



CARE Act Reauthorization 2006: Title IV Q & A

1. **What does "reauthorization" mean?** Authorizing legislation creates and renews federal programs administered by the executive branch of government. The legislation generally indicates an expiration date by which the program is supposed to be "reauthorized." Originally enacted in 1990, the Ryan White CARE Act has been reauthorized in 1996, 2000 and 2006. In 2006, the CARE Act was reauthorized through passage of the *Ryan White HIV/AIDS Treatment Modernization Act* (PL 109-415).
2. **Will the CARE Act need to be "reauthorized" again?** Yes. The newly reauthorized CARE Act contains a "sunset" provision that ends the program if it is not reauthorized by September 30, 2009.
3. **What has changed in the reauthorized CARE Act?** The reauthorized CARE Act alters the way CARE Act care and treatment dollars are distributed in Title I and Title II, shifting the CARE Act's limited funding among the cities and states. The new CARE Act also incorporates the use of HIV and AIDS data in calculating formulas, while allowing states to continue receiving funding as they transition to CDC-approvable HIV data (CDC only certifies names-based HIV reporting data). The new law prioritizes "core medical services," including medications, over supportive services (that allow people living with HIV/AIDS to access medical care and adhere to treatment regimens) by requiring grantees to dedicate no less than 75% of their grant for core medical services.

The Kaiser Family Foundation has produced a review the new law in its entirety is available in a [side-by-side comparison](#) of the 2000 and 2006 laws, and NASTAD has produced a [title-by-title outline](#).

4. **What changed in Title IV?** Title IV of the CARE Act was preserved as a dedicated program for women, children, youth and families, and family-centered care was affirmed as the model for providing care and services to this population. It was also exempted from the 75% core medical services set aside. Services targeting youth were articulated as a priority for funding for Title IV, along with those for women, children and families. Research requirements were streamlined, while grantees are still required to provide opportunities for research to consumers. Title IV's administrative expenses were capped at 10 percent, and such expenses specifically exclude defined services and indirect costs; clinical quality management should not be considered an administrative expense. HRSA must conduct an annual review of grantees, and increased coordination among HRSA, states and Title IV grantees is required. Within two years of enactment of the law, the GAO is required to conduct a review of Title IV funds to determine how funds are spent for services, administrative expenses and indirect costs as well as how funds are used to bring HIV-infected pregnant women into care.

5. **How does Title IV's cap on administrative expenses work?** Administrative expenses, defined as “funds that are to be used by grantees for grant management and monitoring activities, including costs related to any staff or activity unrelated to services or indirect costs,” are to be capped at 10 percent. Clinical quality management should not be subject to this cap.

The definition will guide grantees in what should not be classified as an administrative expense: 1. clinical quality management, 2. federally-negotiated indirect costs, 3. those costs associated with services provided to “clients to meet the goals and objectives of the program ..., including the provision of professional, diagnostic, and therapeutic services by a primary care provider or a referral to and provision of specialty care,” and 4. services that “sustain program activity and contribute to or help improve services”

6. **What does an authorization level mean and why is Title IV level funded? Can increases be granted in the future?** Congressional authorizers can recommend specific funding levels, or authorization levels, for federal programs, but it is the responsibility of Congressional appropriators to annually appropriate funding for federal programs. In the 2006 reauthorization of the CARE Act, authorizers prioritized core medical services over supportive services and linked funding increases to titles of the CARE Act required to set-aside 75 percent of funds for core medical services. Title IV was exempted from the 75 percent set aside, and received a flat authorization level of \$71.8 million for each of FY 2007-2009. Appropriators may make the determination, in any year throughout the reauthorization period, that more money is needed for programs than what was authorized in the underlying legislation.
7. **What is GAO required to review in Title IV?** Congress is requiring a Government Accountability Office (GAO) report, within 24 months of enactment of the bill, to evaluate Title IV funds and determine: how funds are spent on administrative expenses, indirect costs and services for HIV-infected people; how funds are spend on administrative expenses, indirect costs and services for affected family members; how funds are used for family-centered care; how funds are used for other services, and how funds are used to identify HIV-infected pregnant women and bring them into care. The purpose of the study, according to the legislation's accompanying report, is to help determine a more “appropriate definition of administrative expenses” during the next reauthorization period.
8. **What policy issues did AIDS Alliance advocate for during reauthorization?** AIDS Alliance advocated for ten policy priorities focusing on Title IV and issues most relevant to women, children, youth and families living with HIV/AIDS, in addition to ensuring Title IV was exempted from the core medical services set aside. Please see the accompanying chart for AIDS Alliance's policy priorities.

Visit www.aids-alliance.org to learn more about AIDS Alliance.

For more information about AIDS Alliance's policy and advocacy efforts, contact [Diana Bruce](#), Director of Policy and Government Affairs, at (202) 785-3564 ext.25.