



GAO

Accountability \* Integrity \* Reliability

United States Government Accountability Office  
Washington, DC 20548

October 5, 2007

Congressional Requesters

Subject: *Ryan White Care Act: Impact of Legislative Funding Proposal  
on Urban Areas*

The Ryan White Comprehensive AIDS Resources Emergency Act of 1990 (CARE Act), administered by the Department of Health and Human Services' (HHS) Health Resources and Services Administration (HRSA), was enacted to address the needs of jurisdictions, health care providers, and people with human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS) and their family members.<sup>1</sup> In December 2006 the Ryan White HIV/AIDS Treatment Modernization Act of 2006 reauthorized CARE Act programs for fiscal years 2007 through 2009.<sup>2</sup> In July 2007, the House of Representatives passed H.R. 3043, the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act for fiscal year 2008, which contains a hold-harmless provision covering funding for urban areas that receive funding under the CARE Act.<sup>3</sup> This bill has not been passed by the Senate.

Under the CARE Act, funding for Eligible Metropolitan Areas (EMA) and Transitional Grant Areas (TGA) is primarily provided through three categories of grants:<sup>4</sup> (1) formula grants that are awarded based on the case counts of people with HIV/AIDS living in an urban area; (2) supplemental grants that are awarded on a competitive basis based on an urban area's demonstration of need, including criteria such as HIV/AIDS prevalence; and (3) Minority AIDS Initiative (MAI) grants, which are supplemental grants awarded on a competitive basis

---

<sup>1</sup>Pub. L. No. 101-381, 104 Stat. 576 (codified as amended at 42 U.S.C. §§ 300ff through 300ff-121). Unless otherwise indicated, references to the CARE Act refer to current law.

<sup>2</sup>Pub. L. No. 109-415, 120 Stat. 2767. The CARE Act programs had previously been reauthorized by the Ryan White CARE Act Amendments of 1996 (Pub. L. No. 104-146, 110 Stat. 1346) and the Ryan White CARE Act Amendments of 2000 (Pub. L. No. 106-345, 114 Stat. 1319).

<sup>3</sup>H.R. 3043, 110th Cong. (2007). For purposes of this report, unless otherwise specified we use the term H.R. 3043 to refer to the bill as passed by the House of Representatives.

<sup>4</sup>In this report, we use the term urban areas to refer to both EMAs and TGAs. An EMA is a metropolitan area with a population of 50,000 or more that had more than 2,000 AIDS cases reported in the most recent 5-year period. The 2,000 AIDS cases criterion does not include cases of HIV that have not progressed to AIDS. In fiscal year 2007, there were 22 EMAs. The Modernization Act of 2006 created a new program for TGA. A TGA is a metropolitan area with a population of 50,000 or more, which had 1,000 to 1,999 AIDS cases reported in the most recent 5-year period. Under this program urban areas that were eligible for EMA funding in fiscal year 2006 but that no longer meet the eligibility criteria for either EMAs or TGAs maintain their eligibility for funding and are considered TGAs for fiscal year 2007. In fiscal year 2007, there were 34 TGAs.

for urban areas to address disparities in access, treatment, care, and health outcomes. The CARE Act includes a hold-harmless provision that limited the decrease that an EMA could receive in its formula funding for fiscal year 2007 to 5 percent of the fiscal year 2006 formula funding it would have received if the revised urban area allocations required by the Modernization Act of 2006 had been in place in fiscal year 2006.<sup>5</sup> For fiscal years 2008 and 2009, the hold-harmless provision provides that an EMA will receive at least 100 percent of the amount of its formula funding for fiscal year 2007. However, no limitation applies to the decrease in total formula, supplemental, and MAI funding that an EMA can receive. The hold-harmless provision does not apply to TGAs.

H.R. 3043, which was passed by the House of Representatives on July 19, 2007, would include funds for fiscal year 2008 to ensure that decreases in total 2007 Part A funding for EMAs and TGAs would not exceed levels specified in the bill.<sup>6</sup> It would limit the total funding decrease for an EMA for the 2007 program year to no more than 8.4 percent of what the EMA received for the 2006 program year. Decreases for TGAs for the program year 2007 would be limited to 13.4 percent of their total funding from program year 2006.<sup>7</sup> This hold-harmless provision would not apply to funding for any program year other than 2007. The bill does not characterize the hold-harmless funding as formula, supplemental, or MAI funding for purposes of the CARE Act nor does it indicate when such funds would be provided to EMAs and TGAs entitled to receive it. Finally, it does not state how long the eligible EMAs and TGAs would have to spend the funds they would receive.

As Congress considers appropriations for CARE Act programs for fiscal year 2008, on July 27, 2007, and September 11, 2007, you asked us to (1) provide historical information on the funding levels identified during the appropriations process for CARE Act grants to urban areas as compared to fiscal year 2008 CARE Act funding levels proposed as part of the fiscal year 2008 appropriations process in the House of Representatives; (2) examine how the proposed hold-harmless provision from H.R. 3043 would impact funding for urban areas under the proposed funding levels; (3) determine whether any urban areas receive funding based on the number of both living and deceased HIV/AIDS cases; (4) provide sources that address the amount of CARE Act funding unobligated by urban areas, states, and territories;

---

<sup>5</sup>Prior to enactment of the Modernization Act of 2006, amounts available for formula and supplemental grants were split evenly between the two. Under the Modernization Act of 2006, two-thirds of such funding is to be distributed as formula grants and one-third as supplemental grants.

<sup>6</sup>Part A of the CARE Act (also referred to as Title I) covers funding to urban areas. Part B (also referred to as Title II) covers funding to states, territories, and the District of Columbia.

<sup>7</sup>The 2007 CARE Act program year began on April 1, 2007, and grants for that year were made with fiscal year 2007 appropriations. The proposed legislation states that “within the amounts provided for Part A . . . , funds are included to ensure that the amount of any funding provided under [Part A to an EMA] for the program year beginning in 2007 is not reduced by an amount that is more than 8.4 percent, and the amount of any funding provided under [Part A to a TGA] is not reduced by an amount that is more than 13.4 percent, relative to the amount of the total funding provided under such part to the [EMA or TGA] for the program year beginning in fiscal year 2006.” Because the provision would apply to “any funding” provided to EMAs and TGAs under Part A, we consider the total amount subject to the hold-harmless to be formula, supplemental, and MAI grants made with Part A funds. MAI grants are authorized by 42 U.S.C. § 300ff-121, which specifically directs HHS to provide funding under Part A.

and (5) provide sources that address the number of people on AIDS Drug Assistance Program (ADAP) waiting lists.<sup>8</sup>

To provide information on the funding levels for CARE Act grants to urban areas identified during the appropriations process, we examined appropriations acts and related reports and HHS data for fiscal years 2001 through 2007, the proposed funding for fiscal year 2008 contained in H.R. 3043, and the report of the House Committee on Appropriations on that bill.<sup>9</sup> To assess the impact of the proposed hold-harmless provision on urban areas, we examined funding for fiscal years 2006 and 2007, determined the amounts needed to fund the proposed hold-harmless provision, and estimated funding for fiscal year 2008 for EMAs and TGAs. To conduct this work, we reviewed data provided by HHS on fiscal years 2006 and 2007 CARE Act funding and case counts of people living with HIV/AIDS. We used this information to determine which urban areas would receive the hold-harmless funding, the amount each would receive, and the total needed to fund the hold-harmless provision. We also used the HHS data to estimate the fiscal year 2008 funding levels for urban areas with and without the proposed hold-harmless provision; that is, we determined (1) the projected funding levels for urban areas if all fiscal year 2008 funding for urban areas were used for program year 2008 formula, supplemental, and MAI grants and (2) the projected funding levels for urban areas if the amounts needed to fund the hold-harmless provision contained in H.R. 3043 were taken out of the funding to be used for program year 2008 grants.<sup>10</sup>

We conducted analyses with different funding levels to examine the impact of the proposed hold-harmless provision because the amount in H.R. 3043 and the amount in the report of the House Committee on Appropriations differ. At the time we conducted our analyses, fiscal year 2008 appropriations for CARE Act programs had not been enacted and, consequently, we used the amounts in H.R. 3043 and the report of the House Committee on Appropriations. However, the amount for urban areas and states and territories in H.R. 3043, that is Parts A and B, as passed by the House of Representatives is \$10 million less than the amount obtained by adding together the amounts identified for urban areas and states and territories in the report of the House Committee on Appropriations. We have therefore conducted separate analyses using each amount. Each analysis requires different assumptions.

