

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
FY 2017-18 JOINT BUDGET COMMITTEE HEARING AGENDA

Monday, December 12, 2016
9:00 am – 12:00 pm

9:00-9:30 **INTRODUCTIONS AND OPENING COMMENTS**

9:30-10:00 **SOLID WASTE MANAGEMENT AND R4 RURAL LANDFILL FUNDING**

- 1 Please provide a map and a list of the inadequate landfills including which landfills are publicly owned, which are privately owned, and the reason they are deemed inadequate. Please discuss the process for notifying communities and the public that are affected by these landfills.
- 2 Please discuss who incurs the liability for not complying with the federal and state landfill regulations, including what the State's liability is for non-compliance and the federal government's responsibility for enforcing the regulations.
- 3 Please explain the authority under which the Department issued waivers to landfills and the process for obtaining waivers.
- 4 Please discuss the life cycle of a landfill.
- 5 Please discuss the requirements and process for closing and remediating a landfill. How will landfills that are deemed inadequate and selected to be closed be remediated?
- 6 Please discuss how costs will be paid if local governments decide to establish regional landfills.
- 7 Please discuss why the Department's request is significantly less than the estimated cost of remediating the 22 rural landfills identified. Please discuss where the 22 landfills are located, who owns the landfills, and why the Department selected these 22 landfills.
- 8 Please identify which local governments already made decisions on restructuring their solid waste management systems and the reasoning behind these decisions. Please include a discussion about whether these decisions were due to safety issues and/or costs issues to users and operators. If facilities were closed, how was this accomplished?
- 9 Please discuss, in relation to the Department's request R1 Rural Landfills, what the State's responsibility is for the 22 landfills and why the Department is requesting money for costs which should be paid for by the landfill operators. Additionally, please include a discussion about what licensure actions would be taken if the landfills are not brought into compliance.
- 10 Please discuss how the Department will use the SMART Act process to inform the Committees of Reference about the landfill regulation issues identified in this request.

10:00-10:20 SUPERFUND SITES AND HAZARDOUS SUBSTANCE RESPONSE FUND

- 11 For sites that have been remediated how is it determined what the site will become and who makes this decision?
- 12 Please discuss whether the State can sell or transfer the responsibility for operation and maintenance of a Superfund site.
- 13 Please discuss how many legacy mines are eligible to become Superfund sites and the estimated cost of cleaning up these sites.
- 14 Please discuss the details of the Clear Creek, Summitville, and Bonita Peak Mining District sites, including the current status of the sites, and when the State will be responsible for 100.0 percent of the costs.
- 15 Please discuss the status of Gold King Mine litigation that involves Colorado, the Department's role in the litigation process, and whether the State will be reimbursed for costs associated with the litigation.
- 16 Please provide a comparison of Colorado's tipping fees and the uses of these fees to other state's fees and the associated uses.

10:20-10:25 AIR POLLUTION CONTROL DIVISION

- 17 Please discuss how the Department's Clean Air Colorado draft legislation relates to the Clean Power Plan, and is the proposed Clean Air Colorado legislation intended to replace the Clean Power Plan. Please include a detailed account of personal services and operating expenses being expended on the draft legislation, as well as the Clean Power Plan.
- 18 Please discuss the process for amending the State Implementation Plan as a result of the settlement with Tri-State Generation and Transmission and the closure of the Nucla Station.
- 19 Please provide an update on the methane reduction program for oil and gas operators. Please include what delivery facilities are covered, which facilities are not covered, and the frequency of facility inspections.
- 20 Please discuss how oil and gas air inspectors there are and on average how long it takes for a well to be inspected.

10:25-10:35 BREAK

10:35-10:40 WASTE TIRE PROGRAM

- 21 How many waste tires are imported to Colorado on an annual basis? Where do these tires originate from?
- 22 Please discuss the feasibility of Colorado applying for a federal Zika virus grant to clean up illegal waste tire dumps and monofills.

10:40-10:55 VOLKSWAGEN SETTLEMENT

- 23 Please discuss why the money from the Volkswagen Settlement is going to the Department and who made the decision where to send the money. What other Departments would be eligible to receive some or all of this money?
- 24 Does the money from the Volkswagen Settlement require an appropriation prior to being expended by the Department? If so, which cash fund will be used to hold the money? If not, why not?
- 25 What can the money Colorado will receive through the Volkswagen Settlement be used for and how restrictive are the uses? What existing state programs can this money be used for? Please include any state program not just those limited to the Department of Public Health and Environment.

10:55-11:10 CLEAN WATER PROGRAMS

- 26 The staff recommended legislation for funding the Clean Water Sectors includes: (1) adjusting the Clean Water Fees in accordance with the Department's requested ratios for three years, after which Commerce and Industry, MS4s, and Public and Private Utilities sectors are funded at a 20/80 General Fund/cash fund ratio; (2) repealing the Water Quality Improvement Fund and transfer fund balance to the General Fund; and (3) expanding the allowable uses of the Small Communities Water and Wastewater Treatment Fund so water quality improvement projects can be funded from this source. Please discuss the Department's position on the staff recommendation.
- 27 Please discuss the Department's rationale for the Department's recommended solution for funding the Clean Water Sectors, the long-term goals the Department's recommendation is intended to receive, and how the Department incorporated the concept of public good into the recommendation.

11:10-11:30 MARIJUANA PROFICIENCY TESTING

- 28 Please discuss the purpose of proficient testing marijuana laboratories including what types of samples are used, if hemp samples are tested, what is being tested for, and how this proficiency testing overlaps with testing done by the Department of Agriculture.
- 29 Please discuss the current funding for proficiency testing, the Department's recommendation, and what the next steps are to execute the recommendation. Additionally please discuss how future costs under the Department's recommendation would compare to current funding. Please explain what a no-cost contract is and how it would work for proficiency testing of marijuana laboratories.
- 30 Please discuss if the Department will continue to require the funding and associated FTE appropriated in FY 2016-17 for proficiency testing in future years and why.
- 31 Please discuss how, under the Departments recommendation, conflict of interests would be avoided if the State decides to use a private entity to monitor other private entities.

11:30-11:35 IMMUNIZATIONS AND SUICIDE PREVENTION

- 32 Please discuss the Department requirements for reporting on children who are not immunized according to the State immunization schedule. How is the Department tracking these reports and what was the cost for building the reporting system? Please include specific dollar amounts by Long Bill line item and fund source for the cost to build the system, as well as ongoing maintenance and personal services.
- 33 Please discuss the Department's work on implementing the Zero Suicide Plan including what has and has not been accomplished and the timeline for implementation.

11:35-12:00 HEALTH FACILITIES

- 34 Please discuss why Colorado does not have a Certificate of Need Program for health facilities and whether Colorado should have Certificate of Need Program for health facilities.
- 35 How many freestanding emergency rooms are in the State and how many of those do not accept Medicaid?
- 36 Do Freestanding Emergency Rooms provide services to Medicaid patients? If so, how after Medicaid services paid for and what happens if Medicaid denies payment for services?
- 37 Do freestanding emergency rooms have to pay the Hospital Provider Fee if they accept Medicaid?
- 38 If a patient accesses a freestanding emergency room and does not have insurance, will the freestanding emergency room deny treatment?
- 39 Does the Department have a position on informing patients about the potential cost of services provided at a freestanding emergency room that would have been required through legislation

proposed in a prior session? If so what is that position? How can the Department help inform consumers about freestanding emergency rooms?

- 40 Please discuss if it is possible to use freestanding emergency rooms to increase health care competition in areas away from the Front Range.
- 41 [*Sen. Moreno*] Have other states been able to contain health care costs through their policies on freestanding emergency rooms?
- 42 Please discuss how ambulance costs are paid for if the patient is indigent. Do patients refuse emergency pickup because of the cost?
- 43 Please include a copy of the December quarterly update on provider surveys and compliance with the federal Final Settings Rule. Please discuss the estimated cost to providers to comply with the rule.

ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED

- 1 Provide a list of any legislation that the Department has: (a) not implemented, or (b) partially implemented. Explain why the Department has not implemented or has only partially implemented the legislation on this list. Please explain any problems the Department is having implementing any legislation and any suggestions you have to modify legislation.
- 2 If the Department receives federal funds of any type, please respond to the following:
 - a. Please provide a detailed description of any federal sanctions or potential sanctions for state activities of which the Department is already aware. In addition, please provide a detailed description of any sanctions that MAY be issued against the Department by the federal government during FFY 2016-17.
 - b. Are expecting any changes in federal funding with the passage of the FFY 2016-17 federal budget? If yes, in which programs, and what is the match requirement for each of the programs?
- 3 Does the Department have any HIGH PRIORITY OUTSTANDING recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office and dated June 30, 2016 (link below)? What is the department doing to resolve the HIGH PRIORITY OUTSTANDING recommendations?

http://leg.colorado.gov/sites/default/files/documents/audits/1667s_annual_report_-_status_of_outstanding_recommendations_1.pdf
- 4 Is the department spending money on public awareness campaigns? What are these campaigns, what is the goal of the messaging, what is the cost of the campaign? Please distinguish between paid media and earned media. Do you have any indications or metrics regarding effectiveness? How is the department working with other state or federal departments to coordinate the campaigns?

- 5 Based on the Department's most recent available record, what is the FTE vacancy and turnover rate by department and by division? To what does the Department attribute this turnover/vacancy?
- 6 For FY 2015-16, do any line items in your Department have reversions? If so, which line items, which programs within each line item, and for what amounts (by fund source)? What are the reasons for each reversion? Do you anticipate any reversions in FY 2016-17? If yes, in which programs and line items do you anticipate these reversions occurring? How much and in which fund sources do you anticipate the reversion being?
- 7 [Background Information: For FY 2017-18, the Department of Law has submitted a request to change the calculation of legal services appropriations as well as the monthly billing system for legal services provided to state agencies. Specifically, the proposal would: 1) calculate the number of budgeted legal services hours for each agency as the average of actual usage in the prior three years; 2) include a two-year average of "additional litigation costs" such as court reporting, travel for depositions, expert witness costs, etc., in the appropriation for legal services (these costs are not currently included in the appropriation and are often absorbed from other personal services and operating expenses line items); and 3) convert from monthly billing based on the actual hours of service provided to monthly billing based on twelve equal installments to fully spend each client agency's appropriation.]

Please discuss your agency's position on the Department of Law's proposed changes to the legal services system, including the potential impacts of the changes on your agency budget. That is, does your department support the proposed changes? How would you expect the changes to positively or negatively impact your department? Please explain.

- 8 What is the expected impact of Amendment 70 (minimum wage increase) on Department programs? Please address impacts related to state personnel, contracts, and providers of services.
- 9 Please provide an update on the Department's status, concerns, and plans of action for increasing levels of cybersecurity, including existing programs and resources. How does the Department work with the Cybersecurity Center in the Office of Information Technology?
- 10 Is the SMART Act an effective performance management and improvement tool for your Department? What other tools are you using? Do your performance tools inform your budget requests? If so, in what way?
- 11 Please identify how many rules you have promulgated in the past two years. With respect to these rules, have you done any cost-benefit analysis pursuant to Section 24-4-103 (2.5), C.R.S., regulatory analysis pursuant to Section 24-4-103 (4.5), C.R.S., or any other similar analysis? Have you conducted a cost-benefit analysis of the Department's rules as a whole? If so, please provide an overview of each analysis.
- 12 What has the department done to decrease red tape and make the department more navigable/easy to access?

- 13 What is the number one customer service complaint the department receives? What is the department doing to address it?
- 14 Section 24-75-1104.5 (1.3) (a.5) (II), C.R.S., requires the amount of money received in April 2017 and allocated to programs for FY 2017-18 be reduced by \$15.0 million in order to reduce the accelerated payment prior to the reduction of the April 2018 payment due to the elimination of the strategic contribution payment. Please discuss the impact on the Departments program of the FY 2017-18 funding reduction pursuant to Section 24-75-1104.5 (1.3) (a.5) (II), C.R.S.
- 15 For programs which are supported by funds not reflected in the Long Bill, please include the name of the program and source and amount of funding which does not require appropriation.
- 16 On November 14, 2016 Chrysler was sued by Dodge truck owners who claim some truck engines were rigged to hide emissions that were as much as 14 times higher than permitted. Is the recently filed lawsuit against Chrysler similar to the legal issues faced by Volkswagen?

Joint Budget Committee Hearing

December 12, 2016

Larry Wolk, MD, MSPH

Executive Director, Chief Medical Officer



COLORADO
Department of Public
Health & Environment

Mission

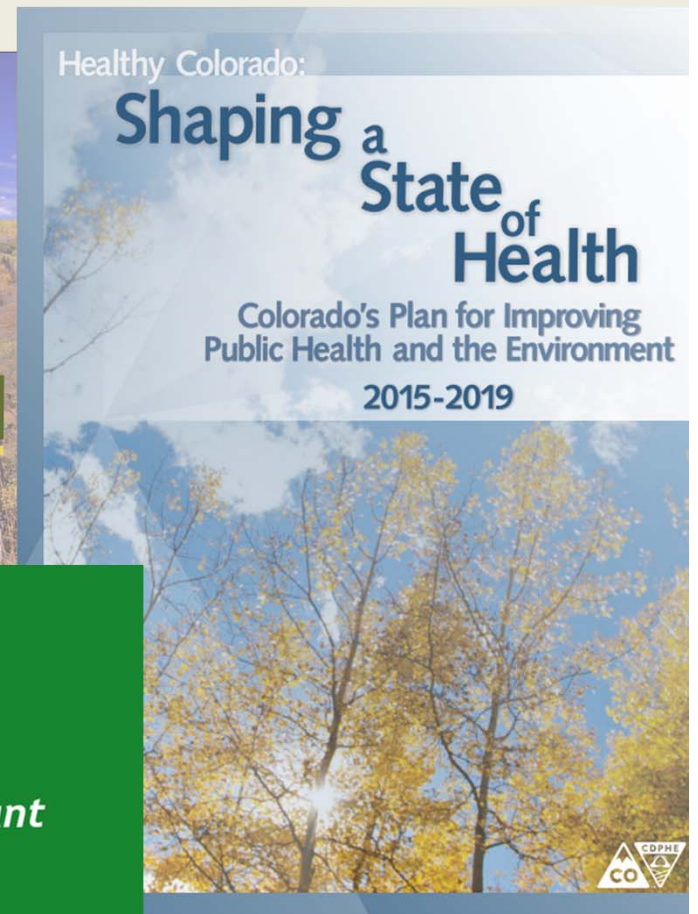
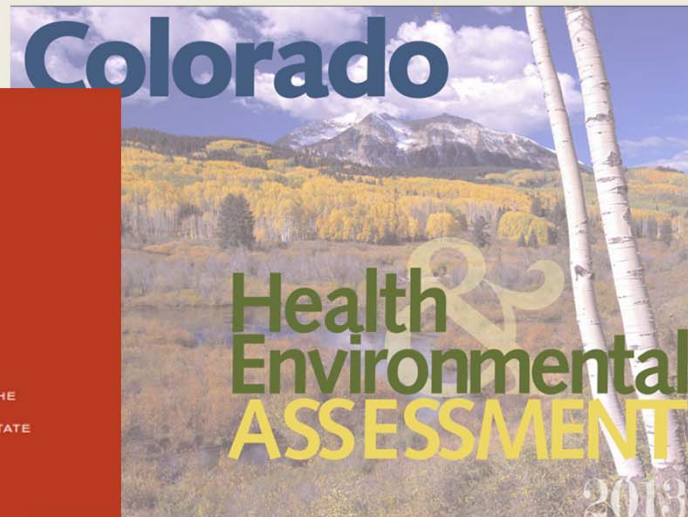
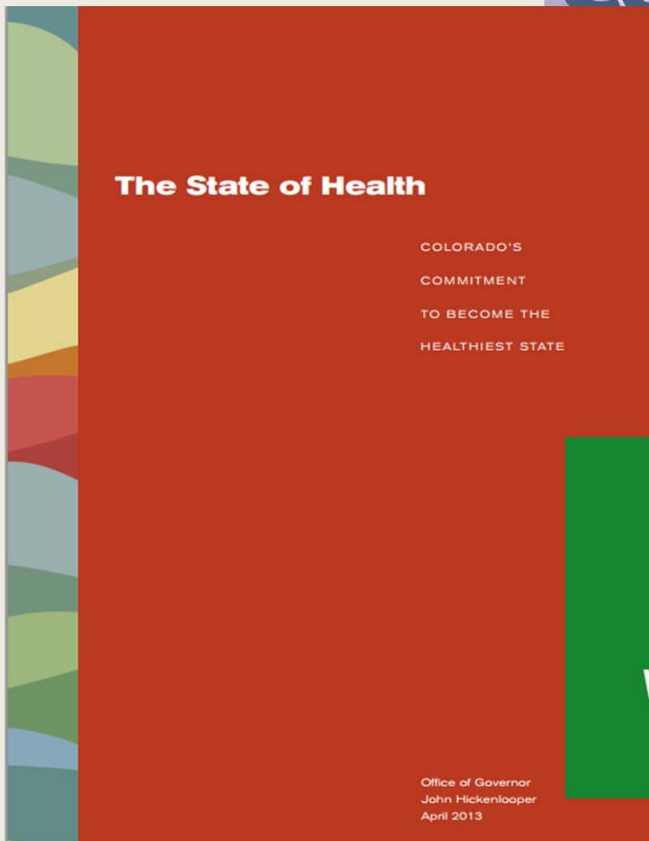
- The mission of the Colorado Department of Public Health and Environment is to protect and improve the health of Colorado's people and the quality of its environment.

Vision

- Colorado will be the healthiest state with the highest quality environment.

