding for HCV Prevention**

California has been a leader in improving access to HCV treatment, including removing all liver fibrosis restrictions in Medi-Cal and expanding HCV treatment to state hospitals and all inmates in state prison. However, the state provides little funding for HCV prevention, testing, and linkage to and retention in care efforts which would allow more Californians to get treated and cure HCV. In FY 2015-16, the state allocated \$2.2 million a year for three years for HCV testing and linkage to care demonstration projects. These pilot projects were extremely successful and demonstrate the need for continued HCV prevention, testing, and linkage to care efforts. Unfortunately, they have not been funded again despite the positive outcomes.

➤ **Funding for STD Prevention Has Decreased Significantly**

Federal funding for STD prevention has dropped by roughly 40% over the last 15 years. As funding withered, county public health departments and local health jurisdictions adjusted by reducing staff and suspending surveillance and case management programs. Currently, only a few counties employ disease investigators that monitor STDs. Most counties focus on employing low-cost strategies—such as improving cross-departmental collaboration and patient linkages to existing programs—while funneling the majority of the few dollars they have toward intervention and outreach programs. In the current political climate at the federal level, federal investments for STD prevention will not be restored soon. In addition, the Trump Administration's attacks on existing reproductive health care and sexual health education programs via regulatory actions would further limit funds to address the STD crisis.

Strategic Investments Yield Enormous Savings

We now have highly effective tools that can dramatically reduce new transmissions, improve the health of people living with these conditions, and reduce overall healthcare costs. We urge you to support the following investments in effective education, prevention, linkage, retention, and treatment programs.

➤ \$20 Million General Fund Annually for Comprehensive HIV Prevention Services

With its vastly improved fiscal situation, California should now restore critical general fund support for cost-effective, evidence-based HIV prevention services. PrEP is up to 99% effective at preventing HIV acquisition and cost-effective when prioritized for individuals at greatest risk.^{vi} The CDC has estimated that expanding PrEP coverage alone could reduce new infections by nearly 20%.^{vii} In addition, research now demonstrates the benefits of starting individuals living with HIV on treatment immediately after diagnosis. Not only does this optimize individual health outcomes, it also prevents new infections because individuals who are virally suppressed cannot transmit the virus.^{viii} The CDC has estimated that more than 90% of new HIV infections could be prevented by diagnosing people living with HIV and ensuring they receive prompt, ongoing care and treatment.^{ix}

Over 5,000 Californians are newly diagnosed with HIV each year. Based on CDC estimates, averting these new infections would result in a savings of \$1.3 to \$2.2 billion in lifetime HIV treatment costs.^x We urge the state to allocate \$20 million ongoing in state general fund assistance to provide grants to local health jurisdictions and community-based organizations for outreach and education, HIV testing, linkage to care, increased access to PrEP, and services for people who use drugs.

➤ \$20 Million for HCV Prevention, Testing, and Linkage to Care

Powerful new HCV drugs can cure the vast majority of people in as little as 8-12 weeks, improving quality of life, avoiding life-threatening and costly liver damage, and preventing further transmission to others.^{xi} While some of these treatments made national headlines for their initial \$1,000-a-pill sticker prices, increased competition has significantly decreased the cost of a cure.

We are requesting \$20 million general fund annually to be used strategically for two HCV microelimination projects. Microelimination projects focus on a specific group of people in which a focused investment in prevention, care, treatment, and cure would make a substantial difference in individual and population health outcomes and, ultimately, eliminate the virus. This ongoing request would also fund program staff in the Office of Viral Hepatitis Prevention, which is seriously understaffed, to ensure project oversight, technical assistance, and evaluation.

- *\$15 Million for the Microelimination of HCV in People Who Use Drugs*

Most new HCV infections occur among people who use drugs. A \$15 million annual investment would support approximately 25-30 programs, serving over 166,000 Californians, with evidence-based HCV outreach, screening, and linkage to and retention in care services with a primary focus on people who use drugs. This initiative builds on the success of the demonstration projects funded in FY 2015-16 which successfully tested over 35,000 people for HCV across 4 sites. The sites had a positivity rate of 7.5%. A final evaluation is still being written, but it is estimated that these projects resulted in the treatment and cure of up to 95% of those linked to and retained in medical care. Unfortunately, in spite of the success of and need for the programs, they were not funded in FY 2018-19.