---

<sup>8</sup>Funding for ADAPs is provided under Part B of the CARE Act and goes to states, territories, and the District of Columbia. Funding for ADAPs provides medications, treatment adherence and support, and health insurance with prescription drug benefits to people with HIV/AIDS.

<sup>9</sup>H. Rep. No. 110-231 (2007).

<sup>10</sup>In this report, we treat the proposed hold-harmless funding as if it was an addition to fiscal year 2007 supplemental funding. While not addressed in this report, the treatment of the proposed hold-harmless funding could have ramifications for funding beyond 2007. For fiscal years 2008 and 2009, hold-harmless amounts for EMAs under the CARE Act are based on the amount of formula funding (including hold-harmless funding) provided under the act for 2007. If the additional funding provided under H.R. 3043 was treated as formula funding, it would be included when the formula funding hold-harmless amounts for EMAs for fiscal years 2008 and 2009 are calculated. However, if the funding is not treated as formula funding, it would not be counted for calculations of CARE Act hold-harmless funding in future years since there is no hold-harmless provision protecting other funding categories.

The amount specified in H.R. 3043 for urban areas and states and territories as passed by the House of Representatives is \$1,865,800,000, which according to HRSA is approximately a 3.68 percent increase over the fiscal year 2007 total funding for Parts A and B. We had to make several assumptions to estimate the fiscal year 2008 funding for urban areas. First, we assumed that the percentage of funding for Part A (approximately 33.56 percent) out of the total funding for Parts A and B would be the same in fiscal year 2008 as it was in fiscal year 2007. By applying this percentage to the \$1,865,800,000 specified in H.R. 3043, we estimated that approximately \$626,248,693 would be the total funding for Part A in fiscal year 2008. Second, we assumed that MAI funding for each urban area would increase by the same percentage that total MAI funding allocated to urban areas is scheduled to increase under the CARE Act, which is approximately 3.65 percent. Third, we assumed that the amount of funds set aside by HRSA prior to awarding grants to urban areas would be the same in fiscal year 2008 as it was in fiscal year 2007.<sup>11</sup> Fourth, we subtracted the funding for MAI and set asides from the estimated Part A funding for fiscal year 2008, \$626,248,693. The resulting funding, \$557,300,597 would therefore be used for formula and supplemental grants. This represents an estimated increase of 3.8 percent in overall formula and supplemental funding for urban areas. Fifth, because updated HIV/AIDS case counts were not available, we used the HIV/AIDS case counts that HRSA used to determine fiscal year 2007 funding. We estimated the fiscal year 2008 formula funding for each urban area using these case counts. Sixth, we assumed that each urban area would receive the same percentage of the available supplemental funding in fiscal year 2008 that it received in fiscal year 2007.

For the alternative analysis on the proposed hold-harmless provision based on the report of the House Committee on Appropriations, we used the amount specified in the report for urban areas, \$636,300,000.<sup>12</sup> We then made the same assumptions as for the previous analysis regarding MAI grants, amounts set aside by HRSA prior to awarding grants to urban areas, case counts, and supplemental grants.

To determine whether any urban areas received funding based on both living and deceased HIV/AIDS cases, we used the funding formula data for fiscal years 2006 and 2007.<sup>13</sup> In addition, we identified sources where information is available on the unobligated funding and waiting list issues by discussing these issues respectively with the HHS Office of Inspector General and the National Alliance of State & Territorial AIDS Directors.

---

<sup>11</sup>Before awarding grants, HRSA sets aside funds from the total amount available for urban areas. These amounts are set aside for various purposes, including for possible public health emergencies. According to HRSA, the amount set aside in fiscal year 2007 was \$23,548,096. Therefore, we have used this same figure for fiscal year 2008 calculations.

<sup>12</sup>Although the difference in proposed fiscal year 2008 funding between H.R. 3043 and the report of the Committee on Appropriations for Parts A and B is \$10 million, under our assumptions the difference for Part A alone would be \$10,051,307. This results from our assumption that under H.R. 3043 the percentage of funding for Part A (approximately 33.56 percent) out of the total funding for Parts A and B would be the same in fiscal year 2008 as it was in fiscal year 2007. However, the amount proposed in the report of the House Committee on Appropriations for Part A (\$636,300,000) is a larger percentage (33.92 percent) of the total amount specified for Parts A and B (\$1,875,800,000). Therefore, the increase for Part A would actually be larger than the \$10 million difference for Parts A and B combined.

<sup>13</sup>In our February 2006 report, we found that as of fiscal year 2004, one EMA was receiving CARE Act formula funding based on both living and deceased cases. See GAO, *HIV/AIDS: Changes Needed to Improve the Distribution of Ryan White CARE Act and Housing Funds*, [GAO-06-332](#) (Washington, D.C.: Feb. 28, 2006).

The objective of this work was to provide pertinent and timely information from readily available sources that Congress can use in determining funding for CARE Act programs. Because of time constraints, we did not conduct extensive testing and analysis of the reliability and validity of the data that were used for the analyses, nor did we conduct any additional analysis of the proposed provision. We performed our work from August 2007 through September 2007.

### **CARE Act Funding for Urban Areas**

CARE Act funding for urban areas would increase under the funding level identified in the report of the House Committee on Appropriations for CARE Act grants to these areas.<sup>14</sup> Since fiscal year 2001, CARE Act funding for urban areas specified in conference reports accompanying the appropriations acts has ranged from a high of \$622,741,000 in fiscal year 2003 to a low of \$604,200,000 in fiscal year 2001.<sup>15</sup> For fiscal year 2008, the report of the House Committee on Appropriations specifies \$636,300,000 for urban areas,<sup>16</sup> an increase of approximately 4.3 percent over the amount specified in the conference report for fiscal year 2006 funding.<sup>17</sup> However, this amount includes the funding that would be used to address the funding decreases that certain EMAs and TGAs experienced in fiscal year 2007, a total of approximately \$9.4 million.<sup>18</sup> This would reduce the amount available for fiscal year 2008 grants as described by the Committee to approximately \$626,900,000. This represents an increase of approximately 2.8 percent over the amount specified in the conference report for fiscal year 2006.<sup>19</sup> Table 1 shows the funding specified in congressional reports and the actual amounts awarded to urban areas for fiscal years 2001 through 2007 and the proposed funding for fiscal year 2008 in the report of the House Committee on Appropriations.

---

<sup>14</sup>This committee report is not binding on HHS.

<sup>15</sup>The appropriations acts for fiscal years 2001 through 2007 covering HHS have not specified an amount of funding to be used for Part A grants for urban areas. However, when available the conference report accompanying the appropriations act has identified a total amount to be used for Part A funding for urban areas. Although these reports are not legally binding on HHS, we have used the amounts specified in them for the purposes of our analysis.

<sup>16</sup>See H.R. Rep. No. 110-231, at 78-79 (2007). According to the committee report, this amount is \$32,307,000 above the fiscal year 2007 funding level and the administration's budget request for fiscal year 2008. According to HHS, \$603,993,000 was the funding level for grants to urban areas; that is, the amount available before subtracting for annual set asides. HHS refers to this amount as the "final appropriation amount" for fiscal year 2007.