Development of FY 2017-18 Goals

Align WITH





Goal #1:

1. Implement the plans supporting the health and environment priorities (from the Public Health Improvement Plan and Vision 2018)

- Substance Use
- Mental Health
- Obesity
- Immunizations
- Air
- Water



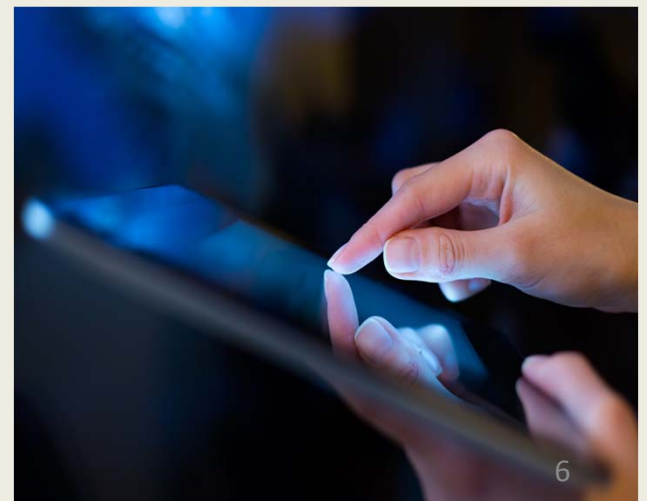
Goal #2:

2. Increase CDPHE's efficiency index 3%, effectiveness index 2%, and elegance index 3% by June 30, 2017.

- Business Process Improvement Project
- Feasibility Study for Innovation Grants
- Accreditation Sustainability Plans

Data from the Employee Engagement survey

December 12, 2016



Goal #3:

3. Improve CDPHE's employee engagement index by 3% by June 30, 2017

- Career growth (Career Development Plans and resources)
- Employee recognition

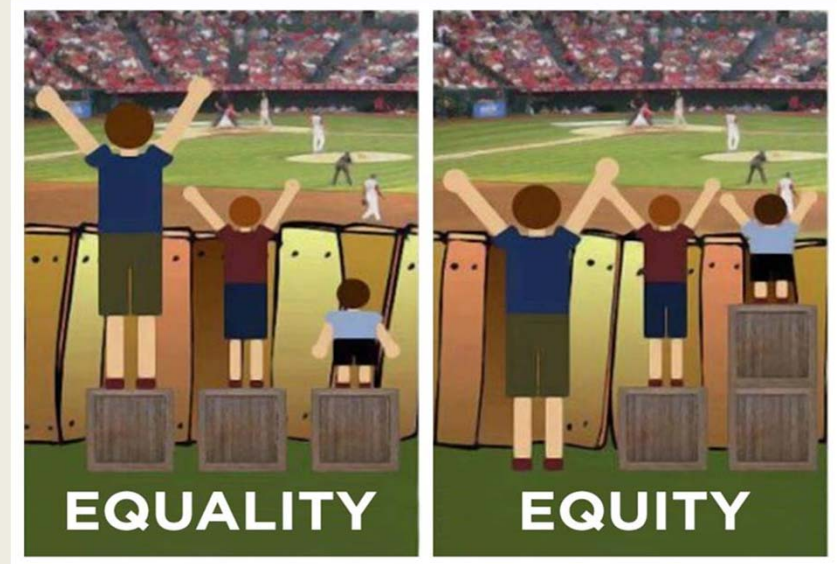
Data from the Employee Engagement survey



Goal #4:

4. Promote health equity and environmental justice.

- Training
- Health in all policies
- Rapid response to customer concerns (air pollution)



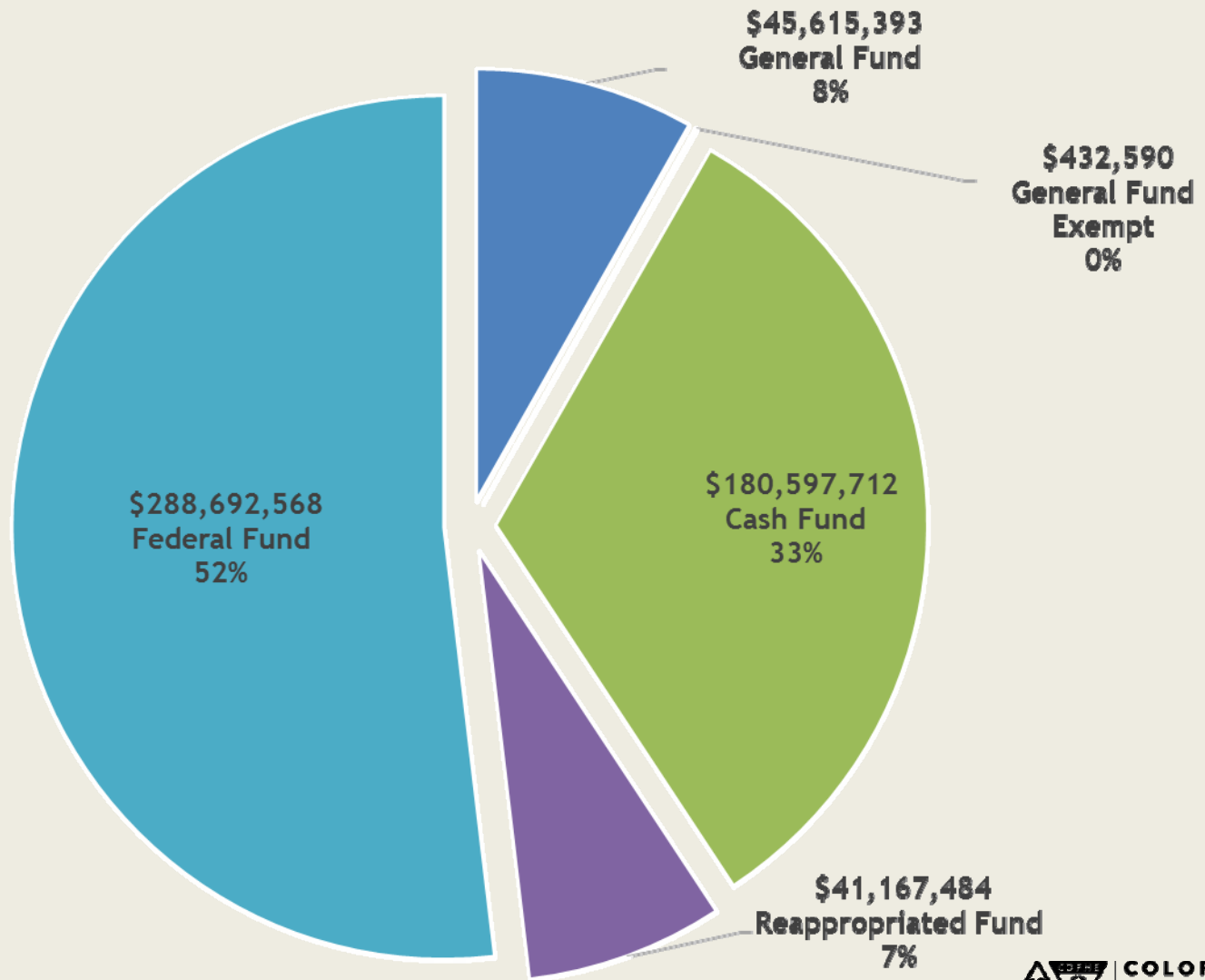
Goal #5:

5. *CDPHE is prepared and responds to all emerging issues.*

- Modernize data collection and dissemination
 - eHealth
 - Online environmental records [CIMPLE]
 - CORHIO data retrieval for outbreaks
 - Department-wide business intelligence tool [Tableau]
- Infectious disease/outbreaks [Zika]
- Hazardous/harmful material spills [Animas]
- Unregulated contaminants [PFC's]

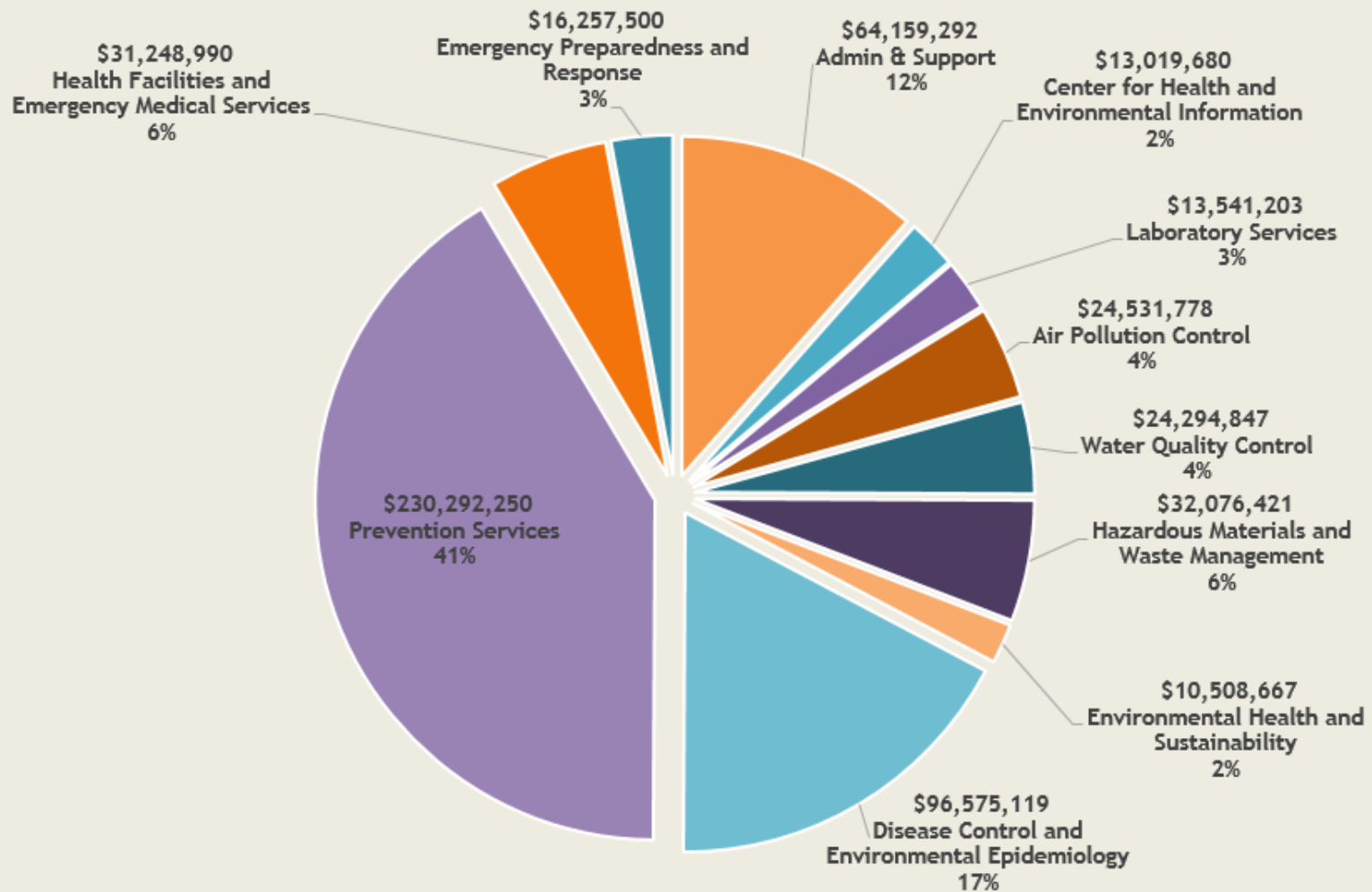
CDPHE Budget by Funding Sources

FY 2016-17
Total Budget:
\$556,505,747



December 12, 2016

CDPHE Budget by Division



December 12, 2016

FY 2017-18 Decision Items: Health Programs

- \$417K to adjust IDD facilities survey staffing (reappropriated funds).
- \$771K to adjust Health Facilities Survey staff due to increased caseloads (general /cash/reappropriated/federal funds).

FY 2017-18 Decision Items: Environmental Programs

- \$1.2M adjustment in funding and an increase in fees to adequately fund the six Clean Water Program Sectors (general fund and cash funds).
- \$250K increase in spending authority from the Solid Waste Cash Fund to assist rural local governments with environmental quality at rural landfills (Solid Waste Cash Funds)
- \$996,588 IT capital construction request to proceed from a pilot phase to full implementation of the CIMPLE online permitting system (cash and federal funds)

FY 2017-18 Decision Items: General Administrative

- Net \$0 Long Bill adjustments to match current organizational structure.

Long Term Budgetary Issues for Health Programs

- Approximately 54% percent of the Department's budget for public health programs are funded through federal sources. Changes at the federal level may impact the Department's health programs.
- If repeal of the Affordable Care Act(ACA)results in cuts in the Prevention and Public Health Fund (PPHF), there would be substantial impacts on state public health activities such as:
 - the National Diabetes Prevention Program (DPP),
 - Epidemiology and Lab Capacity Grants (e.g. infrastructure funding to detect and respond to outbreaks),
 - Heart Disease and Stroke Prevention,
 - and Tobacco Prevention, Cancer Prevention and Control.

Long Term Budgetary Issues for Health Programs (Cont.)

- Repeal of the ACA could also mean changes to requirements on insurance coverage benefits that could drastically impact access to preventive care services, placing more pressure on services that the state provides such as cancer screening and HIV treatment for the underinsured.

Long Term Budgetary Issues for Environmental Programs

- Approximately 30% of the department's budget for environmental programs comes from federal funds through the EPA. Changes in federal funding would likely impact the Department's environmental programs.
- Superfund projects such as the Bonita Peak Mining District (Gold King), and the Colorado Smelter in Pueblo may be impacted by any funding changes to CERCLA.
- There will be more financial pressure on the Hazardous Substance Response Fund as the state's long term responsibility for operation and maintenance of Superfund sites increases.

Legislative Priorities

1. Clean Water Sectors Funding
2. Wholesale Food Fees Continuation

Questions?



COLORADO
Department of Public
Health & Environment

December 12, 2016



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9:00-9:30 INTRODUCTIONS AND OPENING COMMENTS

9:30-10:00 SOLID WASTE MANAGEMENT AND R4 RURAL LANDFILL FUNDING

- 1. Please provide a map and a list of the inadequate landfills including which landfills are publicly owned, which are privately owned, and the reason they are deemed inadequate. Please discuss the process for notifying communities and the public that are affected by these landfills.**

Response: Currently in Colorado, there are 74 active landfills. Sixty-one (61) of these receive municipal solid waste (residential and commercial waste); the remainder receive special and limited wastes such as waste tires only, construction and demolition debris only, etc. The attached map is excerpted from the July 1, 2016 Integrated Solid Waste and Materials Management Plan (ISWMMP). This map presents the 61 landfills in Colorado that receive municipal solid waste. The landfills on this map are delineated by size (regional, medium, and small), and are color-coded to indicate inadequacies. Inadequacies fall into three categories:

1. Design and Operations: Design inadequacies refer to the absence of a liner beneath the landfill and/or absence of a leachate collection system. Operational inadequacies include such things as lack of proper fencing and gating at the landfill, lack of placement of adequate cover over the waste received each day, lack of proper waste compaction equipment, lack of odor and vector and wind-blown debris prevention, and lack of methane gas monitoring.
2. Groundwater monitoring inadequacies: A landfill listed as having inadequate groundwater monitoring has no groundwater monitoring, an insufficient number of groundwater monitoring wells, inadequate groundwater sampling, and/or known groundwater contamination from the landfill.
3. Closure inadequacies: Sites listed as being inadequate for closure have inadequate closure cost estimates, inadequate post-closure cost estimates, and/or inadequate financial assurance for closure and post-closure.

The division has also attached a list of the 61 municipal solid waste landfills (Table 1) indicating the reason each is deemed inadequate and the latest ownership information.

It is very important to note that there is more to the story of landfill “inadequacy” than can be presented on a map or on a list. For instance, some of the landfills listed as inadequate for design do not have liners because they pre-date the liner requirements or because the liner requirements were waived by the Department. Some may also

have had very minor operational issues on their last inspection that have already been corrected. Those that are listed as inadequate for closure may have deficient final cover designs, or may have financial assurance cost estimates for closure and post-closure care that are now several years old and need to be updated. Likewise, sites with inadequate groundwater monitoring may have received a waiver from monitoring requirements from the Department. And those with contamination may be doing a very good job working to remediate the problem, but they are still indicated as “inadequate” on the map. The Department has added columns to the table indicating those facilities that are believed to have significant compliance problems. The program is actively working with all of these facilities to solve their issues.

The process for notifying communities about inadequate landfills begins with inspections that communicate all violations to the owners and operators. When necessary, inspections are followed up with enforcement actions that may include fines and penalties. Failure of the owners and operators to resolve the violations results in escalation of the enforcement until the violations are mitigated. Attaining compliance with all the regulatory requirements can take time. It can also be very expensive for the owners and operators who, if they are small local government entities, may need multiple years to fully budget for what needs to be done. The Department works with local governments on mutually acceptable compliance schedules.

The public is generally not notified about landfill inadequacies unless the violations present immediate danger to life or health, which is very rare.

2. Please discuss who incurs the liability for not complying with the federal and state landfill regulations, including what the State’s liability is for non-compliance and the federal government’s responsibility for enforcing the regulations.

Response: Liability for noncompliance with state and federal solid waste regulations falls to the landfill owners and operators.

The Department’s Solid Waste Program implements Colorado laws and regulations. State program regulations are very similar to the federal regulations. The US Environmental Protection Agency (US EPA) has approved The Department’s Program as being equivalent to the federal program and equally protective of human health and the environment. As long as the Department continues to implement a program that moves facilities into compliance via assistance, inspections, and enforcement, the US EPA will not have an active solid waste regulatory program in Colorado.

3. Please explain the authority under which the Department issued waivers to landfills and the process for obtaining waivers.

Response: The Colorado Solid Waste regulations, at 6 CCR 1007-2, Section 1.5.3, allow the Department to waive ground water monitoring requirements and landfill liner requirements for small landfills that receive less than 20 tons of waste/day. In order to qualify for a groundwater monitoring waiver, the landfill must demonstrate that there is no groundwater contamination at the landfill and that the geology at the site makes future groundwater contamination unlikely. This necessitates installation of at least a minimal groundwater monitoring network. Once granted by the Department, the groundwater waiver is good for 5 years, after which the landfill must re-sample their wells and show that the groundwater remains uncontaminated. The criteria that pertain to the issuance of the small landfill groundwater monitoring waivers also apply to the small landfill liner waivers; therefore a small landfill that receives a groundwater monitoring waiver will typically also receive a liner waiver.

4. Please discuss the life cycle of a landfill.

Response: If a new landfill were to be needed today, the owner/operator would have to purchase land, attain a Certificate of Designation from the local governing authority (a land use permit from the county or municipality), submit a design and operations plan to the Department for review and approval (the “permit”), and undertake extensive public outreach and education.

Once those activities were complete and the permit approved, the landfill could be constructed to the criteria defined in the permit. State and local inspectors would ensure this occurs.

When construction is complete, the landfill can receive waste until it reaches its permitted capacity, which can be a decades-long process.

When the landfill reaches its capacity, the owner/operator closes the landfill to the specifications defined in the permit. These specifications define the construction details of the cap and the post-closure groundwater monitoring system, any necessary gas venting system, cap maintenance, etc. If the landfill has contaminated the groundwater, then the owner/operator must remediate and control the groundwater contamination until such time as ground water quality standards have been achieved. Post-closure responsibilities and liabilities continue until the local government and the Department are satisfied that the landfill no longer presents any risk to public health and the environment.

5. Please discuss the requirements and process for closing and remediating a landfill. How will landfills that are deemed inadequate and selected to be closed be remediated?

Response: The process for closing and remediating a landfill is covered in part in the previous answer. If a landfill has contaminated the groundwater at the landfill, the owner or operator must remove the contaminated water and treat it, or treat the water in

situ, or place controls on the water to prevent its migration to offsite areas. Once a landfill is closed and capped, the capped area can be made available for other uses so long as the cap is not damaged or compromised. This could include parks, athletic fields, solar gardens, etc.

The Department is not selecting any landfills for closure. However, we are asking communities with small landfills (those receiving less than 20 tons of waste per day) to make a decision to upgrade their landfills to a compliant status or close the landfill. If they decide to close their landfill, the Department would provide technical assistance to ensure that a viable alternative for the community's waste disposal is established - public transfer/drop-off stations, curbside collection haulers, etc.

6. Please discuss how costs would be paid if local governments decided to establish regional landfills.

Response: If a group of counties or communities decided that the best and most economical way to provide adequate waste disposal for their citizens was to build a regional landfill or convert an existing facility into a regional landfill, the cost of building and operating that landfill would be borne by those communities. The cost would be recouped through waste disposal fees paid by users of the facility. It is important to note that the cost per ton of waste disposal rapidly decreases with increasing landfill size. Therefore, while it may be expensive to build and operate a regional facility, in the long run, it may still be an attractive and cost effective alternative to many small communities currently operating their own small landfills.

The Department's Recycling Resources Economic Opportunity (RREO) program has prioritized grant awards to rural communities that want to regionalize their recycling efforts through a hub-and-spoke approach. The lack of recycling processing capacity (hubs) and collection sites (spokes) in rural areas has created a disparity in the availability of recycling opportunities. A regional recycling hub could be co-located at a regional landfill. Local operators would be able to apply for RREO grants to assist in efforts to develop and enhance regional landfills.

7. Please discuss why the Department's request is significantly less than the estimated cost of remediated the 22 rural landfills identified in the request. Please discuss where the 22 landfills are located, who owns the landfill and why the Department selected these 22 landfills.

