

## How the HIV Services Formula Works

The HIV/STD Comprehensive Prevention Services Branch of the Texas Department of State Health Services (DSHS) receives more than \$20 million in state and federal funding to provide medical and support services for individuals infected with HIV. These funds are allocated to 26 HIV Service Delivery Areas (HSDAs) using a funding formula. This formula, revised in the year 2000, contains three factors at the following weights:

- 50%           Number of reported living cases of HIV and AIDS in the HSDA
- 30%           Number of unduplicated clients receiving at least one publicly-funded service in three non-consecutive, randomly selected months from the most recently available, completed calendar year of data
- 20%           Percent of the HSDA's population that is eligible for Medicaid (indicates economic distress of a community and is highly correlated with poverty).

DSHS also uses a mechanism to minimize overlap in funding with Title I funds. In HSDAs with a Title I project, all State Services funds and 30% of Title II funds are allocated without regard to the Title I funding. The other 70% of the Title II funds are allocated with morbidity data from the Title I lead counties removed (Bexar, Dallas, Harris, Tarrant, and Travis), but data for client counts and Medicaid eligibles from the Title I lead counties remain included. This process has the effect of allocating more funds to the rural areas of the state.

Since the new formula was implemented in 2000, two measures have been used to decrease the chance that an HSDA will be drastically affected by the formula (contingent upon funding to DSHS):

- **5% hold harmless clause:** No HSDA will be awarded less than 95% of their previous year's award.
- **Minimum funding level:** After reviewing the budgets of the 5 HSDAs receiving the smallest awards, the Branch determined that \$210,000 total state and federal funding is the minimum amount necessary to maintain HIV services in an area.