<sup>17</sup>See H.R. Conf. Rep. No. 109-337, at 137 (2005). We use funding from fiscal year 2006 because this was the last year for which there was a conference report accompanying the appropriations act for HHS. Fiscal year 2007 funds were appropriated for HRSA in a continuing resolution which contained a lump sum amount for all HRSA programs and did not specify a particular amount for grants to urban areas. See Revised Continuing Appropriations Resolution, 2007, Pub. L. No. 110-5, 121 Stat. 8, 31-32. There were no conference or committee reports for this law.

<sup>18</sup>The analyses demonstrating that \$9.4 million would be needed to fund the hold-harmless provision contained in H.R. 3043 as passed by the House are described later in this report.

<sup>19</sup>The \$636,300,000 funding level for urban areas is taken from the report of the House Committee on Appropriations (No. 110-231) for H.R. 3043. H.R. 3043 as reported by the Committee and passed by the House identifies an amount for CARE Act grants for urban areas and states and territories. However, this amount is \$10 million less than the amount obtained by adding the amount identified in the House report for urban areas to the amount identified in the House report for states and territories.

**Table 1: CARE Act Funding for Urban Areas**

<b>Fiscal year</b>	<b>Funding identified in congressional report</b>	<b>Actual funding awarded<sup>a</sup></b>
2001	\$604,200,000 <sup>b</sup>	\$582,727,700
2002	619,585,000 <sup>b</sup>	597,256,000
2003	622,741,000 <sup>b</sup>	599,513,000
2004	618,693,000 <sup>b</sup>	595,342,000
2005	615,023,000 <sup>b</sup>	587,425,500
2006	610,094,000 <sup>b</sup>	579,686,392
2007	<sup>c</sup>	578,686,334
2008	636,300,000 <sup>d</sup>	<sup>e</sup>

Sources: Conference reports accompanying annual appropriations laws, report of the House Committee on Appropriations (110-231), and HHS.

<sup>a</sup>The actual funding awarded to urban areas differs from the amounts specified in the congressional reports for a variety of reasons. For example, rescissions may have reduced the total appropriations available for CARE Act programs.

<sup>b</sup>Each appropriations act provided a lump sum covering the CARE Act and other programs and did not specify funding amounts for urban areas. The conference reports accompanying each act, while not legally binding, specified a separate amount to be used for grants to urban areas.

<sup>c</sup>Fiscal year 2007 funds were appropriated for HRSA in a continuing resolution which contained a lump sum amount for all HRSA programs and did not specify a particular amount for grants to urban areas. See Pub. L. No. 110-5, 121 Stat. 8, 31-32. There were no conference or committee reports for this law. According to HHS, \$603,993,000 was the funding level for grants to urban areas; that is, the amount available before subtracting for annual set asides. HRSA refers to this amount as the “final appropriation amount” for fiscal year 2007.

<sup>d</sup>The \$636,300,000 amount for urban areas is taken from the report of House Committee on Appropriations (No. 110-231) for H.R. 3043. According to the committee report, this amount is \$32,307,000 above the fiscal year 2007 funding level and the administration’s budget request for fiscal year 2007. If the proposed hold-harmless provision is enacted, the amount available to fund fiscal year 2008 grants would be reduced by approximately \$9.4 million to \$626,900,000. In addition, H.R. 3043 as reported by the Committee and passed by the House identifies an amount for CARE Act grants for urban areas and states and territories. However, this amount is \$10 million less than the amount obtained by adding the amount identified in the House report for urban areas to the amount identified in the House report for states and territories.

<sup>e</sup>No funding for fiscal year 2008 has been awarded yet.

CARE Act funding for urban areas is awarded to EMAs and TGAs through formula, supplemental, and MAI grants. Table 2 shows the grants awarded in fiscal years 2006 and 2007 to each EMA categorized by funding type. Table 3 shows the grants awarded in fiscal years 2006 and 2007 to each TGA categorized by funding type.

**Table 2: Grants Awarded to EMAs, Fiscal Years 2006 and 2007**

EMA	Fiscal year 2006 grants				Fiscal year 2007 grants			
	Formula	Supplemental	MAI	Total	Formula	Supplemental	MAI	Total
Atlanta, Ga.	\$9,634,687	\$7,625,341	\$1,609,533	\$18,869,561	\$12,223,780	\$3,850,505	\$1,050,229	\$17,124,514
Baltimore, Md.	10,125,086	8,850,824	1,652,985	20,628,895	13,101,233	5,186,790	2,100,038	20,388,061
Boston, Mass.	6,979,687	5,814,962	544,492	13,339,141	9,091,554	3,769,583	814,862	13,675,999
Chicago, Ill.	12,891,725	10,274,677	1,878,231	25,044,633	16,477,405	6,888,727	1,787,310	25,153,442
Dallas, Tex.	6,509,160	5,615,969	1,071,248	13,196,377	9,137,396	3,640,608	772,577	13,550,581
Detroit, Mich.	4,450,466	3,380,311	597,700	8,428,477	5,648,743	2,073,152	644,567	8,366,462
Fort Lauderdale, Fla.	7,390,404	6,514,401	1,058,833	14,963,638	9,444,098	3,727,245	1,113,452	14,284,795
Houston, Tex.	10,069,778	8,252,040	1,631,702	19,953,520	12,780,890	5,120,182	1,571,727	19,472,799
Los Angeles, Calif.	18,302,095	14,085,426	2,507,856	34,895,377	23,182,654	9,552,345	2,528,561	35,263,560
Miami, Fla.	12,178,882	9,772,536	2,048,496	23,999,914	16,014,327	6,481,882	2,565,107	25,061,316
New Orleans, La.	3,894,926	2,946,620	593,266	7,434,812	4,944,054	1,770,338	541,807	7,256,199
New York, N.Y.	59,000,321	49,486,747	11,936,258	120,423,326	74,867,223	25,998,357	9,347,777	110,213,357
Newark, N.J.	7,636,547	6,304,290	811,417	14,752,254	9,089,812	3,552,687	1,284,886	13,927,385
Orlando, Fla.	4,336,162	3,555,581	669,530	8,561,273	5,503,524	1,980,246	578,713	8,062,483
Philadelphia, Pa.	11,798,212	9,000,750	1,585,589	22,384,551	14,920,594	5,037,001	1,682,127	21,639,722
Phoenix, Ariz.	3,701,962	2,489,262	328,114	6,519,338	4,970,250	1,811,234	193,368	6,974,852
San Diego, Calif.	4,917,200	3,901,564	450,492	9,269,256	6,769,231	2,912,131	543,389	10,224,751
San Francisco, Calif.	15,444,793	11,985,334	534,737	27,964,864	14,672,553	4,134,300	652,491	19,459,344
San Juan, P.R.	7,641,520	4,636,975	1,191,852	13,470,347	9,415,282	2,553,297	741,100	12,709,679
Tampa-St. Petersburg, Fla.	4,987,570	4,016,711	567,549	9,571,830	6,330,047	2,345,441	525,592	9,201,080
Washington, D.C.	14,810,305	9,445,282	2,667,479	26,923,066	18,759,719	6,895,292	1,976,712	27,631,723
West Palm Beach, Fla.	4,546,333	3,055,721	673,964	8,276,018	5,769,416	1,949,450	576,631	8,295,497
<b>Total</b>	<b>\$241,247,821</b>	<b>\$191,011,324</b>	<b>\$36,611,323</b>	<b>\$468,870,468</b>	<b>\$303,113,785</b>	<b>\$111,230,793</b>	<b>\$33,593,023</b>	<b>\$447,937,601</b>