Response: The basis for the request is the amount the Solid Waste fund can absorb without needing an increase to the tipping fee. The Department's request will allow the Division to pay for the closure or installation of a groundwater monitoring system at 3 or 4 of the highest priority small landfills. The Division estimates that each small landfill will cost, on average, about \$75,000 to either close the landfill, or install an adequate ground water monitoring system.

The 22 landfills sited in the request are the entire universe of small landfills (those receiving less than 20 tons of waste per day) in Colorado. Many of these are very small landfills - some receive less than 100 tons of waste per year. Attached is a list of the 22 landfills (Table 2.) The list includes their location, their ownership, and their 2014 waste receipts. Comparing Table 1 to Table 2 illustrates how the compliance problems are concentrated in the small landfills. Table 1 shows that 21 landfills have compliance problems, and Table 2 shows that 17 of those 21 are small landfills.

8. Please identify which local governments already made decisions on restricting their solid waste management systems and the reasoning behind these decisions. Please include a discussion about whether these decisions were due to safety issues and/or costs issues to users and operators. How did these local governments close facilities?

Response: Many small town dumps were still operating in the early 1990s, prior to the promulgation of the federal solid waste landfill regulations. The majority of these small towns closed their dumps in favor of county-wide landfills. That is why a map of the rural areas of the state shows that, for those counties still having landfills, typically only one landfill per county is in existence today. Southeast Colorado is the exception to that rule, where several counties still have multiple small town landfills.

Ten counties - Bent, Conejos, Costilla, Dolores, Hinsdale, Huerfano, Jackson, Ouray, Park and San Miguel - made the decision to close their landfills in the 1990's. The landfills were closed according to the standards of the day, and the decision was made to haul waste generated in those counties to larger facilities located in adjacent counties. County leaders from two of these counties, Bent and Hinsdale, have told us that this decision was the result of an economic evaluation of landfill operational costs versus waste hauling costs to other facilities. It was not the result of safety concerns. Since the decision was made, both of these counties operate a system of transfer stations available for public waste drop-off and direct household waste pick-up. The Department understands both counties remain happy with their current systems.

9. Please discuss, in relation to the Department's request R1 Rural Landfills, what the State's responsibility is for the 22 landfills and why the Department is requesting money for costs which should be paid for by the landfill operators. Additionally please include a discussion about what actions would be taken to the landfill license if the landfills are not brought into compliance.

Response: Colorado has no operational responsibility or other financial liability for the 22 landfills covered in the R-04 request. These are borne entirely by the owners and operators – mostly local governments.

However, for two reasons, the Department does share part of the responsibility for the widespread non-compliance at these facilities. The first reason is that, until 2008, the

Department did not have administrative enforcement authority in the Solid Waste Program. Before that time, enforcement actions for non-compliance would have had to be pursued through district court, a very time consuming and resource-intensive process.

The second reason is that in the 1990's and 2000's, Colorado was not alone among the western states in assuming that, for these small rural landfills, an arid climate resulted in a low risk to groundwater. This assumption contributed to low inspection frequencies and resulted in unjustified ground water monitoring waivers. In recent years, groundwater data in Colorado, as well as an extensive study conducted by Wyoming, has indicated that even these small landfills can and do contaminate groundwater in arid areas. Though the Program had given these small landfills the benefit of the doubt, advancing levels of information has necessitated reevaluating the ground water monitoring waivers granted by the Department and revoking waivers that remain unjustified.

The Department's incorrect assumptions, low inspection frequencies and limited enforcement authority resulted in small landfills assuming that operating in substantial noncompliance was OK. The Program is now telling them that it is no longer OK, but their ability to budget and pay for upgrading their landfills is very limited. Hence, the Department is making this request to help these small rural communities upgrade their landfills or close them.

Since all landfills in the State pay the tipping fee, the Department thought it was an appropriate use of those funds to assist landfills to come into compliance.

It is important to note that the Program has been providing all of these landfills with extensive compliance assistance for the last two years. The new Integrated Solid Waste and Materials Management Plan provided these landfills extensive information on the cost of operating a landfill versus the cost of converting to transfer stations or other alternatives. The Program has been meeting with every community with a small landfill to lay out the current compliance status of their landfill and the decision points and timelines for upgrading or closing their landfills.

If these landfills do not close and remain out of compliance, the Department will have to undertake enforcement actions to drive the needed changes.

10. Please discuss how the Department will use the SMART Act process to inform Committees of Reference about the landfill regulation issues identified in this request.

Response: The Department has used the SMART Act process as follows: In 2015, the Program requested additional funding from the legislature to prepare a new Integrated

Solid Waste and Materials Management Plan. The original plan had been written in 1992. The new Plan was prepared by a contractor and was finalized on July 1, 2016. The 2017-18 R-04 request builds on the Program's 2015 efforts, and asks for funding to begin implementation of one of the first-level recommendations of that plan. The recommendation is to enforce current regulations and bring non-compliant landfills into compliance.

10:00-10:20 Superfund Sites and Hazardous Substance Response Fund

11. For sites that have been remediated how is it determined what the site will become and who makes this decision?

Response: Wherever possible, CERCLA aims to return properties back to productive reuse. Post remediation land use decisions are typically determined by property owners and local governments. Those land use decisions can be impacted by any long term maintenance requirements and/or any institutional controls, such as environmental covenants, that might apply to a property.

12. Please discuss whether the State can sell or transfer the responsibility for operation and maintenance of a Superfund site.

Response: Typically, the State is only responsible for operation and maintenance (O&M) where there is no responsible party required to conduct cleanup. For these "Fund Lead Sites", the State could negotiate with a prospective purchaser, potential developer, or similar third party to transfer O&M responsibilities. However, the State would maintain ultimate responsibility for O&M should a third party fail to fulfill those obligations.

In contrast, many sites throughout the state, such as Lowry AFB, Rocky Flats, and the Rocky Mountain Arsenal, are federally owned properties where the appropriate federal agencies conduct the necessary cleanup, and maintain long-term responsibility for operation and maintenance. For these and other sites where a "responsible party" is present, the State maintains an oversight role but is not directly responsible for conducting cleanup, performing maintenance, or making decisions about potential future land use after remediation is completed.

13. Please discuss how many legacy mines are eligible to become Superfund sites and the estimated cost of cleaning up these sites.

Response: Sites become eligible for the National Priorities List (NPL) through the CERCLA Site Assessment process which includes an evaluation of potential risks using EPA's Hazard Ranking System. Over the past 30 years, many if not most of Colorado's

legacy mining sites have been evaluated under this system. The largest and most contaminated legacy mine sites have either been placed on the NPL, or have been addressed under other authorities. Although there are a handful of remaining mining districts in Colorado that might be considered NPL caliber sites, the confluence of events, including community support, required to list a site on the NPL make it unlikely that additional sites would qualify for an NPL designation. Remediation costs for Superfund mining sites can range into the hundreds of millions of dollars.

14. Please discuss the details of the Clear Creek, Summitville, and Bonita Peak Mining District sites, including the current status of the sites and when the State will be responsible for 100.0 percent of the costs.

Response:

Clear Creek – Remedial actions at the Clear Creek Site are approximately 95% completed. The state is currently responsible for 100% of O&M cost for non-water treatment remedies at the site, although these costs are minimal and incurred sporadically. The State assumed 100% responsibility for the Argo Tunnel Treatment Plant in 2009. Annual costs for the Argo are approximately \$1,000,000. Construction of the North Clear Creek Water Treatment Plant will be completed in 2017. The State will pay 10% of operating cost until 2027 when it will assume 100% responsibility. Operating costs for the North Clear Creek plant are projected to be similar to the Argo.

Summitville – Remedial actions at the Summitville Site are completed. The State is currently responsible for non-water treatment related operation and maintenance with average annual costs of approximately \$350,000. The State also pays 10 percent (\$180,000) of the approximate \$1.8M annual operating costs for the water treatment plant. The State will assume full responsibility for the Summitville Water Treatment Plant in 2022

Bonita Peak Mining District – The Bonita Peak Site is still in the earliest stages of the Superfund process. Final cleanup decisions will not be made for several years, and estimates of the State’s obligations will not be developed until that time. If water treatment is part of the selected remedy, costs are expected to be commensurate with the Clear Creek and Summitville Sites.

15. Please discuss the status of litigation regarding the Gold King Mine that involves Colorado and the Department’s involvement with the litigation, and whether the Department and State will be reimbursed for costs associated with the litigation.

Response: The Department of Law is handling the litigation regarding the Gold King site and can provide a more accurate status of ongoing litigation. The Department is

providing the Department of Law with all information related to Gold King as requested. The Department does not anticipate that attorney fees and other costs that the state will expend defending the lawsuit will be reimbursed.

16. Please provide a comparison of Colorado's tipping fees and what these fees are used to other state's fees and the associated uses.

Response: Other states use a variety of funding mechanisms to support their Superfund and solid waste programs. These methods include State general funds, various bonding authorities, solid and hazardous waste facility license or permit fees, specific tax revenues and other mechanisms. Some examples from nearby States include Utah, which receives limited annual funding from solid and hazardous waste facility permit fees, and Kansas, which pays for its CERCLA liabilities through an Environmental Stewardship Fund which receives a portion of the State's gasoline tax. Montana has authority to sell CERCLA general obligation bonds in an amount not exceeding \$10 million per request. Montana also has a solid waste tipping fee used to fund their solid waste program but not the Superfund program. The tipping fee in Montana is \$0.40/ton with an additional \$0.27/ton for out of state wastes. The solid Waste Division at CDPHE has a conversion included in the solid waste regulations. Currently, the Hazardous Substance Response Fund (HSRF) is \$0.05/cubic yard and \$0.17/ton, using the conversion factor (also in the regs) of 3.333 cubic yards/ton for municipal solid waste (MSW.)

10:20-10:25 AIR POLLUTION CONTROL DIVISION

17. Please discuss how the Department's Clean Air Colorado draft legislation as it relates to the Clean Power Plan and is the proposed Clean Air Colorado legislation intended to replace the Clean Power Plan. Please include a detailed account of personal services and operating expenses being expended on the draft legislation as well as the Clean Power Plan.

Response: The department is not working on clean air Colorado or any other legislation that relates to or is intended to replace the Clean Power Plan. As such, no personal services and expenses have been expended on such draft legislation. There are also no new personal services and operating expenses being expended on the Clean Power Plan since the last legislative session. Since the Clean Power Plan has been stayed, the Division has not been working on a clean power plan submittal for EPA. The division has continued some *voluntary*, limited engagement with utilities and other stakeholders regarding modeling tools that could potentially be utilized to project the most cost-effective pathways for carbon dioxide reductions from the power sector.

18. Please discuss the process for amending the State Implementation Plan as a result of the settlement with Tri-State Generation and Transmission and the closure of the Nucla Station.

Response: A proposal that would amend Colorado Air Quality Control Commission regulation number 3 and the regional haze state implementation plan to reflect the agreement with Tri-State will be considered by the Commission at its December 15, 2016 meeting. If the Air Quality Control Commission approves the proposal, the changes to the state implementation plan would then be subject to the legislative review process set forth in section 25-7-133, C.R.S.

19. Please provide an update on the methane reduction program for oil and gas operators. Please include what delivery facilities are covered, which facilities are not covered, and the frequency of facility inspections.

Response: The Air Pollution Control Division continues to work diligently to successfully implement the methane reduction regulations adopted in February 2014. Significant outreach was provided to industry members including hosting of multiple workshops and field training sessions. In addition, the Division developed and published to the website a wide range of guidance and Frequently Asked Question (FAQ) documents and reporting forms to support implementation. Currently the Division completes an average of approximately 2,300 oil and gas facility inspections (this includes Infrared camera inspection work for methane leaks) each year.

In 2014 Colorado adopted first in the nation requirements to monitor and repair leaks found at well production facilities and natural gas compressor stations. For the calendar year 2015, companies reported completing over 493,000 inspections and identifying over 36,000 leaks. Over 98% of the leaks identified were repaired by the end of the calendar year.

Oil and gas operations covered by the 2014 methane rules include: well production facilities, natural gas compressor stations, natural gas processing plants and exploration and production operations (commonly referred to as upstream and midstream operations). At these facilities, methane regulations apply to emissions from storage tanks, fugitive component leaks, glycol dehydrators, gas-liquid separators, pneumatic controllers, compressors, well maintenance and liquids unloading. The rules do not

cover oil and gas operations downstream of the outlet of the natural gas processing plant

The Division targets to complete an inspection at facilities no longer than once every five years. However, depending on their size, location and other factors, the Division inspects many oil and gas facilities on a more frequent basis. Additionally, CDPHE requires companies to conduct monthly, quarterly, annual or one time self-inspections, depending on the level of emissions from each facility. Some facilities are also subject to federal inspection requirements. For larger facilities, the Colorado regulations require more frequent inspections than the federal rules. CDPHE is discussing options to harmonize these regulations with industry and the EPA.

20. Please discuss how oil and gas air inspectors there are and on average how long it takes for a well to be inspected.

Response: here are currently 11 oil and gas field inspectors. The inspection team determines what sites will be inspected each year in part based on targeting the largest emitting sources and those located within the ozone non-attainment area. This ensures that more frequent inspections occur at the facilities with the potential to have the most significant impact on air quality. Well production facilities are inspected on average once every 5 years.

10:25-10:35 Break

10:35-10:40 Waste Tire Program

21. How many waste tires are imported to Colorado on an annual basis? Where do these tires originate from?

Response: Colorado received 549,570 waste tires from eight states in CY2015, which is the latest information available. The eight states, and the number of waste tires received from each are as follows: Wyoming – 294,074 tires; Nebraska – 173,754 tires; New Mexico – 77,526 tires; Utah – 2,754 tires; Montana – 910 tires; Idaho – 454 tires; Arizona – 63 tires; and Kansas – 35 tires.

22. Please discuss the feasibility of Colorado applying for a federal Zika virus grant to clean up waste tire illegal dumps and monofills.

Response: The Department's Office of Emergency Preparedness and Response has received \$253,357 through the *Public Health Preparedness and Response Cooperative*

Agreement for All-Hazards Public Health Emergencies: Zika 2016 from the Centers for Disease Control and Prevention (CDC). This grant is to be used for public information, outreach and education. The Department's Disease Control and Environmental Epidemiology Division (DCEED) has applied for \$1,091,292 in supplemental funding through the *Epidemiology and Laboratory Capacity (ELC) for Infectious Diseases Cooperative Agreement* from the CDC. DCEED's current ELC award co-mingles Zika funding with funding to address West Nile virus and other arbovirals. The estimated portion of the current award attributable to Zika activities is \$208,445 for surveillance and reporting to the Zika pregnancy registry. If awarded, the additional funding will support Zika surveillance and outbreak investigations, laboratory diagnostic capacity, vector surveillance, and reporting to the Zika pregnancy registry. Neither of these funding sources allow for the cleanup of illegal waste tire dumps or monofills.

10:40-10:55 VOLKSWAGEN SETTLEMENT

23. Please discuss why the money is going to the Department and who made the decision where to send the money. What other Departments would be eligible to receive some or all of this money?

Response: Under the terms of the Volkswagen settlement, the Office of the Governor is required to identify the state's lead agency. The Governor's Office has identified CDPHE as the lead agency because the funds must be used for specific air quality purposes, and CDPHE is the agency with expertise and statutory authority over air quality in Colorado. CDPHE plans to involve a diverse group of stakeholders, including other state agencies, to ensure that the trust monies are utilized in a manner that complies with the settlement agreement and that maximizes air quality benefits within Colorado.

Regardless of which state agency serves as the lead, no entity is eligible to receive Trust funds until the Trustee approves a funding request. Each request must identify the Eligible Mitigation Action upon which the funds will be spent and must include a detailed budget, an implementation and expenditure timeline, project oversight procedures, an estimate of nitrogen oxides (NOx) emission reductions, and other mandatory information. Any funds remaining after completion of the Eligible Mitigation Action must be returned to the Trust.

The settlement approved by the court includes the form of the Trust, but before it takes effect, the Trust must be finalized and signed, a Trustee must be appointed, and the Trust must be filed with the court. The Trust will likely take effect in the first half of 2017, and states could have access to the funds approximately six months thereafter.

24. Does the money require an appropriation for this money? If so, which cash fund will

be used to hold the money? If not, why not?

Response: The Trust funds are custodial funds because they must be spent in the manner specified and for the purposes designated by the Trust. The Colorado Constitution gives the General Assembly plenary power over appropriations of state moneys while the Governor retains control over custodial funds. See *In re Interrogatories Submitted on House Bill 04-1098*, 88 P.3d 1196, 1201 (Colo. 2004) and *Colo. Gen. Assemb. v. Lamm*, 704 P.2d 1371, 1380 (Colo. 1985). *Colo. Const. art. V*, §§ 32 and 33 set forth the authority and limits upon the General Assembly's powers of appropriation over state moneys. In this case, Volkswagen and Audi will execute the Trust agreement and deposit their private funds into the Trust. The Department and the State Controller agree the money can be deposited into an existing fund. The funds must be spent on the Eligible Mitigation Actions specified in the Trust.

25. What can the money Colorado will receive through the settlement be used for and how restrictive are the uses? What existing state programs can this money be used for. Please include any state program not just those limited to the Department of Public Health and Environment.

Response: The Trust narrowly defines the purpose and use of allowable expenditures. The funds must be used to reduce emissions and may be spent only on certain listed Eligible Mitigation Actions. The Trustee must approve all expenditures. Colorado must submit semiannual reports to the Trustee documenting that the funds were spent in compliance with Trust requirements. The Eligible Mitigation Actions are:

- a. Replace or repower class 8 (large) local freight and port drayage trucks
- b. Replace or repower class 4-8 school, shuttle, or transit buses
- c. Replace or repower railroad freight switcher locomotives
- d. Replace or repower class 4-7 (medium) local freight trucks
- e. Replace or repower airport ground support equipment
- f. Replace or repower forklifts
- g. Up to 15% of the funds may be used to acquire, install, operate or maintain light duty zero emission vehicle supply equipment
- h. Certain projects involving ferries, tugs, and shorepower equipment
- i. As a voluntary match of federal grants pursuant to the Diesel Emission Reduction Act (DERA). Generally speaking, DERA funds may be used to reduce emissions from diesel engines by installing emission or exhaust control technologies
- j. Administrative expenses up to 15% of the cost of an Eligible Mitigation Action

The Trust also addresses the geographic distribution of funding. Projects located anywhere in Colorado are eligible (Tribal lands receive a separate allocation) but the Trust is intended to reduce emissions where the affected vehicles "were, are or will be operated" and to benefit communities with higher NOx emission impacts. These

provisions generally direct funds toward urbanized communities and the Front Range. Eighty percent of the affected vehicles in Colorado are registered in the Denver Metro/North Front Range ozone nonattainment area and El Paso County. NOx emissions contribute to ozone formation, and ozone impacts are highest in the ozone nonattainment area.

Please reference the Partial Consent Decree filed on 09/30/2016 that provides further detail regarding the Volkswagen litigation and settlement. The document is available here:

<https://www.epa.gov/enforcement/201-partial-and-amended-consent-decree>

The Environmental Protection Agency (EPA) sponsored a webinar on Friday, November 18, 2016 on the Partial Settlement with Volkswagen. Please reference the attached PDF of the webinar presentation. The agency has posted the PowerPoint presentation used during the webinar. It is available here:

<https://www.epa.gov/enforcement/presentation-prospective-beneficiaries-mitigation-trust-under-volkswagen-partial>

Additionally, please see attached document that addresses frequently asked questions regarding the Volkswagen Mitigation Trust Agreement, which can be found at the following website:

<https://www.epa.gov/sites/production/files/2016-11/documents/faqsecondedition.pdf>

10:55-11:10 Clean Water Programs

26. The staff recommended legislation for funding the Clean Water Sectors includes: (1) adjusting the Clean Water Fees in accordance with the Department's requested ratios for three years, after which Commerce and Industry, MS4s, and Public and Private Utilities is funded at a 20/80 General Fund/cash fund ratio; (2) repealing the Water Quality Improvement Fund and transfer fund balance to the General Fund; and (3) expanding the allowable uses of the Small Communities Water and Wastewater Treatment Fund so water quality improvement projects can be funded from this source. Please discuss if the Department agrees or disagrees with the staff recommended legislation.