- *\$5 Million for the Microelimination of HCV in People Coinfected with HIV and HCV*

People coinfecting with HIV and HCV have more severe HCV and HIV consequences, including accelerated progression of liver disease leading to advanced cirrhosis, liver failure, and death. HCV also accelerates HIV disease progression, making the treatment and cure of HCV in this population an urgent priority. In the case of HIV/HCV coinfection, the HIV care structure is already in place and adequately funded, and current HCV medications are safe and effective to use. This project would allow us to build on the current HIV care delivery structure, making efficient use of limited HCV outreach, prevention, and linkage funding. With this investment, we can eliminate HIV/HCV coinfection in California.

➤ **\$20 Million General Fund Annually for STD Prevention, Testing, and Treatment Services**

The FY 2018-19 state budget allocated a one-time \$2 million increase to the STD Control Branch for STD prevention activities. Governor Newsom proposed to annualize this allocation in his first state budget proposal. While this is a step in the right direction, it is not nearly enough. California must make a more significant investment in prevention to begin addressing the current STD epidemic.

We are requesting \$20 million in state general fund ongoing to support a comprehensive, evidence-informed approach to STD prevention. Funding would be allocated to the STD Control Branch and prioritized to serve communities disproportionately impacted by STDs. Funding may be used to 1) provide STD screening, testing, and treatment for the remaining uninsured and populations that may face barriers to care; 2) conduct surveillance activities to track and share data; 3) support culturally appropriate and responsive outreach and health promotion efforts; 4) implement innovative community-based projects to effectively reduce local STD rates.

➤ **\$2 Million General Fund One-Time to Convene an End the Epidemics Task Force**

In addition to these investments in effective public health programs, we urge you to support the development of a statewide strategy to simultaneously address HIV, HCV, and STDs. States and local health jurisdictions across the country have demonstrated that strategic plans drive progress in communicable disease. In New York State, for example, Governor Cuomo established a task force to create a plan to end AIDS as an epidemic by 2020.^{xii} Over the past four years, the state has increased funding for strategies developed by the task force and new HIV diagnoses decreased 20%. Last year, Governor Cuomo announced the nation's first state-level strategy to eliminate HCV, including the establishment of an HCV elimination task force.^{xiii}

We are requesting a one-time general fund allocation of \$2 million to establish an End the Epidemics task force. The task force would be charged with setting targets for ending the HIV, HCV, and STD epidemics and identifying recommended programs, policies, strategies, and funding for achieving these targets. In developing these recommendations, the task force would review existing state efforts, consider best/promising practices used by other jurisdictions, identify how to strategically leverage new and existing resources, and propose action plans for recommended programs, policies, and strategies. The task force would include participation from key government health care and public health officials, healthcare providers, health plans, community-based organizations, researchers, and individuals most impacted by these health conditions.

We urge you to support these critical investments in HIV, HCV, and STDs. With your leadership, we know California will lead the nation and end these epidemics. If you have any questions or concerns please contact Courtney Mulhern-Pearson at 415.487.8008 or cpearson@sfaf.org.

Sincerely,

Access Support Network
ACCESS Women's Health Justice
American Nurses Association/California
APLA Health
Black AIDS Institute
California Hepatitis Alliance
California HIV Alliance
Community Medical Centers, Inc.
AIDS Project of the East Bay
Desert AIDS Project
End Hep C LA Coalition
Essential Access Health
Harm Reduction Coalition
Hepatitis C Task Force
Humboldt Area Center for Harm Reduction
Los Angeles LGBT Center
Mendocino County AIDS/Viral Hepatitis Network
Minority AIDS Project
San Francisco AIDS Foundation
Unity Fellowship Social Justice Ministries

cc: Tam Ma, Office of the Governor
Richard Figueroa, Office of the Governor
Monica Wagoner, California Department of Public Health
Members, Assembly Budget Committee
Members, Senate Budget and Fiscal Review Committee
Andrea Margolis, Assembly Budget Subcommittee No. 1 on Health and Human Services
Scott Ogus, Senate Budget and Fiscal Review Subcommittee No. 3 on Health and Human Services

ⁱ California Department of Public Health, Office of AIDS. The Continuum of HIV Care – California, 2016. Available at https://www.cdph.ca.gov/Programs/CID/DOA/CDPH%20Document%20Library/2016_HIVCareContinuumFactSheet_All_Living.pdf.