Source: HHS

**Table 3: Grants Awarded to TGAs, Fiscal Years 2006 and 2007**

TGA	Fiscal year 2006 grants				Fiscal year 2007 grants			
	Formula	Supplemental	MAI	Total	Formula	Supplemental	MAI	Total
Austin, Tex.	\$1,932,460	\$1,572,898	\$213,718	\$3,719,076	\$2,311,513	\$1,073,557	\$229,065	\$3,614,135
Baton Rouge, La.	0	0	0	0	2,179,184	831,337	249,059	3,259,580
Bergen-Passaic, N.J.	2,440,939	1,834,541	210,170	4,485,650	2,480,997	1,101,476	287,493	3,869,966
Caguas, P.R.	872,640	567,319	208,397	1,648,356	690,977	269,503	121,984	1,082,464
Charlotte-Gastonia, N.C.-S.C.	0	0	0	0	2,854,516	974,327	371,535	4,200,378
Cleveland, Ohio	1,793,462	1,314,426	241,208	3,349,096	2,606,155	1,060,413	316,520	3,983,088
Denver, Colo.	2,286,509	1,810,306	186,227	4,283,042	4,860,304	1,925,546	275,492	7,061,342
Dutchess County, N.Y.	698,112	556,849	112,623	1,367,584	719,007	339,616	103,571	1,162,194
Fort Worth, Tex.	1,726,845	1,463,049	219,925	3,409,819	2,298,475	940,508	204,310	3,443,293
Hartford, Conn.	2,374,565	2,024,791	266,925	4,666,281	2,003,833	913,750	252,944	3,170,527
Indianapolis, Ind.	0	0	0	0	2,277,616	763,694	189,079	3,230,389
Jacksonville, Fla.	2,631,441	1,872,676	409,699	4,913,816	3,078,757	1,414,071	393,745	4,886,573
Jersey City, N.J.	2,831,663	2,048,327	265,152	5,145,142	2,831,049	1,286,939	417,858	4,535,846
Kansas City, Mo.	1,607,764	1,183,683	125,038	2,916,485	2,524,021	1,013,510	187,284	3,724,815
Las Vegas, Nev.	2,422,499	1,647,505	253,623	4,323,627	3,251,501	1,193,110	225,918	4,670,529
Memphis, Tenn.	0	0	0	0	3,585,906	1,432,797	556,225	5,574,928
Middlesex-Somerset- Hunterdon, N.J.	1,427,281	1,032,702	135,680	2,595,663	1,599,025	701,085	165,169	2,465,279
Minneapolis-St. Paul, Minn.	1,569,524	1,279,233	197,755	3,046,512	2,963,378	1,240,032	264,702	4,468,112
Nashville, Tenn.	0	0	0	0	2,541,621	938,981	207,441	3,688,043
Nassau-Suffolk, N.Y.	3,227,540	2,456,087	464,680	6,148,307	3,130,907	1,358,744	325,286	4,814,937
New Haven, Conn.	3,631,905	2,710,386	342,303	6,684,594	3,278,228	1,501,862	321,657	5,101,747
Norfolk, Va.	2,543,672	1,635,201	235,887	4,414,760	3,390,349	1,284,883	379,699	5,054,931
Oakland, Calif.	3,310,871	2,072,022	352,944	5,735,837	3,781,868	1,663,113	392,080	5,837,061
Orange County, Calif.	2,552,176	2,091,799	214,604	4,858,579	3,328,279	1,345,454	292,945	4,966,678
Ponce, P.R.	1,338,048	806,867	246,529	2,391,444	1,101,000	445,740	153,098	1,699,838
Portland, Oreg.	1,790,756	1,516,313	94,887	3,401,956	2,120,010	957,919	78,536	3,156,465
Riverside-San Bernadino, Calif.	3,643,238	3,156,377	274,906	7,074,521	4,389,913	2,074,448	255,733	6,720,094
Sacramento, Calif.	1,459,858	1,263,003	55,868	2,778,729	1,472,863	689,474	97,469	2,259,806
St. Louis, Mo.	2,377,264	1,875,232	250,076	4,502,572	3,471,180	1,424,275	378,174	5,273,629
San Antonio, Tex.	1,952,384	1,068,440	305,057	3,325,881	2,441,234	949,837	264,661	3,655,732
San Jose, Calif.	1,322,616	871,297	110,849	2,304,762	1,596,809	604,404	137,156	2,338,369
Santa Rosa, Calif.	572,703	426,667	29,264	1,028,634	725,352	265,582	50,000	1,040,934
Seattle, Wash.	2,931,596	2,309,038	204,850	5,445,484	4,051,676	1,667,482	234,009	5,953,167
Vineland-Millville- Bridgeton, N.J.	464,590	313,292	71,833	849,715	518,884	196,470	68,510	783,864
<b>Total</b>	<b>\$59,734,921</b>	<b>\$44,780,326</b>	<b>\$6,300,677</b>	<b>\$110,815,924</b>	<b>\$86,456,387</b>	<b>\$35,843,939</b>	<b>\$8,448,407</b>	<b>\$130,748,733</b>

Source: HHS

Note: The 2006 Modernization Act created a new category of urban areas called TGAs. TGAs that received Part A funding in 2006 were classified at that time as EMAs.



## **Projected CARE Act Funding for Urban Areas Would be Impacted by the Proposed Hold-Harmless Provision**

The funding for both EMAs and TGAs would be impacted by the proposed hold-harmless provision in H.R. 3043. Some EMAs and TGAs would receive additional funding for the 2007 program year under the provision, but the amounts needed to fund the hold-harmless provision would be taken from the amount that could otherwise be available for fiscal year 2008 funding. A total of \$9,377,444 would be needed to fund the proposed hold-harmless provision, with \$6,410,885 needed for EMAs and \$2,966,559 for TGAs.

### Projected EMA Funding

We found that the impact of the proposed hold-harmless provision in H.R. 3043 on EMAs would be to increase funding for 3 of 22 EMAs by a total of \$6,410,885 for the 2007 program year, which runs from April 1, 2007, to March 31, 2008. The San Francisco EMA would receive the largest increase, \$6,156,471, while the Atlanta and New York EMAs would receive an additional \$160,004 and \$94,410, respectively.

We found that under funding as identified in the report of the House Committee on Appropriations and under our assumptions, funding would be impacted for all EMAs. Sixteen of 22 EMAs would receive an increase in funding over fiscal year 2007 if the proposed hold-harmless provision is enacted. However, regardless of whether an EMA would receive an increase over fiscal year 2007 or not, all EMAs would be awarded less fiscal year 2008 funding with the hold-harmless provision in place than if the entire amount was awarded as fiscal year 2008 funding without the hold harmless because less funding would be available to be awarded. Less funding would be available for fiscal year 2008 because funds would be taken from fiscal year 2008 funding to cover the proposed hold-harmless provision in H.R. 3043 that protects funds for the 2007 program year, which ends March 31, 2008. The size of the difference in the amount of funding with and without the proposed hold-harmless provision would vary by EMA with differences ranging from approximately 0.7 percent to 2.1 percent.<sup>20</sup> However, it is not possible to determine exactly how each EMA would be affected by the proposed 8.4 percent hold-harmless provision because it is not known how HRSA will award fiscal year 2008 funding. Table 4 lists EMA funding for fiscal years 2006 and 2007, and the projected funding for fiscal year 2008 with and without the proposed hold-harmless provision, assuming funding amounts as identified in the report of the House Committee on Appropriations.