Response: Regarding item (1) of the recommendation: the Department would like the JBC to advance a bill based upon the department's proposal to address fees (50/50 ratio for five years). For items (2) and (3) of the staff recommendation, the Department would prefer the option presented by JBC Staff that would not repeal the Water Quality Improvement Fund, rather cap the fund balance at \$1.5 million and credit any revenue above the cap to the Small Communities Water and Wastewater Treatment Fund. The Department prefers this option since the Small Communities Water and Wastewater

Treatment Fund is funded by the severance perpetual base account, and as a result of declining severance tax revenues, funding for this program is not expected at least for the next several years.

If the Water Quality Improvement Fund is repealed, funding for stormwater management training, improvements to rivers and lakes impacted by water quality violations, critical infrastructure projects and nonpoint source projects such as abandoned mine reclamation will no longer be available.

The 2017 annual eligibility survey identifies \$11 billion in water and wastewater needs over the next 20 years in Colorado. The Water Quality Improvement Fund and Small Communities Water and Wastewater Treatment Fund are critical programs that have assisted many communities across Colorado by providing the ability to complete what would otherwise be cost prohibitive infrastructure projects. These programs provide communities with subsidies so they can maintain monthly user rates at or below an appropriate affordability level. For example, Florissant Water and Sanitation District, which has a population of 220, received \$100K from the Water Quality Improvement Fund to study their existing lagoon and design a new treatment plant. As a result of this grant, the district was able to leverage multiple funding sources and is currently in the final stages of their infrastructure improvement project. More importantly, these programs allow Colorado to minimize the growing gap between infrastructure capital needs and available funding.

27. Please discuss the Department's rationale for the recommended solution for funding the Clean Water Sectors, the long-term goals the Department's recommendation is intended to receive, and how the Department incorporated the concept of public good into the recommendation.

Response: As discussed during the JBC Staff Briefing, the Department previously worked with the Construction, Pesticides and Water Quality Certification sectors to develop increased or new cash fees to partially cover the costs associated with the services provided to these sectors. The ratios provided in the Department's proposal were based on these efforts.

For Commerce and Industry, Municipal Separate Storm Sewers (MS4) and Public and Private Utilities Sectors, the rationale for the recommended ratios was:

- During the stakeholder effort during the summer of 2016, the Department developed several scenarios that examined varying General Fund/cash fund ratios for stakeholder consideration. The Department's proposal was based on the scenario that had the least impact on General Fund but still maintained some level of funding from the General Fund. The majority of stakeholders that participated in the Department's process were in favor of General Fund support

of Clean Water Program Funding.

- The Department considers the recommended ratios a baseline. If a sector works with the Department on developing new services in the future, the Department assumes those new services would be cash funded. As a result, the ratio of General Fund to Cash Funds for these three sectors may change in the future. For example, as part of House Bill 15-1249, the Construction sector worked with the Department on funding new services that are cash funded.
- Many activities required by the Clean Water Act and Water Quality Control Act performed by the Clean Water Program provide benefits to the State of Colorado or public good beyond regulating the sector's permittees. These activities are deserving of General Fund. Examples include responding to spills to state waters, developing Colorado specific water quality goals for streams and lakes, monitoring streams and lakes, developing plans to restore water quality for streams that do not meet water quality goals and enforcement of regulations. The pollutants addressed by these activities are most closely tied to the Commerce and Industry, MS4, and Public and Private Utilities sectors. For example, one of the Department's priorities for restoring water quality is focused on bacteria in urban waterways and this is tied to the MS4 sector. The Department is continuing to address nutrient management statewide and these efforts are tied to the Commerce and Industry, MS4, and Public and Private Utilities sectors. Finally, the Department will continue to address metals contamination from abandoned mining areas across the state. Because the activities that may warrant General Fund are associated mainly with these three sectors, an equivalent proportion of General Fund for each sector is an equitable method of funding the activities that provide a public good. The Department's history of receiving General Fund to support clean water efforts is acknowledged in statute at C.R.S. 25-8-502(1.5)(c) that states "It is the intent of the general assembly that a portion of the expenses of the discharge permit system be funded from the general fund, reflecting the benefit derived by the general public; except that the general assembly may determine, in any given fiscal year, that general fund revenues are inadequate to meet general fund demands and that, as a consequence, it is necessary to forego, subject to future reconsideration, all or some portion of such general fund contribution to the discharge permit program pursuant to this part 5."

With respect to the Department's long term goals for the funding, the Department's request is structured so that the Clean Water Program can maintain existing levels of service. If this issue is not addressed, the Clean Water Program would not have sufficient funding to continue its current level of operations through FY 2017-18 and on-going. The funding provided from the Department's request would allow the on-going ability to provide timely services that will result in protection of public health and the environment. The funding will allow the Division to maintain compliance assistance

activities, continue processing permit and design review applications in a timely manner, participate in stakeholder outreach for regulation and policy development, and protect public health and environment through regular inspections of regulated facilities.

11:10-11:30 Marijuana Proficiency Testing

28. Please discuss the purpose of proficient testing marijuana laboratories including what types of samples are used, if hemp samples are testing, what is being tested for, and how this proficiency testing overlaps with testing done by the Department of Agriculture.

Response: Proficiency testing, also known as inter laboratory comparison, is a standard component of laboratory quality assurance and regulated laboratory testing for all laboratory activities. Proficiency testing (PT) is essentially an assessment of a laboratory's ability to conduct accurate testing. It is an evaluation of the performance of laboratory methodology and processes, which can aid in the identification of systematic deficiencies. A PT program also can be used to determine if test results are congruous between laboratories, ensuring that results are reproducible and consistent. In proficiency testing, a PT provider sends unknown samples to a participating laboratory who tests the PT samples in the same manner as routine samples and reports the test results to the PT provider who evaluates the results for accuracy. Using an accredited, private proficiency testing provider for assessing a laboratory's ability to perform testing is a standard practice across regulated scientific testing, from environmental testing to human clinical testing. House Bill 15-1283 mandated the Department, or a contracted organization, to be responsible for proficiency testing of licensed marijuana laboratories.

Marijuana flower and marijuana products are currently required to be tested for cannabinoid potency, microbial contaminants (Shiga-toxin producing *Escherichia coli*, *Salmonella* species, and total yeast and mold count), and residual solvents; pesticides and heavy metals will be future testing requirements. Department of Revenue regulations require licensed marijuana labs to successfully participate in proficiency testing for each of these categories to obtain and maintain certification.

Proficiency testing for the required testing categories should utilize the same sample matrix (or sample type) as routine test samples whenever possible to ensure the proficiency test is representative of typical testing. It is not always possible to utilize the exact matrices encountered in routine testing, so it is common to use appropriate surrogate matrices in proficiency testing to represent the variety of sample types encountered. Proficiency test sample matrices currently being used by the Department and/or third-party PT providers include marijuana flower, marijuana hard candy, marijuana concentrate oil, hemp flower, and hemp oil.

The Department of Agriculture performs THC content testing on industrial hemp and pesticide residue testing on retail and medical marijuana. Proficiency testing is not the performance of routine analytical testing, but is an assessment of a laboratory's ability to perform a test accurately.

29. Please discuss the current funding for proficiency testing, the Departments recommendation and what the next steps are to execute the recommendation and how future costs will compare to the current funding. Please explain what a no-cost contract is and how it would work for proficiency testing.

Response: The Department received an appropriation of \$83,702 for 1.0 FTE to assist in the development of marijuana proficiency testing and \$15,000 to pay the Department of Agriculture for homogeneity testing of proficiency testing samples. The Department is recommending the use of third-party proficiency testing providers to meet the PT requirements for certification of marijuana laboratories.

The Department, in collaboration with the Department of Revenue, establishes the minimum standards and procedures that must be adhered to for the administration of proficiency testing, including criteria that a PT provider must meet to be an approved proficiency testing program. A third party interested in becoming an approved PT provider will submit an application to the Department of Revenue detailing their ability to meet those requirements. The Departments will review the application and if approved, DOR enters into a no-cost contract with the PT provider. A no-cost replaces monetary consideration with granting of a benefit, most commonly the ability to charge third parties for access to the goods or services to be provided/regulated by the State. The no-cost contract outlines the requirements and responsibilities that the PT provider must meet and maintain, as well as sets parameters for what they can charge a licensed marijuana laboratory to use their service. The PT provider would invoice the licensed testing facility directly for their participation in the proficiency testing event. The proficiency testing provider would prepare and send the samples to be tested to the licensed testing facility. The licensed marijuana lab reports the PT test results back to the PT provider for statistical evaluation of the results and grading (did the laboratory get the correct result). The PT provider will provide the results and analysis to the participating laboratory and the Department for evaluation; the Department will make a recommendation to the Department of Revenue for continued, limited or revoked certification.

30. Please discuss if the Department will continue to require the funding appropriation in FY 2016-17 for proficiency testing in future years and why.

Response: The Department will continue to require the appropriation in future years. Staff will continue to evaluate all proficiency testing results to ensure successful

performance by participating marijuana labs as part of initial and ongoing certification. Marijuana laboratories will participate in at least three proficiency testing events per year per test type and testing category, resulting in the continuous need for Department review of PT results. The Department will also have to work with the Department of Revenue to determine the appropriate limitation, suspension or revocation of a marijuana laboratory's certification in the event of failed proficiency testing. In addition, the number of certification categories has, and continues to increase. The program workload has outgrown previous staffing capabilities.

31. Please discuss how, under the Department's recommendation, how conflict of interests would be avoided if the State decides to use a private entity to monitor other private entities.

Response: Third party proficiency testing provider labs are unaffiliated with the private labs to which they provide samples and are not competitors. To be approved by the Department, a PT provider must be accredited to the International Organization for Standardization (ISO) standard for proficiency testing providers. Accreditation to this standard is an assurance that a PT provider has demonstrated their competence by formal compliance with a set of internationally-accepted requirements for the planning, implementation and execution of proficiency testing programs. ISO accreditation as a PT provider does require that providers identify any potential conflicts of interest and that procedures be put in place to ensure all activities are conducted with impartiality. Licensed and certified marijuana laboratory's participation and performance in these programs will be monitored by the Department and regulated by the Department of Revenue.

11:30-11:35 Immunizations

32. Please discuss the Department requirements for reporting on children who are not immunized according to the standard schedule. How is the Department tracking these reports and what was the cost for building the reporting system. Please include specific dollar amounts by Long Bill line item and fund source for the cost to build the system, as well as ongoing maintenance and personal services.

Response: Colorado law (25-4-901, C.R.S, et seq. and Board of Health rule 6 CCR 1009-2) requires all students attending Colorado schools, as defined by 6 CCR 1009-2, to be vaccinated against certain diseases, unless an exemption form is filed. The Department's Immunization Branch works to assure the prevention of vaccine-preventable disease through a variety of activities including recommending to the Board of Health which vaccines should be required for school entry, providing technical assistance and training to schools, and developing standards such as certificates of immunization, exemption forms and the annual parent letter sent out through schools.

Schools are required to maintain official school immunization records for each enrolled student which includes: the official Certificate of Immunization, an Alternate Certificate of Immunization approved by the Department, the official medical exemption form or the official non-medical exemption form. Parents are required to submit one of these approved forms to their school.

In July 2016, the Department implemented new medical and non-medical exemption forms, including an **optional** online version of the non-medical exemption form. Parents may choose to submit a paper copy of the exemption form to their child's school or use the online non-medical exemption form. When using the online form, parents have the option to only print a hard copy of the online form to submit to their child's school, or they can authorize submission of the exemption form to the Colorado Immunization Information System (CIIS). Schools may access their enrolled students exemption information in CIIS in the same manner they have been able to access their enrolled student's immunization record. There is not an online medical exemption form as this form still requires a physician or advance practice nurse signature.

The online non-medical exemption form was developed by the Governor's Office of Information Technology (OIT) through an established service agreement that allows for OIT staff to work on certain projects based on their job duties, such as deskside support, server maintenance, and programming. OIT spent \$10,154 total over six months to develop the online non-medical exemption form (Department's Payments to OIT line in the Division of Administration). The Department has spent \$842 (Immunization Program Operating - Federal Funds) for the translation of the non-medical exemption form into several languages. Additionally, the Department has spent approximately \$24,939 (Immunization Program Personal Services - General Fund) planning and testing the online form, processing exemption forms authorized to be transferred to CIIS and providing technical assistance to schools and parents. In total, the Department spent \$35,935 on the online non-medical exemption form. Based on standard industry maintenance and support costs, it is estimated that OIT may bill the Department approximately \$2,000 annually for maintenance of the online exemption form (Department's Payments to OIT line in the Division of Administration). The Department estimates it will cost \$6,194 annually (Immunization Program Personal Services - General Fund) to continue processing exemption forms authorized to be transferred to CIIS and providing technical assistance.

33. Please discuss the Department's work on implementing the Zero Suicide Plan including what has and has not been accomplished and the timelines for implementation.

Response:

Zero Suicide Model Implementation

- Systems-level approach to quality improvement reflects a commitment to patient safety and the safety and support provided by clinical staff. The key elements of the Zero Suicide model include: leadership, training, screening and risk assessment, patient engagement, treatment, transition care, and quality improvement.
- Health systems that have implemented the Zero Suicide model have seen up to an 80 percent reduction in suicide deaths for patients within their care.
- June 2016, Office of Suicide Prevention (OSP), in partnership with the Office of Behavioral Health and the Anschutz Foundation, hosted its first Zero Suicide Academy. Participants included:
 - 19 teams
 - 13 of 17 mental health centers
 - 1 Behavioral Health Organization
 - 2 teams from Centura, 2 teams from UC Health, 1 team from integrated health facility
- OSP in partnership with the Office of Behavioral Health & the Colorado Behavioral Healthcare Council will be providing web/conference based continuing support to implementing agencies beginning early 2017.
 - First year implementation is focusing on mental health care delivery systems
 - Future years' efforts will expand to other identified settings in SB 16-147 (Suicide Prevention Through Zero Suicide Model) include: criminal justice systems, health care systems, including mental and behavioral health systems, primary care providers, and physical and mental health clinics in educational institutions, community mental health centers, advocacy groups, emergency medical services professionals and providers, public and private insurers, hospital chaplains, and faith-based organizations.
- With the additional \$100,000 to the budget, OSP is able to further support the Zero Suicide model implementation by bringing clinical trainings to Colorado (which is a financial barrier for implementing agencies) beginning Spring 2017.
 - Identified Training: Collaborative Assessment and Management of Suicidality
 - Includes online pre-training component
 - Full day in person training
 - Continuing eight week consultation program
 - Evidence-based
 - Incorporating best practices learned from those with lived experience
 - Plan is to host three separate training events for a total of 350 mental health clinicians
 - One Metro area
 - Two off the front range

- Priority given to attendees of the 2016 Zero Suicide Academy, then Community Mental Health Centers in general, then any mental health provider in Colorado
- OSP continues to identify opportunities to infuse principles of the Zero Suicide model within the other settings, particularly primary and integrated care, but are focusing year one implementation efforts on community mental health settings. Future settings identified by the legislation include: criminal justice systems, health care systems, including mental and behavioral health systems, primary care providers, and physical and mental health clinics in educational institutions, community mental health centers, advocacy groups, emergency medical services professionals and providers, public and private insurers, hospital chaplains, and faith-based organizations.

11:35-12:00 Health Facilities

34. Please discuss why Colorado does not have a Certificate of Need Program and whether Colorado should have Certificate of Need Program.

Response: Colorado was a Certificate of Need state in the past; however, that requirement was lifted in 1987 when the federal government no longer required states to have them. The legislature at the time determined that a Certificate of Need process was not needed in Colorado.

Certificate of need (CON) requirements can result in a more robust healthcare system planning process. Certificates of need are not essential, since improved planning requirements could be implemented in other ways as the expansion of Colorado's health care system continues. Implementing some form of pre-review/approval process for new health care facilities would enhance the ability of state and local governments to provide input regarding how and when facilities are constructed as well as planning for support infrastructure, i.e.; workforce, inspections, safety enforcement, etc. Such a process should also provide opportunities to more readily direct resources to areas where access to care continues to be limited.

35. How many freestanding emergency rooms are in the State and how many of those do not accept Medicaid?

Response: There are currently 42 licensed freestanding emergency departments in Colorado with seven letters of intent for additional facilities currently on-file at CDPHE. Twenty-seven of these are not provider based facilities, and are not currently certified to accept Medicare/Medicaid. However there have been anecdotal indications that some facilities are caring for Medicare/Medicaid patients. 15 facilities are provider based, and

thus are certified to accept Medicare/Medicaid patients.

36. Do Freestanding Emergency Rooms provide services to Medicaid patients? If so, how are Medicaid services paid for and what happens if Medicaid denies payment for services?

Response: Under state licensing rules, all patients presenting for emergency services must receive an emergency screening which cannot be delayed regardless of the individual's method of payment or insurance status. In situations where the patient cannot pay, or does not have insurance coverage that the facility can accept, the initial stabilization and transfer coordination would be uncompensated care or billed to the patient. However, if the freestanding emergency room provides a covered Medicaid service, pursuant to section 25.5-4-301(1) (a) (I) and (II), C.R.S., that facility cannot bill the Medicaid client for that service under any circumstance. This is true even if the freestanding emergency room is not enrolled in the Colorado Medical Assistance program.

37. Do freestanding emergency rooms have to pay the Hospital Provider Fee if they accept Medicaid?

Response: The Department of Health Care Policy and Financing confirmed that the Hospital Provider Fee is not assessed separately to freestanding emergency rooms. However, if a freestanding emergency room is a unit of a state licensed hospital, its costs, payments, or days may be used in the calculation of that hospital's fee.

38. If a patient accesses a freestanding emergency room and does not have insurance, will the freestanding emergency room deny treatment?

Response: The patient would be evaluated and any life-threatening emergency conditions stabilized within the capabilities of the facility. Once an emergency medical condition has been ruled out and/or stabilized, the freestanding emergency department will discuss payment requirements with the patient so that they can make an informed decision regarding continuing care and/or possible transfer to an acute care hospital.

39. Does the Department have a position on informing patients about the potential cost of services provided at a freestanding emergency room that would have been required through legislation proposed in a prior session? If so what is that position? How can the Department help inform consumers about freestanding emergency rooms?

Response: The Department does not have an official position on this issue. The

Department focuses on ensuring patient safety and quality of care. The Department does not routinely focus on financial issues, particularly patient payments.

40. Please discuss if it is possible to use freestanding emergency rooms to increase competition in areas away from the Front Range.

Response: As most of the Freestanding Emergency Departments have been built along the Front Range, there is not sufficient information to determine if building them in rural areas would help competition, and presumably, lower costs. However, the Department focuses on quality of care and patient safety rather than the financial models of the providers.

41. Have other states been able to contain healthcare costs through their policies on freestanding emergency rooms?

Response: Colorado and Texas are currently the states experiencing the most growth of freestanding emergency departments.