ⁱⁱ California Department of Public Health, Office of AIDS. California HIV Surveillance Report — 2016. Available at: <https://www.cdph.ca.gov/Programs/CID/DOA/CDPH%20Document%20Library/California%20HIV%20Surveillance%20Report%20%202016.pdf>.

ⁱⁱⁱ California Viral Hepatitis Prevention Strategic Plan, 2016-2020. Published May 2018. Available at: <https://www.cdph.ca.gov/Programs/CID/DCDC/CDPH%20Document%20Library/CA-Viral-Hep-Strat-Plan-2016-2020.pdf>.

^{iv} California Department of Public Health, STD Control Branch: Sexually transmitted diseases in California, 2017 Snapshot. Available at: <https://www.cdph.ca.gov/Programs/CID/DCDC/CDPH%20Document%20Library/STDs-CA-2017Snapshot.pdf>.

-
- ^v California Prevention Training Center. (2017). California Assessment of Pre-Exposure Prophylaxis (PrEP) Implementation: A Report Based on Six County Assessments.
- ^{vi} McKenney, J., Chen, A., Hoover, K. W., Kelly, J., Dowdy, D., Sharifi, P., ... & Rosenberg, E. S. (2017). Optimal costs of HIV pre-exposure prophylaxis for men who have sex with men. *PloS one*, 12(6), e0178170.
- ^{vii} Khurana, N., Yaylali, E., Farnham, P. G., Hicks, K. A., Allaire, B. T., Jacobson, E., & Sansom, S. L. (2018). Impact of improved HIV care and treatment on PrEP effectiveness in the United States, 2016–2020. *JAIDS Journal of Acquired Immune Deficiency Syndromes*, 78(4), 399-405.
- ^{viii} Rodger, A. J., Cambiano, V., Bruun, T., Vernazza, P., Collins, S., Van Lunzen, J., ... & Asboe, D. (2016). Sexual activity without condoms and risk of HIV transmission in serodifferent couples when the HIV-positive partner is using suppressive antiretroviral therapy. *JAMA*, 316(2), 171-181.
- ^{ix} Skarbinski, J., Rosenberg, E., Paz-Bailey, G., Hall, H. I., Rose, C. E., Viall, A. H., ... & Mermin, J. H. (2015). Human immunodeficiency virus transmission at each step of the care continuum in the United States. *JAMA Internal Medicine*, 175(4), 588-596.
- ^x Schackman, B. R., Fleishman, J. A., Su, A. E., Berkowitz, B. K., Moore, R. D., Walensky, R. P., ... & Freedberg, K. A. (2015). The lifetime medical cost savings from preventing HIV in the United States. *Medical Care*, 53(4), 293.
- ^{xi} Falade-Nwulia O, Suarez-Cuervo C, Nelson DR, Fried MW, Segal JB, Sulkowski MS. Oral direct-acting agent therapy for hepatitis C virus infection: a systematic review. *Annals of internal medicine*. 2017 May 2;166(9):637-48. Available at: <http://annals.org/aim/fullarticle/2612232/oral-direct-acting-agent-therapy-hepatitis-c-virus-infection-systematic>.
- ^{xii} New York State Department of Health, AIDS Institute. Ending the Epidemic Progress Report. Available at: https://www.health.ny.gov/diseases/aids/ending_the_epidemic/docs/ete_summary_2018.pdf.
- ^{xiii} Governor Cuomo Announces First-In-Nation Strategy To Eliminate Hepatitis C. Available at: <https://www.governor.ny.gov/news/governorcuomo-announces-first-nation-strategy-eliminate-hepatitis-c>.