---

<sup>20</sup>The size of the decrease would depend on whether an EMA's formula funding would be held harmless for fiscal year 2008 under the hold-harmless provision of the CARE Act and the size of its MAI funding. Under our assumptions, those EMAs whose formula funding was held harmless would receive smaller decreases in their total funding. This would occur because those EMAs that qualified for the formula funding hold harmless could only have their supplemental funding decreased, not both formula and supplemental funding. Since we assumed that each EMA would receive the same percentage of supplemental funding in fiscal year 2008 that it received in fiscal year 2007, those EMAs that also received formula funding decreases would have larger total funding decreases. Under our assumptions, MAI funding would not be used to fund the hold-harmless provision. We assumed that the total funding for MAI grants would increase to the amount specified in the CARE Act and that each EMA would receive the same percentage of MAI funding in fiscal year 2008 funding that it received in fiscal year 2007. Consequently, those EMAs that have a larger proportion of their funding provided through MAI have smaller amounts that could be used to fund the hold-harmless provision. This results in smaller funding differences between what they would receive with and without the proposed hold-harmless provision.

**Table 4: Total EMA Formula, Supplemental, and MAI Grants for Fiscal Years 2006 and 2007 and Projected Funding for Fiscal Year 2008 Under Funding Levels as Identified in the Report of the House Committee on Appropriations**

EMA	Fiscal year 2006 grants	Fiscal year 2007 grants	Estimated hold-harmless funding under H.R. 3043	Projected fiscal year 2008 grants without H.R. 3043 hold-harmless provision <sup>a</sup>	Projected fiscal year 2008 grants with H.R. 3043 hold-harmless provision <sup>b</sup>
Atlanta, Ga.	\$18,869,561	\$17,124,514	\$160,004	\$17,112,815	\$16,982,259
Baltimore, Md.	20,628,895	20,388,061	0	22,732,883	22,301,873
Boston, Mass.	13,339,141	13,675,999	0	15,277,498	14,972,628
Chicago, Ill.	25,044,633	25,153,442	0	28,066,579	27,512,113
Dallas, Tex.	13,196,377	13,550,581	0	15,137,303	14,836,295
Detroit, Mich.	8,428,477	8,366,462	0	9,013,890	8,839,476
Fort Lauderdale, Fla.	14,963,638	14,284,795	0	15,936,744	15,626,839
Houston, Tex.	19,953,520	19,472,799	0	20,852,940	20,445,124
Los Angeles, Calif.	34,895,377	35,263,560	0	38,631,203	37,867,959
Miami, Fla.	23,999,914	25,061,316	0	27,885,150	27,354,166
New Orleans, La.	7,434,812	7,256,199	0	8,056,604	7,901,579
New York, N.Y.	120,423,326	110,213,357	94,410	110,216,803	109,335,299
Newark, N.J.	14,752,254	13,927,385	0	14,821,268	14,535,807
Orlando, Fla.	8,561,273	8,062,483	0	8,614,615	8,447,306
Philadelphia, Pa.	22,384,551	21,639,722	0	21,765,212	21,464,894
Phoenix, Ariz.	6,519,338	6,974,852	0	7,831,853	7,673,854
San Diego, Calif.	9,269,256	10,224,751	0	11,828,264	11,590,839
San Francisco, Calif.	27,964,864	19,459,344	6,156,471	19,429,426	19,289,248
San Juan, P.R.	13,470,347	12,709,679	0	12,703,554	12,616,981
Tampa-St. Petersburg, Fla.	9,571,830	9,201,080	0	9,692,491	9,500,031
Washington, D.C.	26,923,066	27,631,723	0	28,861,975	28,297,491
West Palm Beach, Fla.	8,276,018	8,295,497	0	8,404,609	8,241,277
<b>Total</b>	<b>\$468,870,468</b>	<b>\$447,937,601</b>	<b>\$6,410,885</b>	<b>\$472,873,680</b>	<b>\$465,633,338</b>

Sources: GAO analysis of HHS data, H.R. 3043, and report of the House of Committee on Appropriations (110-231).

Notes: The projected fiscal year 2008 funding in this table is based on the funding amount for urban areas identified in the report of the House Committee on Appropriations (110-231). Before estimating the funding allocations, we reduced the amount to be allocated by subtracting out the amounts set aside by HRSA before awarding grants to urban areas. We used the same amounts for these reductions as were used in fiscal year 2007, \$23,548,096.

We cannot determine the exact impact on total funding for each EMA for fiscal year 2008. It is not possible to determine exactly how each EMA would be affected by the proposed 8.4 percent hold-harmless provision for EMAs because it is not known how HRSA will award fiscal year 2008 supplemental and MAI grants and because the case counts on which formula grants will be based are not yet available.

<sup>a</sup>The projected funding amounts in this column include the CARE Act hold-harmless provision that protects formula funding for EMAs.

<sup>b</sup>Under the proposed hold-harmless provision in H.R. 3043, the maximum decrease in formula, supplemental, and MAI grants in total that an EMA could receive for program year 2007 would be no more than 8.4 percent of what it received for program year 2006. Funds would be taken from fiscal year 2008 funding to cover this proposed hold-harmless provision. The projected funding amounts in this column include the CARE Act hold-harmless provision that protects formula funding for EMAs.

Under funding identified in H.R. 3043 and under our assumptions, funding for each EMA would be similarly impacted if the proposed hold-harmless provision is enacted. Sixteen of 22 EMAs would receive an increase in funding over fiscal year 2007 if the proposed hold-

harmless provision is enacted. However, regardless of whether an EMA would receive an increase over fiscal year 2007 or not, all EMAs would receive less funding awarded as fiscal year 2008 funding with the hold-harmless provision in place than if the entire amount was awarded as fiscal year 2008 funding without the hold harmless because less funding would be available to be awarded. Less funding would be available for fiscal year 2008 because funds would be taken from fiscal year 2008 funding to cover the proposed hold-harmless provision in H.R. 3043 that protects funds for the 2007 program year, which ends March 31, 2008. The size of the difference in the amount of funding with and without the hold-harmless provision would vary by EMA with differences ranging from approximately 0.7 percent to 2.2 percent. However, it is not possible to determine exactly how each EMA would be affected by the proposed 8.4 percent hold-harmless provision because it is not known how HRSA will award fiscal year 2008 funding. Table 5 lists EMA funding for fiscal years 2006 and 2007, and the projected funding for fiscal year 2008 with and without the proposed hold-harmless provision, assuming funding levels identified in H.R. 3043.

**Table 5: Total EMA Formula, Supplemental, and MAI Funding for Fiscal Years 2006 and 2007 and Projected Funding for Fiscal Year 2008 Under Funding Levels as Identified in H.R. 3043**

EMA	Fiscal year 2006 grants	Fiscal year 2007 grants	Estimated hold-harmless funding under H.R. 3043	Projected fiscal year 2008 grants without H.R. 3043 hold-harmless provision <sup>a</sup>	Projected fiscal year 2008 grants with H.R. 3043 hold-harmless provision <sup>b</sup>
Atlanta, Ga.	\$18,869,561	\$17,124,514	\$160,004	\$16,972,555	\$16,834,467
Baltimore, Md.	20,628,895	20,388,061	0	22,270,467	21,829,310
Boston, Mass.	13,339,141	13,675,999	0	14,950,405	14,638,161
Chicago, Ill.	25,044,633	25,153,442	0	27,471,692	26,903,749
Dallas, Tex.	13,196,377	13,550,581	0	14,814,360	14,506,230
Detroit, Mich.	8,428,477	8,366,462	0	8,826,768	8,648,298
Fort Lauderdale, Fla.	14,963,638	14,284,795	0	15,604,256	15,287,060
Houston, Tex.	19,953,520	19,472,799	0	20,415,390	19,997,556
Los Angeles, Calif.	34,895,377	35,263,560	0	37,812,312	37,030,382
Miami, Fla.	23,999,914	25,061,316	0	27,315,466	26,771,801
New Orleans, La.	7,434,812	7,256,199	0	7,890,291	7,731,802
New York, N.Y.	120,423,326	110,213,357	94,410	109,269,779	108,337,417
Newark, N.J.	14,752,254	13,927,385	0	14,514,997	14,222,586
Orlando, Fla.	8,561,273	8,062,483	0	8,435,117	8,263,934
Philadelphia, Pa.	22,384,551	21,639,722	0	21,452,200	21,271,561
Phoenix, Ariz.	6,519,338	6,974,852	0	7,662,349	7,500,806
San Diego, Calif.	9,269,256	10,224,751	0	11,573,534	11,330,412
San Francisco, Calif.	27,964,864	19,459,344	6,156,471	19,278,829	19,130,563
San Juan, P.R.	13,470,347	12,709,679	0	12,610,547	12,518,979
Tampa-St. Petersburg, Fla.	9,571,830	9,201,080	0	9,486,004	9,288,957
Washington, D.C.	26,923,066	27,631,723	0	28,256,351	27,678,377
West Palm Beach, Fla.	8,276,018	8,295,497	0	8,229,377	8,150,292
<b>Total</b>	<b>\$468,870,468</b>	<b>\$447,937,601</b>	<b>\$6,410,885</b>	<b>\$465,113,045</b>	<b>\$457,872,699</b>

Sources: GAO analysis of HHS data and H.R. 3043.