The National Conference of State Legislatures has completed a comprehensive research article about this issue. The information can be accessed at:

<http://www.ncsl.org/research/health/con-certificate-of-need-state-laws.aspx#Program>

In addition, the summary of CON states and which facility types are included is attached.

42. Please discuss how ambulance costs are paid for if the patient is indigent. Do patients refuse emergency pickup because of the cost?

Response: Patients can refuse ambulance services if cost is concerning to them; however, ambulance services are required to provide care and transportation regardless of the patient's ability to pay. Ambulance services, just like hospitals, provide uncompensated care. For those services that are government owned, county or municipal funding may cover part of the costs of providing services to the community. Many of Colorado's 200+ ground ambulance services are independent taxing districts and derive local tax dollars to cover uncompensated costs. Private ambulance services will shift expenses to private pay patients and their insurance coverage to maintain solvency.

The Department has a grant program (paid from the Emergency Medical Services Account which is derived from a statutory \$2 fee on vehicle registrations) that provides funding to emergency services and trauma providers for equipment, training, vehicles (such as ambulances and rescue vehicles) to help support the provision of emergency services in the state.

- 43. Please include a copy of the December quarterly update on provider surveys and compliance with the federal Final Settings Rule. Please discuss the estimated cost to providers to comply with the rule.**

Response: See attached report. The Department of Health Care Policy and Financing (HCPF) has sent sample Provider Transition Plans to the Centers for Medicare and Medicaid Services, and may send additional samples in the future, to ensure the plans are compliant with the federal rule. HCPF will use this process to ensure that remedial action plans without cost impacts can be sufficient in some cases, and to better understand the need for any significant cost impacts. HCPF is also engaging with stakeholders to learn about potential cost increases.

The Department of Public Health and Environment collects information from providers during site visits regarding anticipated changes to their costs as they work toward compliance with the federal Settings Final Rule. Similar to what Telligen reported over the summer, non-residential providers have stated they may require additional staff to provide greater choice of community services in smaller, more individualized groups in the community. Residential providers anticipate increased costs to add individual bedroom locks and keypad entry devices for the home, for individuals who are able to use this device easier than a key.

CDPHE started work on this project on July 1, 2017 and, on-site surveys are expected to continue through June 2017. Once surveys are completed, the surveyors will be reviewing the Provider Transition Plans. Throughout the survey process, the Department of Public Health and Environment will continue to provide the Department of Health Care Policy and Financing with an expanding sample of data it can use to extrapolate system-wide cost projections. By the spring of 2017, HCPF will calculate the potential rate impacts of provider mitigation strategies and, if warranted, begin pursuing any necessary budget requests and waiver amendments.

FY 2017 - 18 Common Hearing Questions

- 1. Provide a list of any legislation that the Department has: (a) not implemented, or (b) partially implemented. Explain why the Department has not implemented or has only partially implemented the legislation on this list. Please explain any problems the Department is having implementing any legislation and any suggestions you have to modify legislation.**

Response: HB 15-1283 establishes requirements for implementation of proficiency testing (PT) for marijuana testing facilities. The Department has successfully implemented proficiency testing for cannabinoid potency in marijuana flower, but is still in the process of implementation of proficiency testing for cannabinoid potency in marijuana edibles and concentrates, as well as for microbial contaminants and residual solvents.

Development of PT for cannabinoid potency in marijuana edibles and concentrates was initiated in July 2016 with three rounds of beta proficiency testing events. Analysis of the results of these events indicated that homogenization of the samples was not achieved; therefore, testing results from the marijuana testing facilities could not be evaluated due to the inability to demonstrate that all testing facilities had received equivalent samples. The Department is currently working in conjunction with stakeholders and the Department of Agriculture to determine a process for producing homogeneous marijuana edible and concentrate samples. Once this process has been verified, the Department will initiate another round of PT with the marijuana testing facilities, likely in early January 2017.

Production of proficiency testing samples for marijuana potency analysis is a relatively simple process because the matrix naturally contains the analytes of interest (cannabinoids). However, production of PT samples for other testing categories is much more complicated. These samples will require the addition of the analytes of interest (pathogenic microorganisms, pesticides, heavy metals and volatile organic solvents, some of which are gaseous at room temperature) to an appropriate blank matrix making production of stable, homogeneous PT samples challenging and will require experimentation. Because of these challenges it was determined during the stakeholder process that potency PT should be the first testing category implemented, so the Department has not focused on internal development of PT for testing categories other than potency to date. However, in the time since this process was initiated at least two third-party accredited proficiency testing providers have established satisfactory programs for microbial contaminants and residual solvents in marijuana/marijuana products. The Department is currently working with the Department of Revenue to contract with these third parties and require marijuana testing facilities to participate in these PT programs.

The Department does not recommend any modifications to legislation.

- 2. If the Department receives federal funds of any type, please respond to the following:**
- a. Please provide a detailed description of any federal sanctions or potential sanctions for state activities of which the Department is already aware. In addition, please provide a detailed description of any sanctions that MAY be issued against the Department by the federal government during FFY 2016-17.**

Response: The Health Facilities and Emergency Medical Services Division receives federal funding to perform health surveys (inspections) for Medicare facilities. During FFY 2015-16 the division failed to complete one survey of a home care agency. The Centers for Medicare and Medicaid Services may assess a non-delivery deduction for the failure to complete this survey. The amount of the deduction is unknown, but anticipated to be under \$20,000 from \$5.2 million in federal funding.

- b. Are you expecting any changes in federal funding with the passage of the FFY 2016-17 federal budget? If yes, in which programs, and what is the match requirement for each of the programs?**

Response: The Department is unsure what changes there may be to federal funding under a new administration. The Department does not have any information that indicates that grant funding will change. The Department does not have any information about potential changes to match requirements for existing federal funding.

The Health Facilities division has been working with the Centers for Medicare and Medicaid Services to increase funding in FFY 2017-18 if the R3 Survey Staffing Decision Item is approved. If approved, the request would result in an increase of approximately \$427,385 in additional Medicare funding. The request would also result in an increase of \$92,287 in Medicaid funding at the Department of Health Care Policy and Financing (HCPF). If approved, the Department's R-2 IDD survey staffing request would result in an increase of \$ 196,960 in additional Medicaid funding at HCPF. The division does not yet know if these federal funding increases will be approved. The Medicaid funding has a matching requirement of approximately 50%/50%.

Additionally, The Prevention Services Division will see federal funding end in the following programs: Falls Prevention Program (Administration for Community Living), Systems for Children with Special Health Care Needs Program (Health Resources and Services Administration), and Race to the Top (Department of Education through the Colorado Department of Human Services). These programs will no longer receive federal funding due to the grant cycle ending, rather than any anticipated eliminations

due to a new administration. Discontinuation of the programs represent a reduction of \$1 million. No programs required matching funds.

3. Does the Department have any HIGH PRIORITY OUTSTANDING recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office and dated June 30, 2016 (link below)? What is the department doing to resolve the HIGH PRIORITY OUTSTANDING recommendations?

Reference:

http://leg.colorado.gov/sites/default/files/documents/audits/1667s_annual_report_-_status_of_outstanding_recommendations_1.pdf

Response: The Department has one high priority outstanding audit recommendation:

“The Department of Public Health and Environment should ensure compliance with applicable cash funds statutes by monitoring its excess uncommitted reserves and taking the appropriate action as follows: Ensuring the Medical Marijuana Fund complies with statutory requirements.” (Recommendation No: 5B)

The Department has initiated a variety of measures to reduce excess uncommitted reserves in the Medical Marijuana Fund. The Colorado Board of Health reduced the registry fee twice; once in January 2012 from \$90 to \$35, and again in February, 2014 from \$35 to \$15. (Note: Revenue reduction efforts have been offset by revenue increases resulting from a greater number of program registrants since the introduction and sale of adult-use marijuana in January 2014.)

In addition, the Department and the Governor’s Office have submitted budget requests to use fund resources to support initiatives related to medical marijuana research and data management.

- For FY 2014-15 the General Assembly approved \$10 million for marijuana research studies. These funds are exempt from the 16.5% reserve requirement through Fiscal Year 2019.
- For FY 2014-15 the General Assembly approved \$1,117,284 for an electronic Medical Marijuana Registration System.

Additionally, Senate Bill 15-014 authorized \$1 million to add Patient Caregiver information to the Medical Marijuana Registration System.

Through these efforts, the Department anticipates that the fund will be in compliance with the statutory reserve level by the end of Fiscal Year 2016-17.

4. Is the department spending money on public awareness campaigns? What are these campaigns, what is the goal of the messaging, what is the cost of the campaign? Please distinguish between paid media and earned media. Do you have any indications or metrics regarding effectiveness? How is the department working with other state or federal departments to coordinate the campaigns?

Response: See attached summary table.

5. Based on the Department's most recent available record, what is the FTE vacancy and turnover rate by department and by division? To what does the Department attribute this turnover/vacancy?

Response: See attached for turnover/vacancy information.

6. For FY 2015-16, do any line items in your Department have reversions? If so, which line items, which programs within each line item, and for what amounts (by fund source)? What are the reasons for each reversion? Do you anticipate any reversions in FY 2016-17? If yes, in which programs and line items do you anticipate these reversions occurring? How much and in which fund sources do you anticipate the reversion being?

Response: See attached for a list of General Fund, Cash Fund and Reappropriated Fund reversions and explanations. The attached list does not include federal reversions or reversions less than 10%.

7. For FY 2017-18, the Department of Law has submitted a request to change the calculation of legal services appropriations as well as the monthly billing system for legal services provided to state agencies. Specifically, the proposal would: 1) calculate the number of budgeted legal services hours for each agency as the average of actual usage in the prior three years; 2) include a two-year average of "additional litigation costs" such as court reporting, travel for depositions, expert witness costs, etc., in the appropriation for legal services (these costs are not currently included in the appropriation and are often absorbed from other personal services and operating expenses line items); and 3) convert from monthly billing based on the actual hours of service provided to monthly billing based on twelve equal installments to fully spend each client agency's appropriation.

Please discuss your agency's position on the Department of Law's proposed changes to the legal services system, including the potential impacts of the changes on your agency budget. That is, does your department support the proposed changes? How would you expect the changes to positively or negatively impact your department? Please explain.

Response: The Department is not in favor of the proposed shift in the legal services appropriations model to require payment based upon twelve equal installments of an agency's appropriation. Agencies currently set priorities for how legal services dollars will be spent. With the proposed allocated model, while the Department of Law would send a "bill" for all work done for an agency, because the Department of Law is guaranteed the entire agency legal services appropriation for that fiscal year, the bill has little to no impact on curtailing work if the agency and the lawyers disagree on priorities. Disconnecting the services provided from the billing of those services makes it more difficult for the agency to appropriately manage its legal services needs, and having a "true up" process that significantly lags in time behind the work performed also impedes appropriate agency management.

Additionally, if legal services funds for all state agencies are combined into one appropriation, multiple factors could contribute to the transfer of resources away from an agency. For example, if one agency is frugal for the first half of the fiscal year, and its legal services dollars are redirected elsewhere to pay for other needs, then that agency's legal services needs increase in the last half of the fiscal year, it's possible that there are not enough hours available to meet the agency's legal service's needs. If this happens now, individual agencies either live within their means and reduce or eliminate services, or seek supplemental funding when warranted. In contrast, the new model would reduce individual agency control over their specific legal services funds, and may require all agencies to be on board with a supplemental appropriation, if warranted, based on one or more agencies over-expenditures.

Further, adding the litigation costs into the legal appropriation will increase costs in the future. The Department of Law is proposing a two-year average for these expenses, which CDPHE has previously paid, and will be billed for again in the future.

8. **What is the expected impact of Amendment 70 (minimum wage increase) on Department programs? Please address impacts related to state personnel, contracts, and providers of services.**

Response: CDPHE does not have any minimum wage employees and therefore the minimum wage increase is not anticipated to impact the Department directly. It is possible that the minimum wage increase may impact some of the Departments contractors, vendors and grantees; as yet, the Department has not been informed of any concerns.

9. **Please provide an update on the Department's status, concerns, and plans of action for**

increasing levels of cybersecurity, including existing programs and resources. How does the Department work with the Cybersecurity Center in the Office of Information Technology?

Response: The Office of Information Security, within the Governor's Office of Information Technology (OIT,) provides security governance, security architecture, risk management, compliance assessment support, and security operations functions for the Department of Public Health and Environment.

The Office of Information Security has input into the 5-year plan for the Department, and has worked to prioritize projects benefiting the Department to include: the Enterprise Firewall Refresh project, new quarterly security awareness training, and an enterprise security log collection and correlation engine. Additionally, OIT implemented a mandatory two-factor authentication for Google email users across the executive branch agencies, which is expected to reduce phishing attempts by 90%.

Finally, the Office of Information Security, within OIT, produces a quarterly risk report card, in which they measure risk for the Department, and have specific goals set for reducing risk.

10. Is the SMART Act an effective performance management and improvement tool for your Department? What other tools are you using? Do your performance tools inform your budget requests? If so, in what way?

Response: Strategic planning and performance management at CDPHE has taken different shapes and forms over the past several years with guidance used from the SMART Act. In addition to the SMART Act, CDPHE also follows the national public health standards for strategic planning and performance management set forth by the Public Health Accreditation Board (PHAB). While there are two guidance documents, they complement each other well and have helped CDPHE continue to improve strategic planning and performance management across the department.

In creating the current FY 2016-17 Strategic Plan for CDPHE, the Department incorporated stakeholder and employee feedback early in 2016. The results of the large feedback survey, along with previously collected assessments and feedback was used to create goals, strategies and activities in the plan that focused on external and internal stakeholder needs.

To track progress on the goals, strategies and activities in the strategic plan, The Department collects data using Google sheets (and other databases when needed) and creates reports and dashboards using Tableau (the department's data visualization software). The Department has monthly Performance Reporting

Forums in which progress on the strategic plan is discussed and divisions highlight important performance measures on their dashboards. The strategic plan dashboard is publically available on the CDPHE website and division dashboards are available on the intranet. When staff create budget requests, they are specifically asked if their request is supported by the strategic plan. Requests that are supported by the strategic plan are prioritized when selecting budget requests for the department.

- 11. Please identify how many rules you have promulgated in the past two years. With respect to these rules, have you done any cost-benefit analysis pursuant to Section 24-4-103 (2.5), C.R.S., regulatory analysis pursuant to Section 24-4-103 (4.5), C.R.S., or any other similar analysis? Have you conducted a cost-benefit analysis of the Department's rules as a whole? If so, please provide an overview of each analysis.**

Response: In 2015 and 2016, the 5 rulemaking boards and commissions at the Department held 90 rulemaking hearings to repeal revise or promulgate new rules to implement new federal or state directives. For 2015 and 2016, the department completed two cost-benefit analyses. No regulatory analyses were completed pursuant to the Administrative Procedure Act; however, some boards and commissions have incorporated a comparable assessment as part of its rulemaking process and as such an economic impact statement or a regulatory analysis was developed for all rules that came before the board or commission.

There is no single cost-benefit assessment of the department's rules as a whole; however, pursuant to E.O. 12-002 and Section 24-4-103.3, C.R.S., the Department reviews its rules. The review includes an assessment of the overall costs and benefits of the rule. Staff work across the department, with other state agencies and with stakeholders to increase efficiency and achieve or maintain alignment. For more information, please see the [2015 and 2016 Regulatory Agenda reports](#) published on the Department's website or review the Department's Regulatory Efficiency Review policy (attached).

- 12. What has the department done to decrease red tape and make the department more navigable/easy to access?**

Response: The Department has undertaken numerous initiatives to cut through red tape and make services more accessible to customers. For example, in the environmental programs, the Department implemented an electronic system to make environmental records immediately available to the public online at no cost. Tracking this work from June through October 2016, the Department notes that 76,949 documents were viewed online, and estimates that online access to records saved customers 622 hours of wait time to receive records. Commensurate savings

to the Department included 311 record requests that were avoided, and staff time savings of 2,565 hours to fill such requests.

The Department also introduced an electronic death reporting system (EDRS) to replace a labor-intensive, manual process for routing a hard copy death certificate for signatures from the funeral home to a physician's office and/or the county coroner's office for certification of the cause of death, to the vital records office located in the county of death (not necessarily the same as the county of the funeral home or the decedent's residence) for filing, and finally transferred from the local to the state vital records office for final registration. This process was inefficient and cost the local registrar, coroner, physicians' offices and funeral homes time and money. Families were unable to get a death certificate for a deceased relative in their county of residence, but had to travel to the county of death or the state health department in Denver in order to obtain a copy of the death certificate. As of September 2016, 80% of death certificates were completely or partially registered electronically in EDRS statewide, with 73.5% of funeral homes and 69% of coroners utilizing the EDRS. Electronic registration of one death certificate accounts for approximately \$54 dollars in cost savings, 3.75 hours in processing time savings and a reduction of 8 days in wait time to receive the death certificate.

One example where a division has worked to improve customer satisfaction is in the Health Facilities Division where they instituted a culture of REACH which stands for:

R- Reliable (Regulations and processes will be reliable so customers have a similar experience regardless of what program they are contacting)

E – Effective, Efficient and Elegant (Processes will be managed in such a way as to respect everyone's time and effort).

A – Accountable, Transparent and Collaborative. The division is dedicated to being up front in stakeholder processes so that there are no surprises in the regulatory or licensing areas. In addition the division staff work collaboratively with stakeholders to ensure that the citizens are protected (ensuring good health care) while maintaining an access to health care (fixing problems in facilities rather than closing facilities wherever possible).

C- Compliant – Maintaining compliance with state and federal regulations, laws and requirements (while still working collaboratively to get to those results).

H - Helpful – The division strives to be helpful in providing technical assistance rather than simply enforcing the regulations and expecting stakeholders to "figure it out".

This overall philosophy change has led to programs working together, instead of in silos, and developing similar processes and procedures. In addition, the

enforcement, plan of correction reviews, and complaint intake processes have been centralized to ensure consistent and fair handling of each case.

13. What is the number one customer service complaint the department receives? What is the department doing to address it?

Response: Currently there are over 200 ways that customer and stakeholder feedback is collected across the department. The customer and stakeholder feedback is used to drive improvement projects, where needed, and commend staff and teams on areas of positive feedback. Most recently, the department sent a stakeholder feedback survey to over 70 stakeholder groups that were identified by each division. This stakeholder survey feedback was used, in addition to employee and state partner feedback, in the strategic planning process in early 2016. Although the feedback was overwhelmingly positive, one area that almost 30% of respondents recommended as an area of improvement was around providing clear instructions and information.

One primary mode of communicating information is the CDPHE website that houses an abundance of information for multiple customer groups. The Office of Communications has increased efforts to train staff on using web analytics and 'web first' practices, and has facilitated many improvements to the CDPHE website. In addition to the website improvements, the department updated the interactive phone system to ensure callers get to the correct person when they call. The Department also updated the topical resource directory which ensures department staff have updated contact information to provide to customers. The Customer Satisfaction Work Group will continue to monitor efforts and seek opportunities for improvement.

14. Section 24-75-1104.5 (1.3) (a.5) (II), C.R.S., requires the amount of money received in April 2017 and allocated to programs for FY 2017-18 be reduced by \$15.0 million in order to reduce the accelerated payment prior to the reduction of the April 2018 payment due to the elimination of the strategic contribution payment. Please discuss the impact on the Department's program of the FY 2017-18 funding reduction pursuant to Section 24-75-1104.5 (1.3) (a.5) (II), C.R.S.

Response: Because the Department anticipated a reduction in MSA funding for FY 2018-19 and because of the increased funding allocated as a result of HB 16-1408, the Department does not anticipate significant negative impacts from a MSA reduction beginning in 2017-18.

