



## ***HOPWA Formula Modernization – Need for Community Consensus***

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The President's fiscal year 2015 budget proposal includes an outline of the update to the Housing for Persons with AIDS (HOPWA) funding formula. Since HOPWA's implementation in 1992, the formula for distribution to all jurisdictions has been based on cumulative AIDS cases (e.g. all AIDS cases since 1981) for 75% of funds and AIDS incidence in urban areas that exceed the national average (e.g. new cases per population reported in the last three years) for 25% of funds. The modernization of the HOPWA funding formula would readjust disbursement to target areas with the greatest need by:

- Shift the HOPWA data source to living **HIV case reports** to better reflect the current nature of the epidemic and to achieve a higher level of impact with federal funding dollars.
- Update targeting on needs and greater equity by addressing housing costs and community resources using **Fair Market Rents (FMR)** and **Poverty** to recognize disproportionate impacts on service delivery.

Additionally the proposal includes other significant changes, such as the addition of new short- and medium-term housing interventions, assistance for homeless persons, and increased administrative fees. Considering housing is an essential component of HIV prevention and the number one predictor of medical outcomes,<sup>1 2</sup> the proposed modernization formula takes a needed direction in targeting the HIV/AIDS epidemic. Updates to the formula also fall into alignment with the *National HIV/AIDS Strategy (NHAS)* and the HUD Operational Plan. The NHAS establishes three major goals to: reduce HIV infections, to increase access to care for persons living with HIV/AIDS and improve health outcomes, and to reduce HIV-related disparities. The strategy also includes nine objectives, specifically:

Achieve the NHAS target of increasing the number of Ryan White clients with permanent housing from 82% to 86% by 2015.<sup>3</sup>

To achieve the aforementioned goals, the Department of Housing and Urban Development (HUD) established an operational plan to help guide the agency's actions under the NHAS. The plan detailed a number of action items, including lead roles to: (1) develop a plan to shift to HIV case reporting as a basis for the HOPWA funding formula and (2) increase access to housing and non-medical services.<sup>4</sup>

The HIV/AIDS housing community, the Southern AIDS Coalition, AIDS Alabama, and the Southern HIV/AIDS

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<sup>1</sup> Holtgrave, David R. et al. (June 2013). *Cost-Utility Analysis of the Housing and Health Intervention for Homeless and Unstably Housed Persons Living with HIV*. Retrieved from: <http://link.springer.com/article/10.1007%2Fs10461-012-0204-3>

<sup>2</sup> Wolitski, Richard J. et al. (June 2010). *Randomized Trial of the Effects of Housing Assistance on the Health and Risk Behaviors of Homeless and Unstably Housed People Living with HIV*. Retrieved from: <http://link.springer.com/article/10.1007%2Fs10461-009-9643-x>

<sup>3</sup> White House Office of National AIDS Policy. *National HIV/AIDS Strategy for the United States* (July 2010). Retrieved from: <http://aids.gov/federal-resources/national-hiv-aids-strategy/nhas.pdf>

<sup>4</sup> U.S. Department of Housing and Urban Development. *Implementing the National HIV/AIDS Strategy: A Report to the White House Office of National AIDS Policy* (February 2011). Retrieved from: [https://www.onecpd.info/resources/documents/HUD\\_NHASImplementationPlan.pdf](https://www.onecpd.info/resources/documents/HUD_NHASImplementationPlan.pdf)

Strategy Initiative have advocated for a meaningful update to the HOPWA funding formula to address longstanding funding disparities experienced by jurisdictions with the most severe need. Basing the formula on living HIV cases is vitally important in targeting the HIV epidemic in areas with the greatest epidemic, achieving the goals of the NHAS and the HUD operational plan, and ultimately ending the HIV/AIDS epidemic in America. We support changes to the HOPWA formula and the overall direction to address HIV/AIDS disparities, but there is not yet a consensus on whether the proposed plan of redistribution is feasible.

The current modernization proposal includes a 10% “hold harmless” annually over a three-year period. While much of the HIV/AIDS housing community supports a change to the HOPWA funding formula that would be based on living HIV/AIDS cases, a 10% “hold harmless” per year over a three-year period is still being debated. The larger HIV/AIDS community must gain consensus on how to fairly and equitably implement changes to the HOPWA funding formula without destabilizing effective programs and causing harm to people living with HIV/AIDS in those communities.

*We invite community members to send comments to [nahc@nationalaidshousing.org](mailto:nahc@nationalaidshousing.org) regarding impacts and recommendations for modernization. Also, please mark your calendar for an upcoming community webinar, “HOPWA Modernization Proposal: Need for Community Input and Consensus” on Thursday, May 22, 2014, at 2:00-3:30pm EST. To register, click [here](#).*

To read the Congressional Justification on the FY15 budget for HOPWA, click [here](#):  
[http://portal.hud.gov/hudportal/documents/huddoc?id=fy15cj\\_hsn\\_g\\_opp\\_aids.pdf](http://portal.hud.gov/hudportal/documents/huddoc?id=fy15cj_hsn_g_opp_aids.pdf).