Notes: The projected fiscal year 2008 funding in this table is based on the funding amount identified in H.R. 3043 and our assumption that the percentage of funding for Part A out of the total funding for Parts A and B will be the same in fiscal year 2008 as it was in fiscal year 2007. Before estimating the funding allocations, we reduced the amount to be allocated by subtracting out the amounts set aside by HRSA before awarding grants to urban areas. We used the same amounts for these reductions as were used in fiscal year 2007, \$23,548,096.

We cannot determine the exact impact on total funding for each EMA for fiscal year 2008. It is not possible to determine exactly how each EMA would be affected by the proposed 8.4 percent hold-harmless provision for EMAs because it is not known how HRSA will award fiscal year 2008 supplemental and MAI grants and because the case counts on which formula grants will be based are not yet available.

<sup>a</sup>The projected funding amounts in this column include the CARE Act hold-harmless provision that protects formula funding for EMAs.

<sup>b</sup>Under the proposed hold-harmless provision in H.R. 3043, the maximum decrease in formula, supplemental, and MAI grants in total that an EMA could receive for program year 2007 would be no more than 8.4 percent of what it received for program year 2006. Funds would be taken from fiscal year 2008 funding to cover this proposed hold-harmless provision. The projected funding amounts in this column include the CARE Act hold-harmless provision that protects formula funding for EMAs.

### Projected TGA Funding

We found that the impact of the proposed hold-harmless provision in H.R. 3043 on TGAs would be to increase the 2007 program year funding for 8 of 34 TGAs—Bergen-Passaic, New Jersey; Caguas, Puerto Rico; Dutchess County, New York; Hartford, Connecticut; Nassau-Suffolk, New York; New Haven, Connecticut; Ponce, Puerto Rico; and Sacramento, California—by a total of \$2,966,559.<sup>21</sup>

We found that under funding identified in the report of the House Committee on Appropriations and under our assumptions, funding would be impacted for all TGAs. If the proposed hold-harmless provision is enacted, each TGA would receive an increase in funding over fiscal year 2007, but the increase would be less than if the entire amount was awarded as fiscal year 2008 funding without the hold harmless because less funding would be available to be awarded. Less funding would be available for fiscal year 2008 because funds would be taken from fiscal year 2008 funding to cover the proposed hold-harmless provision in H.R. 3043 that protects funds for the 2007 program year, which ends March 31, 2008. The size of the difference in the amount of funding with and without the proposed hold-harmless provision would vary by TGA with differences ranging from approximately 1.5 to 1.6 percent.<sup>22</sup> However, it is not possible to determine exactly how each TGA would be affected by the proposed 13.4 percent hold-harmless provision because it is not known how HRSA will award fiscal year 2008 funding. Table 6 lists TGA funding for fiscal years 2006 and 2007, and the projected funding for fiscal year 2008 with and without the proposed hold-harmless provision, assuming funding amounts identified in the report of the House Committee on Appropriations.

---

<sup>21</sup>The hold-harmless amounts for the eight TGAs would be \$14,607 for Bergen-Passaic; \$345,012 for Caguas; \$22,134 for Dutchess County; \$870,472 for Hartford; \$509,497 for Nassau-Suffolk; \$687,111 for New Haven; \$371,153 for Ponce; and \$146,573 for Sacramento.

<sup>22</sup>Under our assumptions, MAI funding would not be used to fund the hold-harmless provision. We assumed that the total funding for MAI grants would increase to the amount specified in the CARE Act and that each TGA would receive the same percentage of MAI funding in fiscal year 2008 funding that it received in fiscal year 2007. Consequently, those EMAs that have a larger proportion of their funding provided through MAI have smaller amounts that could be used to fund the hold-harmless provision. This results in smaller funding differences between what they would receive with and without the proposed hold-harmless provision.

**Table 6: Total TGA Formula, Supplemental, and MAI Funding for Fiscal Years 2006 and 2007 and Projected Funding for Fiscal Year 2008 Under Funding Levels as Identified in the Report of the House Committee on Appropriations**

<b>TGA</b>	<b>Fiscal year 2006 grants</b>	<b>Fiscal year 2007 grants</b>	<b>Estimated hold-harmless funding under H.R. 3043</b>	<b>Projected fiscal year 2008 grants without H.R. 3043 hold-harmless provision</b>	<b>Projected fiscal year 2008 grants with H.R. 3043 hold-harmless provision<sup>a</sup></b>
Austin, Tex.	\$3,719,076	\$3,614,135	\$0	\$3,815,614	\$3,756,472
Baton Rouge, La.	0	3,259,580	0	3,440,391	3,387,794
Bergen-Passaic, N.J.	4,485,650	3,869,966	14,607	4,084,832	4,022,242
Caguas, P.R.	1,648,356	1,082,464	345,012	1,141,704	1,124,924
Charlotte-Gastonia, N.C.-S.C.	0	4,200,378	0	4,432,317	4,365,423
Cleveland, Ohio	3,349,096	3,983,088	0	4,203,795	4,139,736
Denver, Colo.	4,283,042	7,061,342	0	7,458,467	7,339,910
Dutchess County, N.Y.	1,367,584	1,162,194	22,134	1,226,371	1,207,875
Fort Worth, Tex.	3,409,819	3,443,293	0	3,635,512	3,578,923
Hartford, Conn.	4,666,281	3,170,527	870,472	3,346,206	3,295,231
Indianapolis, Ind.	0	3,230,389	0	3,410,745	3,357,610
Jacksonville, Fla.	4,913,816	4,886,573	0	5,157,261	5,078,765
Jersey City, N.J.	5,145,142	4,535,846	0	4,786,028	4,714,081
Kansas City, Mo.	2,916,485	3,724,815	0	3,933,437	3,871,632
Las Vegas, Nev.	4,323,627	4,670,529	0	4,932,284	4,854,631
Memphis, Tenn.	0	5,574,928	0	5,881,516	5,793,833
Middlesex-Somerset-Hunterdon, N.J.	2,595,663	2,465,279	0	2,602,521	2,562,335
Minneapolis-St. Paul, Minn.	3,046,512	4,468,112	0	4,717,553	4,644,114
Nashville, Tenn.	0	3,688,043	0	3,894,140	3,833,330
Nassau-Suffolk, N.Y.	6,148,307	4,814,937	509,497	5,082,928	5,004,488
New Haven, Conn.	6,684,594	5,101,747	687,111	5,386,188	5,302,673
Norfolk, Va.	4,414,760	5,054,931	0	5,335,464	5,253,782
Oakland, Calif.	5,735,837	5,837,061	0	6,162,947	6,067,801
Orange County, Calif.	4,858,579	4,966,678	0	5,244,811	5,163,142
Ponce, P.R.	2,391,444	1,699,838	371,153	1,793,657	1,766,634
Portland, Oreg.	3,401,956	3,156,465	0	3,335,454	3,281,669
Riverside-San Bernadino, Calif.	7,074,521	6,720,094	0	7,099,329	6,986,369
Sacramento, Calif.	2,778,729	2,259,806	146,573	2,387,096	2,349,311
St. Louis, Mo.	4,502,572	5,273,629	0	5,566,687	5,481,157
San Antonio, Tex.	3,325,881	3,655,732	0	3,858,822	3,799,575
San Jose, Calif.	2,304,762	2,338,369	0	2,485,741	2,447,005
Santa Rosa, Calif.	1,028,634	1,040,934	0	1,099,462	1,082,147
Seattle, Wash.	5,445,484	5,953,167	0	6,288,967	6,189,029
Vineland-Millville-Bridgeton, N.J.	849,715	783,864	0	827,169	814,671
<b>Total</b>	<b>\$110,815,924</b>	<b>\$130,748,733</b>	<b>\$2,966,559</b>	<b>\$138,055,416</b>	<b>\$135,918,315</b>