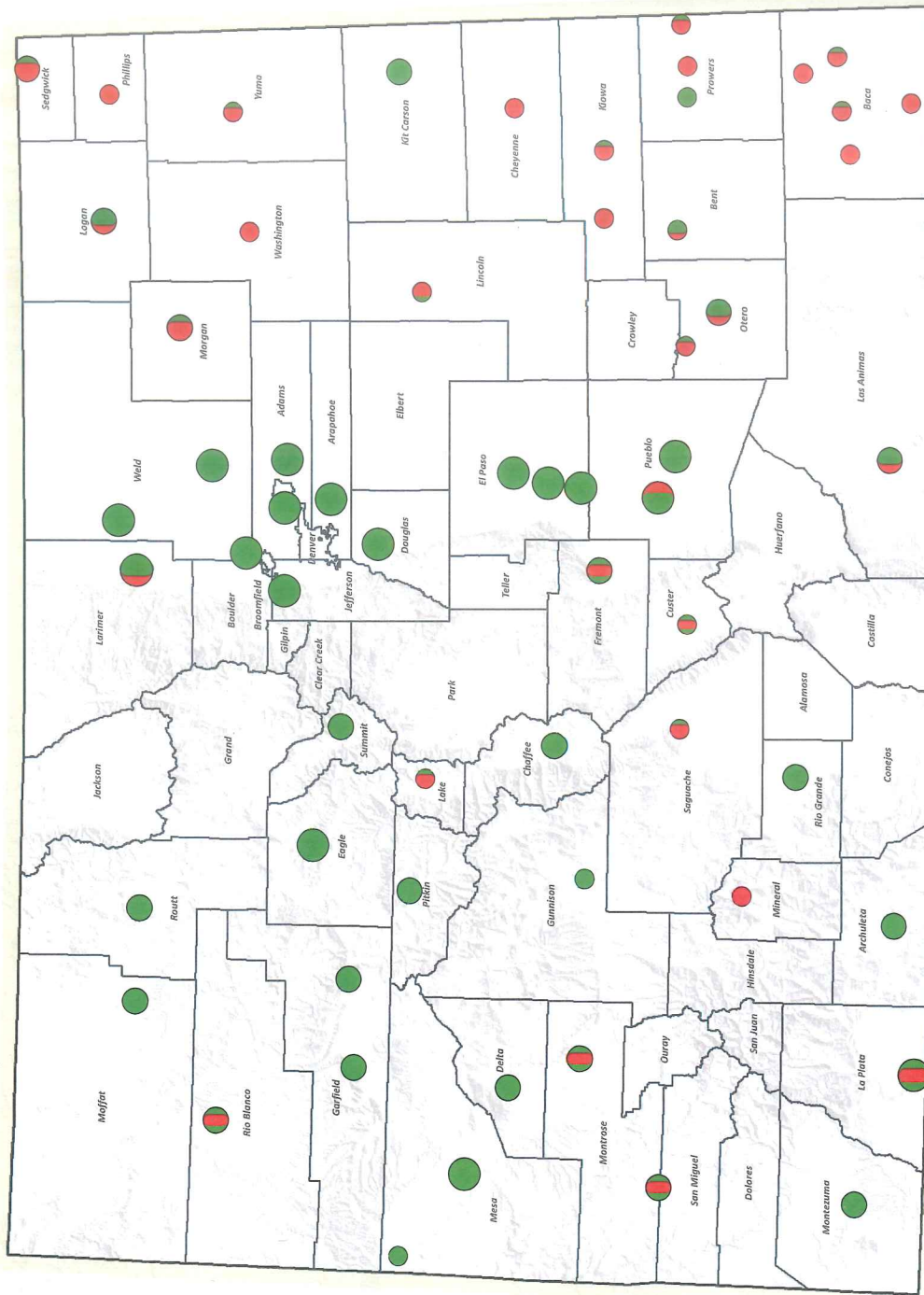
15. For programs which are supported by funds not reflected in the Long Bill, please include the name of the program and source and amount of funding which does not require appropriation.

Response: See attached spreadsheet.

16. On November 14, 2016 Chrysler was sued by Dodge truck owners who claim some truck engines were rigged to hide emissions that were as much as 14 times higher than permitted. Is the recently filed lawsuit against Chrysler similar to the legal issues faced by Volkswagen?

Response: This is a class-action lawsuit that accuses Fiat Chrysler and Bosch of installing emission cheating defeat devices in their EcoDiesel vehicles similar to what Volkswagen used to cheat the U.S. emissions tests. These defeat devices allegedly concealed nitrogen oxide emissions levels that were up to 14 times above the standards set by the U.S. Environmental Protection Agency (EPA). Without these devices, the affected vehicles allegedly cannot achieve the fuel economy and power that Fiat Chrysler advertises.

The lawsuit covers approximately 140,000 2014-16 Ram 1500 EcoDiesel and 9,000 2014-16 Jeep Grand Cherokee EcoDiesel vehicles. The numbers of vehicles affected in the U.S. (149,000) is much lower than the Volkswagen scandal (482,000). The lawsuit against Volkswagen was brought by EPA and California, while the lawsuit against Fiat Chrysler is being handled by Hagens Berman, a Seattle based class action law firm. To date, the EPA has not taken action against Chrysler in connection with the alleged emissions violations.



Colorado Municipal Solid Waste Landfill Facilities

- Facility Size**
- Regional: > 200,000 cubic yards
 - Medium: 25,000 to 200,000 yd³
 - Small: < 25,000 cubic yards
- Adequacy Score**
- Adequate in all categories
 - Inadequate in design only
 - Inadequate in groundwater only
 - Inadequate in closure only
 - Inadequate in all categories

BURNS MEDONNELL™ SERA

0 10 20 40 60 80
Miles

Disclaimer: The State of Colorado and the Colorado Department of Public Health and Environment assumes no liability for the completeness, correctness, or fitness for use of this data set.
Sources: US Census; Burns & McDonnell Engineering, ESRI

Table 1: Colorado MSW Landfills

#	Facility	County	Size	2014 Volume (tons)	Ownership - Public/Private	Reason for Inadequacy - Contractor			Actual Inadequacy - CDPHE			
						Design and Operations	Ground Water Monitoring	Closure	Design and Operations	Ground Water Monitoring	Closure	
1	Adobe Buttes Landfill	Delta	Medium	28,799	Public							
2	Archuleta Landfill	Archuleta	Medium	10,814	Public							
3	Bondad Landfill	La Plata	Regional	78,341	Private		X					
4	Broad Canyon Landfill	Montrose	Medium	32,397	Private		X			X		
5	Broadacre Landfill	Pueblo	Regional	0	Private							
6	Buffalo Ridge Landfill	Weld	Regional	104,457	Private							
7	Campo SWDS	Baca	Small	30	Public	X	X		X	X		X
8	Chaffee County Landfill	Chaffee	Medium	33,098	Public							
9	Colorado Springs Landfill	El Paso	Regional	263,302	Private							
10	Custer County Landfill	Custer	Small	3,400	Public		X			X		
11	Denver Regional Landfill (South)	Weld	Regional	9,665	Private							
12	Denver Arapahoe Disposal Site	Arapahoe	Medium	1,720,197	Private							
13	Eagle County Landfill	Eagle	Regional	74,568	Public							
14	Eads SWDS	Kiowa	Small	1,669	Public	X	X		X	X		
15	East Regional Landfill	Adams	Regional	196,816	Private							
16	East Lamar Municipal Landfill	Prowers	Small	2,393	Public							
17	Firstview Sanitary Landfill	Cheyenne	Small	1,320	Public	X	X		X	X		X
18	Foothills Landfill	Jefferson	Regional	267,823	Private							
19	Fountain Landfill	El Paso	Regional	272,929	Private							
20	Front Range Landfill	Weld	Regional	1,126,550	Private							
21	Granada Landfill	Prowers	Small	390	Public	X	X		X	X		X
22	Haswell SWDS	Kiowa	Small	1,112	Public	X	X		X	X		X
23	Holly SWDLF	Prowers	Small	1,345	Public	X	X		X	X		
24	Kit Carson/Burlington Landfill	Kit Carson	Medium	10,804	Public							
25	Lake County Landfill	Lake	Small	5,543	Public							
26	Larimer County Landfill	Larimer	Regional	264,097	Public	X						
27	Lincoln County Landfill	Lincoln	Small	3,814	Public		X		X	X		X
28	Logan County Landfill	Logan	Medium	8,440	Public	X						
29	Manzanola Landfill	Otero	Small	1,022	Public	X	X		X	X		
30	Mesa County Landfill	Mesa	Regional	163,975	Public							
31	Midway Landfill	El Paso	Regional	265,167	Private							
32	Milner Landfill	Routt	Medium	31,020	Private							
33	Mineral County Landfill	Mineral	Small	555	Public	X	X		X	X		X
34	Moffat County Landfill	Moffat	Medium	12,073	Public							
35	Montezuma County Landfill	Montezuma	Medium	29,401	Public							
36	Montrose SWDS	Montrose	Medium	25,528	Private		X			X		
37	Morgan County Landfill	Morgan	Medium	25,217	Public	X	X		X	X		
38	North Weld Landfill	Weld	Regional	469,886	Private							

#	Facility	County	Size	2014 Volume (tons)	Ownership - Public/Private	Reason for Inadequacy - Contractor			Actual Inadequacy - CDPHE		
						Design and Operations	Ground Water Monitoring	Closure	Design and Operations	Ground Water Monitoring	Closure
39	Otero 2 County Landfill	Otero	Medium	14,028	Public	X					
40	Phantom Landfill	Fremont	Medium	31,833	Private		X				
41	Phillips County Landfill	Phillips	Small	2,318	Public	X	X	X	X	X	X
42	Pitkin County Landfill	Pitkin	Medium	49,680	Public						
43	Pritchett Landfill	Baca	Small	48	Public	X	X	X	X	X	X
44	Saguache Landfill	Saguache	Small	622	Public	X	X				
45	San Luis Valley Landfill	Rio Grande	Medium	30,692	Public						
46	Sedalia Recycling Center	Douglas	Regional	74,142	Private						
47	Six Mile Landfill	Gunnison	Small	3,762	Public						
48	Sedgwick County Landfill	Sedgwick	Small	5,382	Public	X	X		X	X	
49	South Canyon Landfill	Garfield	Medium	47,656	Public						
50	Southside SW Disposal	Pueblo	Regional	141,680	Private			X			
51	Springfield SWDS	Baca	Small	3,076	Public	X	X		X	X	
52	S-Road Landfill	Mesa	Small	1,817	Private						
53	Summit County	Summit	Medium	43,147	Public						
54	Tower Landfill	Adams	Regional	701,807	Private						
55	Trinidad Landfill	Las Animas	Medium	11,667	Public	X					
56	Two Buttes SWDS	Baca	Small	35	Public	X	X	X	X	X	X
57	Walsh SWDS	Baca	Small	449	Public	X	X	X	X	X	X
58	Washington County Landfill	Washington	Small	4,899	Public	X	X	X	X	X	X
59	West Garfield Landfill	Garfield	Medium	25,547	Public						
60	Wray Gulch Landfill	Rio Blanco	Medium	10,630	Public		X				
61	Yuma County Landfill	Yuma	Medium	6,259	Public	X	X	X	X	X	X

30 Landfills with at least 1 area of inadequacy | 21 Landfills with at least 1 area of inadequacy
CDPHE working with 100% of these facilities

61 MSW Landfills	22	Small Landfills	
	22	Medium Landfills	41
	17	Regional Landfills	20
	61		61

Table 2: Colorado Small MSW Landfills

#	Facility	County	Size	2014 Volume (tons)	Ownership - Public/Private	Reason for Inadequacy - Contractor			Actual Inadequacy - CDPHE		
						Design and Operations	Ground Water Monitoring	Closure	Design and Operations	Ground Water Monitoring	Closure
1	Campo SWDS	Baca	Small	30	Public	X	X	X	X	X	X
2	Custer County Landfill	Custer	Small	3,400	Public		X			X	
3	Eads SWDS	Kiowa	Small	1,669	Public	X	X		X	X	
4	East Lamar Municipal Landfill	Prowers	Small	2,393	Public						
5	Firstview Sanitary Landfill	Cheyenne	Small	1,320	Public	X	X	X	X	X	X
6	Granada Landfill	Prowers	Small	390	Public	X	X	X	X	X	X
7	Haswell SWDS	Kiowa	Small	1,112	Public	X	X	X	X	X	X
8	Holly SWDLF	Prowers	Small	1,345	Public	X	X		X	X	
9	Lake County Landfill	Lake	Small	5,543	Public						
10	Lincoln County Landfill	Lincoln	Small	3,814	Public		X	X	X	X	X
11	Manzanola Landfill	Otero	Small	1,022	Public	X	X		X	X	
12	Mineral County Landfill	Mineral	Small	555	Public	X	X	X	X	X	X
13	Phillips County Landfill	Phillips	Small	2,318	Public	X	X	X	X	X	X
14	Pritchett Landfill	Baca	Small	48	Public	X	X	X	X	X	X
15	Saguache Landfill	Saguache	Small	622	Public	X	X				
16	Sedgwick County Landfill	Sedgwick	Small	5,382	Public	X	X		X	X	
17	Six Mile Landfill	Gunnison	Small	3,762	Public						
18	Springfield SWDS	Baca	Small	3,076	Public	X	X		X	X	
19	S-Road Landfill	Mesa	Small	1,817	Private						
20	Two Buttes SWDS	Baca	Small	35	Public	X	X	X	X	X	X
21	Walsh SWDS	Baca	Small	449	Public	X	X		X	X	
22	Washington County Landfill	Washington	Small	4,899	Public	X	X	X	X	X	X

18 landfills with at least 1 area of inadequacy | 17 landfills with at least 1 area of inadequacy | **CDPHE working with 100% of these facilities**

22 Small MSW Landfills

2.1 Publicly owned Landfills
1 Privately owned Landfills

22



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
ENFORCEMENT AND
COMPLIANCE ASSURANCE

Frequently Asked Questions (FAQ)
For Beneficiaries to the Volkswagen Mitigation Trust Agreement

Air Enforcement Division
Second Edition, November 2016, Supersedes Prior Editions

The United States District Court, Northern District of California approved a partial 2.0 liter Volkswagen settlement on October 25, 2016, and entered a partial Consent Decree. The Partial Consent Decree requires the defendant, Volkswagen, to establish and fund a \$2.7 billion environmental mitigation trust. The trust will be administered by an independent trustee. The provisions about the mitigation trust are largely found in paragraphs 14–19 of the partial Consent Decree and Appendix D to the partial Consent Decree. The purpose of the mitigation trust is to fund eligible mitigation actions that replace diesel emission sources with cleaner technology to reduce excess emissions of oxides of nitrogen (NO_x) caused by the violating 2.0 liter cars. *See* EPA, [Securing Mitigation as Injunctive Relief in Certain Civil Enforcement Cases \(2012\)](#). This mitigation work is in addition to the emission reductions achieved by requiring Volkswagen to buy back or modify the violating 2.0 liter cars.

The partial settlement is structured to provide the impacted states, territories, and Indian tribes with the ability to select and implement appropriate mitigation actions funded by Volkswagen. Appendix D-1 to the partial Consent Decree provides an initial allocation of the funds, under which no state receives less than \$7.5 million and Indian tribes receive a separate allocation of more than \$49 million. Appendix D-2 provides a broad array of mitigation actions that beneficiaries can implement. Beneficiaries must elect to become beneficiaries within 60 days of when the final trust agreement is filed with the Court (Trust Effective Date). Beneficiaries have 10 years from the Trust Effective Date to request their allocation and implement mitigation actions and tribal beneficiaries have six years from the Trust Effective Date to request their allocations.

This document is a series of frequently asked questions for beneficiaries to the mitigation trust. The EPA will update this document as necessary.

New- Indicates the question and answer did not appear on the previous FAQ.

Revised- Indicates the question or answer has been revised from how it appeared on the previous FAQ.

1. FAQs: Timing

Revised: FAQ 1.1: When is the trust likely to become effective?

A: The trust will likely become effective sometime during the first half of 2017. Several steps must occur before the trust becomes effective. The first step occurred when the Court approved the settlement, on October 25. The second step will occur when a trustee is appointed by the Court, which could happen within 60–90 days after the Court approved the settlement – between the end of December and the end of January 2017. Third, the trust agreement must be finalized, in a form substantially similar to the one included in the settlement, executed by Volkswagen and the trustee, and filed with the Court.

Revised: FAQ 1.2: Who can qualify as a beneficiary?

A: Potential beneficiaries are all 50 states, the District of Columbia, Puerto Rico, and federally recognized tribes, as described in Appendix D-1.

FAQ 1.3: How do potential beneficiaries become beneficiaries?

A: To become a beneficiary, each potential beneficiary must file a certification form (Appendix D-3) with the Court within 60 days of the Trust Effective Date. The certification form includes, among other things, a waiver of certain claims that may require deliberation and approval by various offices within each potential beneficiary's government. Because the Trust Effective Date will not occur until several months after the settlement is approved, potential beneficiaries will have significantly longer than 60 days to execute their certification forms if they begin the process now. Potential beneficiaries should monitor the case docket as the Trust Effective Date is the date the final trust agreement is filed with the Court.

Revised: FAQ 1.4: What is the first step for beneficiaries in deciding which eligible mitigation actions to take?

A: All beneficiaries (except for tribes) must create a mitigation plan that summarizes how the beneficiary intends to use its allotted funds. The plan must address a number of factors, including for example, the expected emission benefits, and how the beneficiary will seek and consider public comment as described in Paragraph 4.1 of Appendix D.

FAQ 1.5: What are the documentation requirements for funding specific projects and why are they necessary?

A: Each funding request must have sufficient detail to enable the trustee to determine whether the funds will be spent on eligible mitigation actions, to ensure the money is spent transparently, and that the projected costs are eligible.

FAQ 1.6: What if a project changes such that it costs less, or more, than the beneficiary asks for and receives from the trust?

A: Beneficiaries may adjust their goals and specific spending plans at their discretion and, if they do so, will need to provide the trustee with updates to their Beneficiary Mitigation Plan.

FAQ 1.7: When can beneficiaries actually expect to have access to funds for eligible mitigation actions?

A: The trustee has 120 days from the Trust Effective Date (which, as described above, we anticipate to be sometime in 2017) to file a list of designated beneficiaries. Once designated, each beneficiary may submit funding requests to the trustee for eligible mitigation actions, subject to certain limits during the first three years until the trust is fully funded. The trustee must act upon such funding requests within 60 days of receipt, either by approval, disapproval, requesting changes, or requesting further information. Therefore, beneficiaries should expect to have access to trust funds beginning approximately six months following the Trust Effective Date.

Revised: FAQ 1.8: Is there guidance on what information a state must submit about its projects?

A: The elements of the Beneficiary Mitigation Plan are listed in paragraph 4.1 and the elements of the required funding requests are listed in paragraph 5.2 of Appendix D. The Mitigation Trust Agreement is designed to be straightforward, with a list of projects that focus on vehicle or vessel equipment or engine replacements that are relatively uncomplicated to implement. A beneficiary may also choose the DERA option, under which it may receive limited and appropriate guidance from an EPA Regional office typical of what is routinely provided to DERA grantees.

Revised: FAQ 1.9: May a beneficiary appeal the trustee's denial of a request for funds?

A: Within 60 days after receiving a beneficiary's funding request, the trustee will be required to transmit to the requesting beneficiary and post on the trust's public website a written determination either approving the request, denying the request, requesting modifications to the request, or requesting further information. Each written determination approving or denying an Eligible Mitigation Action funding request will include an explanation of the reasons underlying the determination, including whether the proposed Eligible Mitigation Action meets the requirements of the Mitigation Trust Agreement. In the unlikely event that a beneficiary ultimately disagrees with the trustee's decision on its request, it may petition the Court to review the decision.