Sources: GAO analysis of HHS data, H.R. 3043, and report of the House of Committee on Appropriations (110-231).

Notes: The projected fiscal year 2008 funding in this table is based on the funding amount for urban areas identified in the report of the House Committee on Appropriations (110-231). Before estimating the funding allocations, we reduced the amount to be allocated by subtracting out the amounts set aside by HRSA before awarding grants to urban areas. We used the same amounts for these reductions as were used in fiscal year 2007, \$23,548,096.

We cannot determine the exact impact on total funding for each TGA for fiscal year 2008. It is not possible to determine exactly how each TGA would be affected by the proposed 13.4 percent hold-harmless provision for TGAs because it is not known how HRSA will award fiscal year 2008 supplemental and MAI grants and because the case counts on which formula grants will be based are not yet available.

<sup>a</sup>Under the proposed hold-harmless provision in H.R. 3043, the maximum decrease in formula, supplemental, and MAI grants in total that a TGA could receive for program year 2007 would be no more than 13.4 percent of what it received for program year 2006. Funds would be taken from fiscal year 2008 funding to cover this proposed hold-harmless provision.

Under funding identified in H.R. 3043 and under our assumptions, funding for each TGA would be impacted if the proposed hold-harmless provision is enacted. Each TGA would receive an increase in funding over fiscal year 2007 if the proposed hold-harmless provision is enacted, but the amount would be less than if the entire amount was awarded as fiscal year 2008 funding without the hold harmless because less funding would be available to be awarded. Less funding would be available for fiscal year 2008 because funds would be taken from fiscal year 2008 funding to cover the proposed hold-harmless provision in H.R. 3043 that protects funds for the 2007 program year, which ends March 31, 2008. The size of the difference in the amount of funding with and without the hold-harmless provision would vary by TGA with differences ranging from approximately 1.5 percent to 1.7 percent. However, it is not possible to determine exactly how each TGA would be affected by the proposed 13.4 percent hold-harmless provision because it is not known how HRSA will award fiscal year 2008 funding. Table 7 lists TGA funding for fiscal years 2006 and 2007, and the projected funding for fiscal year 2008 with and without the proposed hold-harmless provision, assuming funding amounts identified in H.R. 3043.

**Table 7: Total TGA Formula, Supplemental, and MAI Funding for Fiscal Years 2006 and 2007 and Projected Funding for Fiscal Year 2008 Under Funding Levels as Identified in the H.R. 3043**

<b>TGA</b>	<b>Fiscal year 2006 grants</b>	<b>Fiscal year 2007 grants</b>	<b>Estimated hold-harmless funding under H.R. 3043</b>	<b>Projected fiscal year 2008 grants without H.R. 3043 hold-harmless provision</b>	<b>Projected fiscal year 2008 grants with H.R. 3043 hold-harmless provision<sup>a</sup></b>
Austin, Tex.	\$3,719,076	\$3,614,135	\$0	\$3,752,222	\$3,693,080
Baton Rouge, La.	0	3,259,580	0	3,384,014	3,331,417
Bergen-Passaic, N.J.	4,485,650	3,869,966	14,607	4,017,744	3,955,154
Caguas, P.R.	1,648,356	1,082,464	345,012	1,123,718	1,106,937
Charlotte-Gastonia, N.C.-S.C.	0	4,200,378	0	4,360,616	4,293,722
Cleveland, Ohio	3,349,096	3,983,088	0	4,135,132	4,071,073
Denver, Colo.	4,283,042	7,061,342	0	7,331,391	7,212,834
Dutchess County, N.Y.	1,367,584	1,162,194	22,134	1,206,546	1,188,050
Fort Worth, Tex.	3,409,819	3,443,293	0	3,574,857	3,518,267
Hartford, Conn.	4,666,281	3,170,527	870,472	3,291,568	3,240,594
Indianapolis, Ind.	0	3,230,389	0	3,353,792	3,300,657
Jacksonville, Fla.	4,913,816	4,886,573	0	5,073,124	4,994,629
Jersey City, N.J.	5,145,142	4,535,846	0	4,708,911	4,636,964
Kansas City, Mo.	2,916,485	3,724,815	0	3,867,191	3,805,386
Las Vegas, Nev.	4,323,627	4,670,529	0	4,849,051	4,771,399
Memphis, Tenn.	0	5,574,928	0	5,787,532	5,699,849
Middlesex-Somerset-Hunterdon, N.J.	2,595,663	2,465,279	0	2,559,448	2,519,262
Minneapolis-St. Paul, Minn.	3,046,512	4,468,112	0	4,638,837	4,565,398
Nashville, Tenn.	0	3,688,043	0	3,828,960	3,768,150
Nassau-Suffolk, N.Y.	6,148,307	4,814,937	509,497	4,998,851	4,920,411
New Haven, Conn.	6,684,594	5,101,747	687,111	5,296,672	5,213,157
Norfolk, Va.	4,414,760	5,054,931	0	5,247,912	5,166,230
Oakland, Calif.	5,735,837	5,837,061	0	6,060,963	5,965,817
Orange County, Calif.	4,858,579	4,966,678	0	5,157,273	5,075,603
Ponce, P.R.	2,391,444	1,699,838	371,153	1,764,692	1,737,668
Portland, Oreg.	3,401,956	3,156,465	0	3,277,805	3,224,020
Riverside-San Bernadino, Calif.	7,074,521	6,720,094	0	6,978,252	6,865,292
Sacramento, Calif.	2,778,729	2,259,806	146,573	2,346,595	2,308,810
St. Louis, Mo.	4,502,572	5,273,629	0	5,475,011	5,389,481
San Antonio, Tex.	3,325,881	3,655,732	0	3,795,318	3,736,072
San Jose, Calif.	2,304,762	2,338,369	0	2,444,222	2,405,486
Santa Rosa, Calif.	1,028,634	1,040,934	0	1,080,902	1,063,586
Seattle, Wash.	5,445,484	5,953,167	0	6,181,848	6,081,910
Vineland-Millville-Bridgeton, N.J.	849,715	783,864	0	813,773	801,275
<b>Total</b>	<b>\$110,815,924</b>	<b>\$130,748,733</b>	<b>\$2,966,559</b>	<b>\$135,764,743</b>	<b>\$133,627,642</b>

Sources: GAO analysis of HHS data and H.R. 3043.

Notes: The projected fiscal year 2008 funding in this table is based on the funding amount identified in H.R. 3043 and our assumption that the percentage of funding for Part A out of the total funding for Parts A and B will be the same in fiscal year 2008 as it was in fiscal year 2007. Before estimating the funding allocations, we reduced the amount to be allocated by subtracting out the amounts set aside by HRSA before awarding grants to urban areas. We used the same amounts for these reductions as were used in fiscal year 2007, \$23,548,096.