FAQ 1.10: To what extent must a beneficiary take public comment on its mitigation plan?

A: Beneficiaries have discretion in how they seek and consider public input on their Beneficiary Mitigation Plans; however the plans must explain the process for public input.

Revised: FAQ 1.11: How long do beneficiaries have to access and spend allocated trust funds?

A: Beneficiaries have 10 years to spend allocated trust funds. After that, unused trust funds will be redistributed as supplemental funding among beneficiaries that have used at least 80% of their allocated trust funds. Such beneficiaries will be given five additional years to use the supplemental funding.

Revised: FAQ 1.12: Are there any limits to how much of its total allocation a beneficiary can draw at any given time?

A: No beneficiary may request payout of more than one-third of its allocation during the first year after VW makes the initial deposit of \$900 million to the trust, or two-thirds of its allocation during the first two years after VW makes the initial deposit.

New: FAQ 1.13: How will the trustee of the mitigation trust be selected?

A: The Court will select and appoint the trustee of the mitigation trust from among a list of final candidates. The list of final candidates is created pursuant to a process established in paragraph 15 of the Partial Settlement. First, California, the States, and the Indian tribes may each submit a list of initial trustee candidates to the United States. Then, California, the States, the Indian tribes and the United States confer to select between three and five final candidates from the list of initial candidates. This list of final candidates is then submitted to the Court.

2. FAQs: Eligible Mitigation Actions (General Issues)

Revised: FAQ 2.1: What is the range of eligible mitigation actions?

A: Eligible mitigation actions are focused on reducing NO_x emissions from mobile sources of pollution. Reducing emissions from mobile sources, such as vehicles, and vessels, has historically proven to be a cost-effective and simple way to reduce NO_x pollution. Appendix D-2 to the Consent Decree details the 10 eligible mitigation actions and eligible expenditures. Actions eligible under the Diesel Emission Reduction Act (DERA) option (eligible mitigation action #10) include truck stop electrification (electrified parking spaces to eliminate long duration idling), fuel efficiency and idle reduction equipment (single-wide tires, fuel-operated heaters, auxiliary power units, etc.), construction and agricultural equipment, smaller marine vessels, and diesel generators, among others. The list of DERA –eligible project types with their required cost-shares can be found at: <https://www.epa.gov/sites/production/files/2016-08/documents/fy16-dera-project-eligibility-cost-share-overview.pdf>

FAQ 2.2: Why is the eligible mitigation actions list so specific on eligible model years for vehicles that can be taken out of service or replaced?

A: Eligible mitigation actions involving highway vehicles are restricted to model years that predate the EPA's current, more stringent emissions standards. It is important to focus on replacing the older, dirtier vehicles and engines—which might otherwise remain in service for

many more years—to ensure substantial air quality gains will be achieved expeditiously in places where people live and work.

Revised: FAQ 2.3: What are the ways in which a beneficiary can use its allocated trust funds to replace dirty heavy-duty diesel vehicles with electric vehicles?

A: There are many opportunities for beneficiaries to use trust funds to purchase new all-electric vehicles listed in Appendix D-2 to the partial Consent Decree. For example, a beneficiary could receive 100% of the cost of a new electric, government-owned school, transit, or shuttle bus to replace an existing diesel, government-owned school, transit, or shuttle bus. In addition, Attachment 2 allows a beneficiary to use trust funds to pay for up to 75% of the cost of a new all-electric replacement vehicle for nongovernment-owned fleets, and 100% of the cost of new all-electric school bus replacements in private fleets contracted with public school districts. The charging infrastructure associated with these electric vehicles can also be purchased with trust funds.

FAQ 2.4: Why is scrappage required?

A. The partial settlement funds the replacement of older, high-polluting heavy-duty vehicles, engines, and/or equipment. To ensure that such replacements achieve the intended emission reductions, the replaced equipment must be scrapped. Beneficiaries are encouraged to recycle scrapped vehicles, engines, and equipment to reduce unnecessary waste.

3. FAQs: Eligible Mitigation Actions: DERA option

Revised: FAQ 3.1: How will eligible mitigation action #10 (the DERA option) work for eligible beneficiaries?

A: The DERA program is a Congressionally-authorized program that enables the EPA to offer funding assistance for actions reducing diesel emissions. Thirty percent of annual DERA funds are allocated to the DERA Clean Diesel State Grant Program. Under the DERA Clean Diesel State Grant Program, each state and territory is offered a base amount of EPA DERA funding. States and territories that match the base amount dollar for dollar receive an additional amount of EPA DERA funding to add to the grant (50% of the base amount). This non-federal voluntary match can be state or territorial funds, private funds, or settlement funds such as those from the beneficiary's allocation under the mitigation trust. Under the DERA option, beneficiaries may draw funds from the trust for their non-federal match on a 1:1 basis or greater than 1:1 basis. Below are two examples. In both examples, the entire amount (\$500,000 and \$1.3 million) is now included in the EPA DERA grant and subject to the EPA and federal grant rules and practices. The list of DERA- eligible project types with their required cost-shares can be found at: <https://www.epa.gov/sites/production/files/2016-08/documents/fy16-dera-project-eligibility-cost-share-overview.pdf>

Example A: If a state's DERA allocation in FY2017 is \$200,000 under the DERA Clean Diesel State Grant Program, the state may use \$200,000 in trust funds as the 1:1 match. Then, the state will receive its bonus DERA funds equal to 50% of the base amount (\$100,000), making \$500,000 the total amount the state receives—\$300,000 from DERA and \$200,000 from the trust.

Example B: If a state's DERA allocation in FY2017 is \$200,000 under the DERA Clean Diesel State Grant Program, the state may use a larger amount—\$1 million in this example—in trust funds to overmatch the 1:1 ratio. The state receives its bonus DERA amount of \$100,000 and thus the total amount for the DERA Clean Diesel State Grant Program for FY2017 would be \$1.3 million—\$300,000 from DERA and \$1 million from the trust.

Revised: FAQ 3.2: How will eligible mitigation action #10 (the DERA option) work for tribal beneficiaries?

A: Tribal trust beneficiaries may utilize trust funds for the DERA Clean Diesel Tribal Grant Program. Because DERA enables the EPA to offer separate funding assistance to tribes to reduce diesel emissions, this option will enable tribes to utilize trust funds to implement clean diesel actions eligible under DERA, such as repowering fishing vessels, repowering or replacing generators, and electrifying parking spaces, in addition to those from the eligible mitigation actions list (Appendix D-2). Under the DERA Clean Diesel Tribal Grant Program, tribes submit applications for DERA grant funding in response to an annual Request for Proposals. Tribes will be able to request trust funds annually to use as a voluntary match for DERA tribal grants.

FAQ 3.3: Are a beneficiary's administrative expenses covered under eligible mitigation action #10 (the DERA Option) or under the "eligible mitigation action expenditures" listed in Appendix D-2?

A: A beneficiary that chooses any of the actions from 1 through 9 can spend up to 15% of its total mitigation plan budget on administrative expenses as set for in Appendix D-2. As described in current DERA program guidance, DERA Clean Diesel State Administrative expenses can also account for up to 15% of the total amount of funding (DERA funds plus matching funds, such as trust funds) for DERA Clean Diesel State Grants.

FAQ 3.4: What are the options for beneficiaries that might want to conduct an eligible mitigation action that does not exactly fit the required criteria for the action?

A: Beneficiaries may use option #10, the DERA option. The DERA program has a process for handling waivers of existing guidelines. Examples of waivers that the EPA has approved with reasonable justification include the following: waivers of model year restrictions, useful life restrictions, and cost-share restrictions.

Revised: FAQ 3.5: What if Congress does not fund DERA in the future?

A: Under option #10 in Appendix D-2 of the partial Consent Decree, the DERA option, beneficiaries may use trust funds for their non-federal match or overmatch pursuant to DERA. If Congress does not appropriate funds for DERA in the future, then option #10, the DERA option, would not be available. Trust funds would still be available for projects under options 1-9 of Appendix D-2.

4. FAQs: Miscellaneous

FAQ 4.1: What is the connection between beneficiary status and state motor vehicle registration of the 2.0 liter vehicles at issue in the case?

A: Beneficiaries must file a certification form with the Court that includes certain agreements regarding vehicle registration. The relevant certification form language is at Certification #9 of Appendix D-3.

New: FAQ 4.2: Is there any requirement for Beneficiaries to report the anticipated NOx reductions of their mitigation actions?

A: Yes, paragraph 4.1 explains that Beneficiaries are required to provide a description of the expected emission benefits of their Beneficiary Mitigation Plan. Paragraph 5.2.3 further requires Beneficiaries to estimate the amount of NOx their Mitigation Actions will reduce when submitting funding requests.



Webinar for Prospective Beneficiaries to the Mitigation Trust Under the Partial Settlement with Volkswagen

November 18, 2016*

United States Environmental Protection Agency
Office of Enforcement and Compliance Assurance
Air Enforcement Division

*This version includes minor corrections to the version presented on the November 18 webinar.

1



Overview

- Today's presentation will
 - Summarize the partial settlement
 - Highlight useful resources
 - Outline the ZEV Investment Requirement
 - Walk through the Mitigation Trust in detail
 - Answer questions
- Today's presentation is a summary, the legal documents are controlling

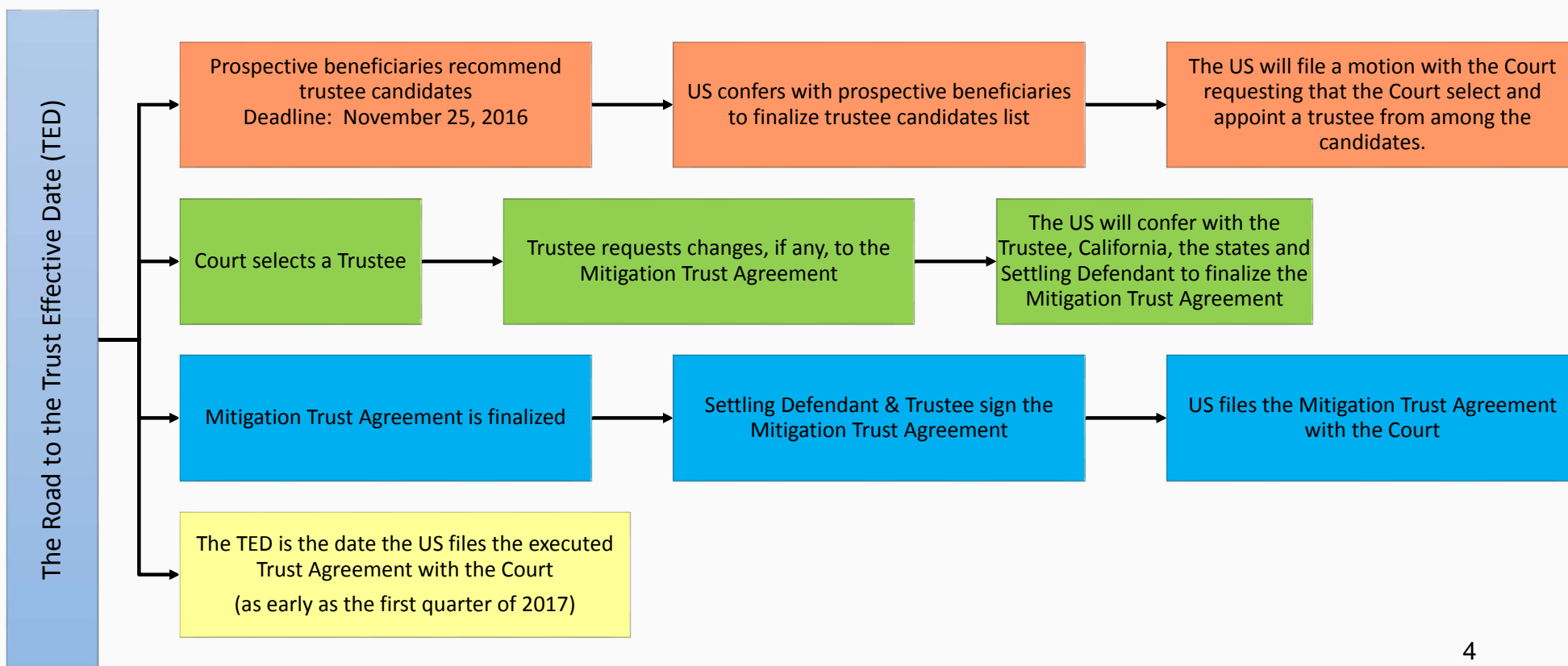


Overview of Partial Settlement

- On June 28, the United States lodged with the Court a settlement that partially resolves allegations that Volkswagen violated the Clean Air Act by the sale of approximately 500,000 vehicles containing 2.0 liter diesel engines equipped with defeat devices
- CD Entered by the Court on October 25, 2016
- The settlement consists of three major components:
 1. Buyback or emissions modification on at least 85 percent of the subject vehicles (Appendices A & B)
 2. \$2.7 billion to fully remediate the excess NO_x emissions from the subject vehicles (Appendix D)
 3. Invest \$2 billion to promote the use of zero emission vehicles and infrastructure (Appendix C)

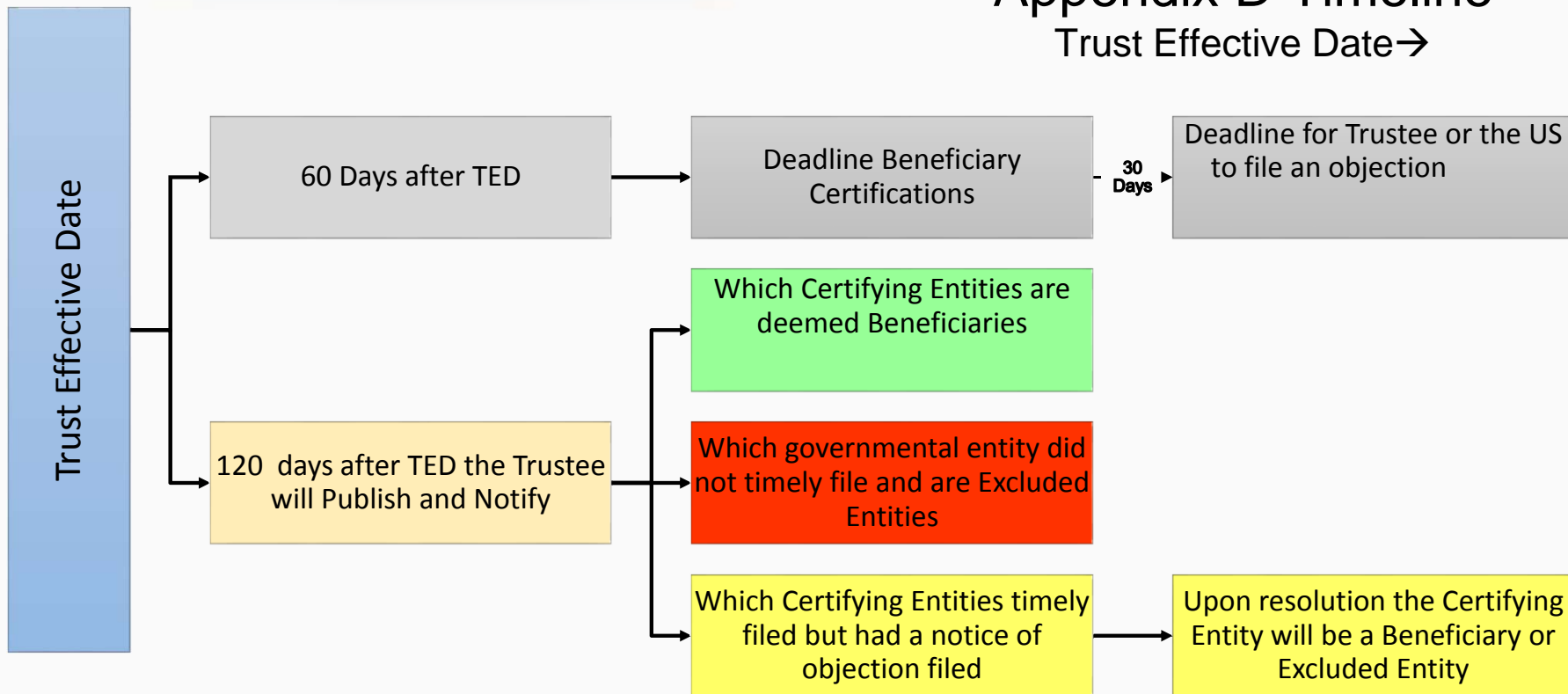


Appendix D- How the Trust Effective Date (TED) is Established



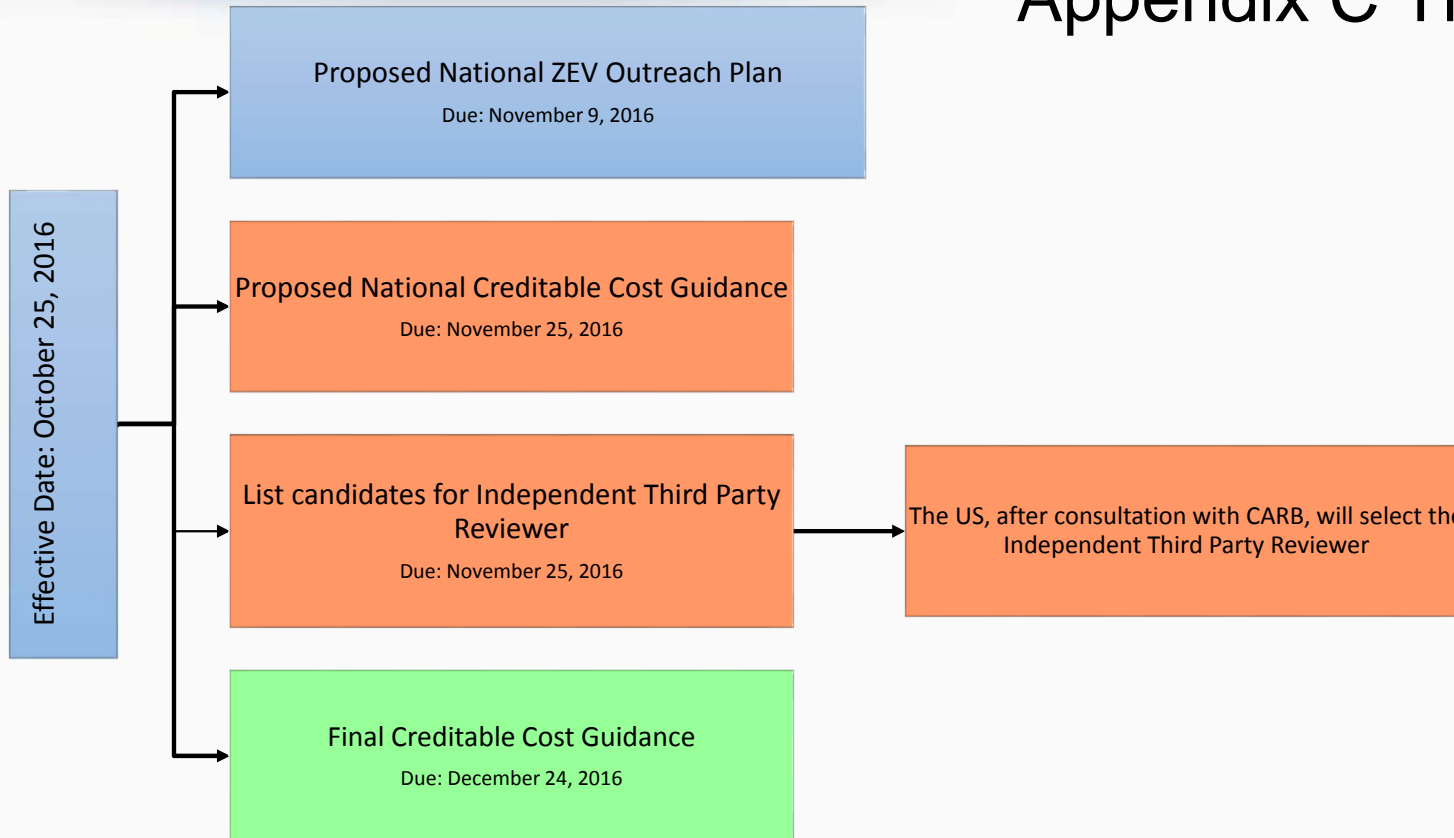


Appendix D Timeline Trust Effective Date →





Appendix C Timeline





Additional Resources

- Web fact sheet: <https://www.epa.gov/enforcement/volkswagen-clean-air-act-partial-settlement>
 - Summary of the settlement
 - Details for prospective Beneficiaries
- FAQ on Mitigation
- The settlement document: <https://www.epa.gov/enforcement/201-partial-and-amended-consent-decree>
 - The language of the settlement document controls
- Consumer site: VW outreach on ZEV: www.vwcourtsettlement.com