We cannot determine the exact impact on total funding for each TGA for fiscal year 2008. It is not possible to determine exactly how each TGA would be affected by the proposed 13.4 percent hold-harmless provision for TGAs because it is not known how HRSA will award fiscal year 2008 supplemental and MAI grants and because the case counts on which formula grants will be based are not yet available.

<sup>4</sup>Under the proposed hold-harmless provision in H.R. 3043, the maximum decrease in formula, supplemental, and MAI grants in total that a TGA could receive for program year 2007 would be no more than 13.4 percent of what it received for program year 2006. Funds would be taken from fiscal year 2008 funding to cover this proposed hold-harmless provision.

## **San Francisco EMA Continues to Have Deceased Cases Factored into Its Funding Allocation**

The San Francisco EMA continues to be the only urban area whose formula funding is based on both living and deceased AIDS cases. In February 2006, we reported that the San Francisco EMA was the only EMA still receiving CARE Act formula funding based on the number of living and deceased cases in a metropolitan area.<sup>23</sup> All other EMAs received formula funding based on an estimate of the number of living AIDS cases. We showed that the fiscal year 2004 CARE Act formula funding for the San Francisco EMA was determined by its fiscal year 1995 funding, which was based on both living and deceased AIDS cases. Since the San Francisco EMA also received hold-harmless funding in fiscal years 2005, 2006, and 2007, its CARE Act formula funding continues to be based, in part, on the number of deceased cases in the San Francisco EMA as of 1995.<sup>24</sup>

## **Information on Unobligated CARE Act Funding and ADAP Waiting Lists**

Information on unobligated CARE Act funding can be found in two reports by the HHS Office of the Inspector General issued in February 2007 and May 2007.<sup>25</sup>

---

<sup>23</sup>GAO-06-332, pp. 34-35.

<sup>24</sup>Fiscal year 2007 funding for the San Francisco EMA can be traced to its fiscal year 1995 funding due to the relationship between the amount it received in fiscal year 1995 and the amounts it was guaranteed by law to receive in fiscal years 2000, 2006, and 2007 due to the operation of the hold-harmless provisions. In fiscal year 2000, the San Francisco EMA received 95 percent of the amount it received from its grant in fiscal year 1995. In fiscal year 2006, it received 85 percent of the amount it received from its grant in fiscal year 2000. In fiscal year 2007, it received 95 percent of the amount it received from its grant in fiscal year 2006. Taken together, the hold-harmless provisions meant that in fiscal year 2007 the San Francisco EMA received approximately 76.7 percent of its fiscal year 1995 grant of \$19,126,679, or \$14,672,553. We calculated the guaranteed percentage by multiplying the hold-harmless amounts (95, 85, and 95 percents) for each year together. See GAO-06-332 for more discussion on how the hold-harmless provision operates and how it has affected funding for the San Francisco EMA.

<sup>25</sup>HHS, *Review of the Management of Unobligated Funds Provided by Title I of the Ryan White Comprehensive AIDS Resources Emergency Act*, A-02-03-02006 (Washington, D.C.: Feb. 27, 2007), <http://www.oig.hhs.gov/oas/reports/region2/20302006.pdf> (downloaded September 6, 2007) and *Review of the Management of Unobligated Funds Provided by Title II of the Ryan White Comprehensive AIDS Resources Emergency Act*, A-06-04-00060 (Washington, D.C., May 15, 2007), <http://www.oig.hhs.gov/oas/reports/region6/60400060.htm> (downloaded September 6, 2007).



Information on the number of people on ADAP waiting lists can be found in the *National ADAP Monitoring Project Annual Report and The ADAP Watch*.<sup>26</sup> ADAPs purchase and provide HIV/AIDS drugs to people with HIV/AIDS and pay for health insurance that includes HIV/AIDS treatments.

-----

We are sending copies of this report to the Secretary of Health and Human Services, the Administrator of the Health Resources and Services Administration, and to the Committee on Appropriations, United States Senate; the Subcommittee on Labor, Health and Human Services, Education, and Related Agencies, Committee on Appropriations, United States Senate; the Committee on Health, Education, Labor, and Pensions, United States Senate; the Committee on Appropriations, House of Representatives; the Subcommittee on Labor, Health and Human Services, Education, and Related Agencies, Committee on Appropriations, House of Representatives; and the Committee on Energy and Commerce, House of Representatives. We will also make copies available to others upon request. In addition, the report will be available on GAO's Web site at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-7114 or [crossem@gao.gov](mailto:crossem@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Major contributors to this report were Martha Kelly, Assistant Director; Robert Copeland; Helen Desaulniers; Adrienne Griffin; Cathy Hamann; and Suzanne Worth.



Marcia Crosse  
Director, Health Care

---

<sup>26</sup>Henry J. Kaiser Family Foundation and the National Alliance of State & Territorial AIDS Directors, *National ADAP Monitoring Project Annual Report* (Washington, D.C.: April 2007), [http://www.nastad.org/Docs/highlight/2007411\\_2007NationalADAPMonitoringRepFINAL.pdf](http://www.nastad.org/Docs/highlight/2007411_2007NationalADAPMonitoringRepFINAL.pdf) (downloaded September 6, 2007) and the National Alliance of State & Territorial AIDS Directors, *The ADAP Watch* (Washington, D.C.: Aug. 16, 2007), <http://www.nastad.org/infocus/infocusresults.aspx> (downloaded September 6, 2007).

*List of Requesters*

The Honorable Nancy Pelosi  
The Speaker of the House of Representatives

The Honorable Michael B. Enzi  
Ranking Member  
Committee on Health, Education, Labor, and Pensions  
United States Senate

The Honorable Barbara Boxer  
The Honorable Richard Burr  
The Honorable Tom A. Coburn  
The Honorable Christopher J. Dodd  
The Honorable Dianne Feinstein  
The Honorable Jeff Sessions  
United States Senate

The Honorable Rosa L. DeLauro  
The Honorable Anna G. Eshoo  
The Honorable Tom Lantos  
The Honorable Lynn C. Woolsey  
House of Representatives

(290662)

---

---

This is a work of the U.S. government and is not subject to copyright protection in the United States. The published product may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.

---

---

## GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

---

## Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through GAO's Web site ([www.gao.gov](http://www.gao.gov)). Each weekday, GAO posts newly released reports, testimony, and correspondence on its Web site. To have GAO e-mail you a list of newly posted products every afternoon, go to [www.gao.gov](http://www.gao.gov) and select "E-mail Updates."

---

## Order by Mail or Phone

The first copy of each printed report is free. Additional copies are \$2 each. A check or money order should be made out to the Superintendent of Documents. GAO also accepts VISA and Mastercard. Orders for 100 or more copies mailed to a single address are discounted 25 percent. Orders should be sent to:

U.S. Government Accountability Office  
441 G Street NW, Room LM  
Washington, DC 20548

To order by Phone: Voice: (202) 512-6000  
TDD: (202) 512-2537  
Fax: (202) 512-6061

---

## To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Web site: [www.gao.gov/fraudnet/fraudnet.htm](http://www.gao.gov/fraudnet/fraudnet.htm)

E-mail: [fraudnet@gao.gov](mailto:fraudnet@gao.gov)

Automated answering system: (800) 424-5454 or (202) 512-7470

---

## Congressional Relations

Gloria Jarmon, Managing Director, [JarmonG@gao.gov](mailto:JarmonG@gao.gov), (202) 512-4400  
U.S. Government Accountability Office, 441 G Street NW, Room 7125  
Washington, DC 20548

---

## Public Affairs

Susan Becker, Acting Manager, [BeckerS@gao.gov](mailto:BeckerS@gao.gov), (202) 512-4800  
U.S. Government Accountability Office, 441 G Street NW, Room 7149  
Washington, DC 20548