Appendix C: ZEV Investment

- VW must invest \$2 billion over 10 years
 - \$1.2 billion National ZEV Investment (excludes CA)
 - \$800 million California ZEV Investment
- VW investment plan must advance the use and market penetration of ZEVs, have a high likelihood of utilization, provide accessibility/availability where most needed, and build positive awareness of ZEVs
- VW's investments must be additional investments beyond what it planned to invest before the settlement & what is required by law
- For the National ZEV investment, VW is required to develop a National Outreach Plan to solicit input from states, local governments, tribes, & federal agencies



ZEV Investment Commitment

- VW controls how it spends money to satisfy the investment requirement subject to the CD requirements and restrictions
- There are no named Beneficiaries
- Goal: Facilitate increased use of ZEVs
- \$2 billion
- Appendix C

Mitigation Trust

- Beneficiaries control how Trust money is spent
- Goal: mitigate NOx emissions
- \$2.7 billion
- Appendix D

ZEV Investment \neq Mitigation Trust



Eligible Investment Examples

- For the \$1.2 billion National ZEV Investment
 - ZEV infrastructure
 - Level 2 charging at multi-unit dwellings, workplaces, and public sites
 - DC fast charging facilities accessible to all vehicles utilizing non-proprietary connectors
 - Later generations of charging infrastructure
 - Hydrogen or other ZEV fueling stations
 - ZEV Education
 - Brand-neutral education or public outreach
 - Goal is to increase public awareness of ZEVs
 - ZEV Access
 - Programs to increase public exposure and/or access to ZEVs without requiring the consumer to purchase or lease a ZEV at full market value
 - Carshare and ride hailing services, ride and drives

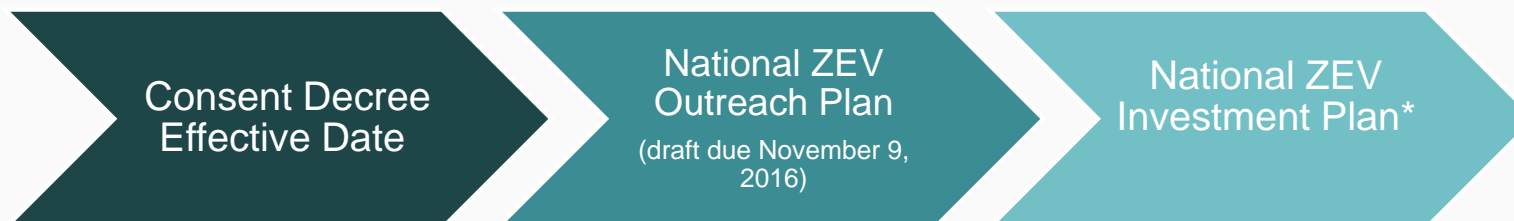
- \$800 million CA Investment additionally allows investments in:
 - Heavy-duty fueling infrastructure
 - Scrap and replace with ZEV vehicles
 - “Green City” initiative



Process for VW National ZEV Investment

- \$1.2 billion invested over four 30-month cycles, \$300 million each cycle
- For each cycle, VW to submit a draft National ZEV Investment Plan:
 - Description of proposed ZEV Investments, timelines, anticipated creditable costs
 - Explanation of how each investment advances the use and market penetration of ZEVs, has high likelihood of utilization, provides accessibility/availability where most needed, and builds positive awareness
 - The EPA and VW meet and confer about draft plan
- Then, VW will submit a final plan, and EPA will approve or deny the final plan
- Upon approval, VW implements the investment plan, with annual reporting on progress

Timeline for first 30-month VW National ZEV investment Plan



*Draft due February 22, 2017 or 30 days after close of comments under outreach plan



Opportunities for Stakeholder Input

- VW must solicit and consider input from states, municipalities, Tribes, and federal agencies
 - VW must provide reasonable notice for opportunities to provide input on: www.vw.com and <https://www.vwcourtsettlement.com/en/>
- Ultimately, VW has discretion to incorporate the input into its plan
- Each of VW's plans must be comprehensive and specify how investments will be made
 - Locations, schedule, maintenance
 - Studies and reports to support that the investments will support increased ZEV use
 - Approved plans will be made publicly available



Creditable Costs

- Creditable cost guidelines will identify what expenditures can be counted as satisfying the \$1.2 billion National ZEV Investment requirement
 - VW will propose the guidelines and EPA will approve or deny based on the terms of the CD
- An independent third party accountant will audit VW's expenditures to verify if they can count toward VW investment commitment
 - The accountant will use the creditable cost guideline to conduct its review and audit
 - EPA will consider the accountant's determination
- California's ZEV Investment Plan will be created and managed similarly



ZEV Investment Accountability

- Economic incentives
 - It is in VW's business interest to support increased ZEV use
 - Substantial stipulated penalties if VW does not comply with Appendix C
- VW must solicit input from states, Tribes and federal agencies
- Oversight
 - EPA must review and approve VW's plan
 - VW has to meet and confer with EPA to discuss the direction it is proposing
 - Independent auditor of VW's expenditures
 - EPA approves or denies VW's claims for creditable costs
- Transparency
 - The plan must be made publicly available
 - Detailed reports must be made publicly available



Appendix D: Mitigation Trust Fund

- Volkswagen will fund a \$2.7 billion mitigation trust fund which is intended to fully mitigate the excess NO_x emissions from the 2.0 liter vehicles
- 50 states, DC, Puerto Rico, and federally recognized Tribes can become beneficiaries
 - Each beneficiary will receive an allocation of funds that can be used for any of the listed eligible mitigation actions
 - The allocation is primarily based on the number of Volkswagen 2.0 Liter Subject Vehicles registered within the jurisdictions of the beneficiaries



Mechanics of the Mitigation Trust

- VW establishes and funds the mitigation trust
- An independent Trustee administers the trust according to the specific language of the trust document (Appendix D of the CD)
 - The United States has no control over the trust funds
- Every state, the District of Columbia, Puerto Rico and federally recognized Tribes may become Beneficiaries of the trust if they follow the **mandatory procedures**.
 - Beneficiaries of the trust receive allocations from the trust to fund specified and pre-approved mitigation projects
 - **Potential Beneficiaries must take action to become a Beneficiary** (details on slide 20)



Selection of Trustee

- The procedures to select the Trustee are outlined in ¶ 15 of the Consent Decree
- Prospective Beneficiaries may submit to the United States a list of between 3-5 recommended trustee candidates (one list from Tribes, one list from the states, one list from California)
- The US confers with Prospective Beneficiaries to agree on one list of between 3-5 trustee candidates, and files a motion requesting the Court to select a trustee from among the candidates
- The US files a motion requesting that the Court to select and appoint a trustee from among the candidates
 - If the Court does not select a Trustee, the process is repeated
- If the selection process goes smoothly, then the Trustee will be selected as soon as the first quarter of 2017



Trust Effective Date

- The Trust Effective Date (TED) is the date the United States files with the Court a finalized Trust Agreement that has been signed by Volkswagen and the Trustee
- The TED is important because the deadlines in the Mitigation Trust flow from the TED

**TED+60 → DEADLINE for Potential Beneficiaries
to submit the paperwork to become Beneficiaries**



Timing of the Mitigation Trust

- October 25: Consent Decree finalized
- May take months to choose Trustee, set up Trust
- “Trust Effective Date” – when the Trustee is formally put in place
- **TED + 60 = Deadline for States to certify as Beneficiaries**
- States have 90 days after becoming Beneficiary to write Mitigation Plans
- Beneficiaries may have access to funds by mid-2017



How To Become a Beneficiary

- Every State, the District of Columbia, Puerto Rico, and Tribes may become a Beneficiary **BUT** they must take action in order to do so
- A potential beneficiary must file a **certification form** (attached as Appendix D-3 to the CD) with the Court in order to become a Beneficiary
- In the certification form each potential beneficiary must:
 - a) Designate one agency or office to act for the Beneficiary
 - b) Submit to jurisdiction of the federal court in California overseeing this settlement and consent to the terms of the trust agreement
 - c) Commit to certain practices for handling funds
 - d) Waive any claim for injunctive relief against VW for environmental matters concerning the 2.0L Subject Vehicles
 - e) Certify that the Beneficiary will make all documentation of its expenditures under the Trust publicly available
 - f) Certify it will not deny DMV registration to any 2.0L Subject Vehicle solely on the basis that the vehicle has the defeat devices or received the Emissions Modification
 - g) Make other certifications to ensure public accountability and proper administration of the Trust



Beneficiary Mitigation Plan

- After signing the certification each Beneficiary must submit to the Trustee and make publicly available a **Beneficiary Mitigation Plan** before receiving any Trust funds
- This plan must:
 - a) Explain the Beneficiary's overall goal for the use of the Trust funds
 - b) Describe the NOx reductions the Beneficiary expects its plan to achieve
 - c) List the categories of Projects the Beneficiary intends to implement
 - d) Explain how the Beneficiary will consider benefits to air quality in communities with a disproportionate air pollution burden and explain how it will seek and consider public input; and
 - e) Make other statements to allow the public and the Trustee to better understand the goals of the plan



The Allocation of Trust Funds

- To ensure equitable distribution, funds are allocated proportionally to Beneficiaries primarily based on the number of Volkswagen 2.0 Liter Subject Vehicles registered within the jurisdictions of the Beneficiaries
- Appendix D-1 lists the specific amount and allocated percentage each Beneficiary may receive
 - Allocation amounts range between \$7.5 million and \$381 million
- Allocation amounts may increase proportionally if VW is required to pay more into the Trust



Distribution of Trust Funds

- The Trustee – NOT THE EPA – decides whether:
 - a) Projects for which a Beneficiary requests funding are allowable under the well-defined list; and
 - b) The costs of the project are allowable under well-defined cost guidance
- Allowed expenditure of Trust funds
 - Beneficiaries may only use their allocation of Trust funds for projects listed on the following slide
 - Must follow cost-sharing guidelines
 - Projects otherwise required by state or federal law are not eligible for Trust funds
 - Beneficiaries may use Trust funds for administrative costs, but administrative costs cannot exceed 15% of allocation amount



Eligible Mitigation Projects

1. Class 8 local freight trucks and port drayage trucks
2. Class 4-8 school/shuttle/transit buses
3. Freight switcher locomotives
4. Ferries/tugboats
5. Ocean going vessels shorepower
6. Class 4-7 local trucks
7. Airport ground support equipment
8. Forklifts and cargo handling equipment at ports
9. Light duty ZEV supply equipment (up to 15% of allocation)

DERA Option (#10)

- Option to use Trust Funds for actions not specifically listed but otherwise eligible under DERA
- Beneficiaries may use Trust Funds for their DERA non-federal voluntary match
- Trust Funds cannot be used to meet DERA non-federal mandatory cost share requirements
- State and tribal DERA grants only



DERA Option - States

- Trust funds can be used to match the EPA base funding for State DERA grants
 - Example A:
 - State's DERA allocation in FY2017 is ~\$200,000
 - State uses \$200,000 in Trust funds as the 1:1 voluntary non-Federal match
 - State bonus is 50% of the base amount \$100,000
 - Total State funding is \$500,000
 - State will receive - \$300,000 from DERA and \$200,000 from the Trust
 - Trust funds can be greater than the 1:1 voluntary match above
 - Example B:
 - State's DERA allocation in FY2017 is ~\$200,000
 - State may use a larger amount - \$1,000,000 in this example - in Trust funds
 - State bonus DERA amount of \$100,000
 - State's DERA Clean Diesel Grant program and Trust funding for FY2017 would be \$1.3 million
 - \$300,000 from DERA and \$1,000,000 from the Trust.
- Note: Timing of DERA State FY2017 grants will not match up with availability of trust funds
 - Grantees can add voluntary funds (trust funds) later to FY2017 grants or wait until FY2018 grants



DERA Option - Tribes

- Federally-recognized Tribes can become Beneficiaries
- Tribes can implement Eligible Mitigation Actions 1-9 directly with the Trustee or utilize the “DERA Option”
- DERA Option: Trust funds can be used as a voluntary match for grants for the DERA Tribal RFP
 - Trust funds cannot be used for mandatory cost-shares
- Tribes submit a *Notice of Intent to Participate* in DERA by Sept 1 each year
 - These notices “reserve” funds for the Tribe
 - Tribes apply to DERA Tribal RFP incorporating these “reserved” funds
 - Winning applications are awarded as DERA tribal grants
 - Funds reserved for non-winning applications revert to the Tribal allocation
- DOJ is responding to Tribal Consultation



Timeline for DERA Option Implementation

Fall 2016	<ul style="list-style-type: none">• Prepare guidance/info for states and tribes• Outreach to potential beneficiaries
Winter 2017	<ul style="list-style-type: none">• State DERA grant program launches*• Possible Trust Effective Date**
Spring 2017 and beyond	<ul style="list-style-type: none">• States certify as Beneficiaries• States submit Beneficiary Mitigation Plan• Adjust DERA Tribal RFP timing as needed• Assist states and tribes using DERA option

*Dependent upon DERA Reauthorization and/or 2017 Appropriation

**Trust Effective Date may be later, pushing timeline back



- Resources on the DERA Option:
 - cleandiesel@epa.gov
 - 1-877-623-2322
 - www.epa.gov/cleandiesel
 - VW DERA Option web page
 - Fact sheet
 - State and Tribal program guidance



Environmental Justice

- Environmental Justice communities will benefit from the Mitigation Trust because:
 - Beneficiaries are required to consider Environmental Justice communities in planning
 - The no cost-share requirement for government-owned equipment will allow governments to direct the Trust Funded projects to low-income communities



Questions...

- Responses now as we are asked
- Supplementary FAQs based on the questions received today
- vw_settlement@epa.gov

Colorado

Health care facility licensing/certification agency: [Colorado Department of Public Health & Environment
Health Facilities and Emergency Medical Services Division](#)

Has certificate of need law? No

Dates of certificate of need program: 1973-1987

Number of types of facilities regulated under law: N/A

Facilities regulated under certificate of need law: N/A



COLORADO
Department of Health Care
Policy & Financing



COLORADO
Department of Public
Health & Environment

December 1, 2016

The Honorable Kent Lambert, Chair
Joint Budget Committee
200 East 14th Avenue, Third Floor
Denver, CO 80203

Dear Senator Lambert:

Enclosed please find the Department of Public Health and Environment and the Department of Health Care Policy and Financing's response to the Joint Budget Committee's Multi-Department Request for Information #7 regarding site surveys.

Multi-Department Legislative Request for Information #7

The Department of Health Care Policy and Financing and the Department of Public Health and Environment are requested to report, on a quarterly basis starting September 1, 2016, on the status of hiring new site surveyors, the number of surveys done, the types of providers surveyed, and the time required for each survey. The Departments are also requested to include the estimated cost estimates of provider compliance with the final settings rule and the types of support and technical assistance the Departments are providing.

This second quarterly report encompasses July through October 2016.

The report contains information about the status of the hiring and training of new site surveyors by the Colorado Department of Public Health and Environment (CDPHE), the number and type of site surveys conducted through October 2016 by CDPHE and a contractor working for the Department of Health Care Policy and Financing (HCPF), and the time required to conduct each site survey. The report also includes the estimated number of site surveys per month that CDPHE anticipates completing going forward.

In this report, the Departments describe the processes they are using to collect information regarding the costs to providers of complying with the final rule, the types of potential cost increases identified so far, and the timeline by which they expect to pursue, if necessary, any budget requests and waiver amendments.

The report also includes information regarding the types of support and technical assistance the Departments have provided thus far and will continue to provide.

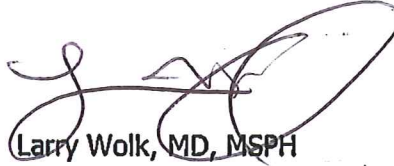


If you require further information or have additional questions, please contact the CDPHE Legislative Liaison, Michael Nicoletti, at Michael.Nicoletti@state.co.us or 303-692-3471, and the HCPF Legislative Liaison, Zach Lynkiewicz, at Zach.Lynkiewicz@state.co.us or 720-854-9882.

Sincerely,



Susan E. Birch, MBA, BSN, RN
Executive Director
Department of Health Care Policy & Financing



Larry Wolk, MD, MSPH
Executive Director and Chief Medical Officer
Department of Public Health & Environment

Enclosure(s): Health Care Policy and Financing FY 2016-17 Multi-Department RFI #7

Cc: Representative Millie Hamner, Vice-chair, Joint Budget Committee
Representative Bob Rankin, Joint Budget Committee
Representative Dave Young, Joint Budget Committee
Senator Kevin Lundberg, Joint Budget Committee
Senator Dominick Moreno, Joint Budget Committee
John Ziegler, Staff Director, JBC
Megan Davisson, JBC Analyst
Eric Kurtz, JBC Analyst
Henry Sobanet, Director, Office of State Planning and Budgeting
Bettina Schneider, Budget Analyst, Office of State Planning and Budgeting
Rebecca Dial, Budget Analyst, Office of State Planning and Budgeting
Legislative Council Library
State Library
John Bartholomew, Finance Office Director, HCPF
Gretchen Hammer, Health Programs Office Director, HCPF
Tom Massey, Policy, Communications, and Administration Office Director, HCPF
Chris Underwood, Health Information Office Director, HCPF
Dr. Judy Zerzan, Client and Clinical Care Office Director, HCPF
Jed Ziegenhagen, Community Living Office Director, HCPF
Rachel Reiter, External Relations Division Director, HCPF
Rich Hull, Budget Director, DPHE
Randy Kuykendall, Health Facilities and Emergency Medical Services Division Director, DPHE
Kara Johnson-Hufford, Health Facilities and Emergency Medical Services Division Branch Chief, CDPHE
Zach Lynkiewicz, Legislative Liaison, HCPF
Michael Nicoletti, Legislative Liaison, CDPHE



RFI Language

Department of Health Care Policy and Financing, Executive Director's Office; and Department of Public Health and Environment, Health Facilities and Emergency Medical Services Division -- The Departments are requested on a quarterly bases starting September 1, 2016 to report on the status of hiring new site surveyors, the number of surveys done, the types of providers surveyed, and the time required for each survey. The Departments are also requested to include the estimated cost estimates of provider compliance with the final settings rule and the types of support and technical assistance the Departments are providing.

Overview

In January 2014, the federal Centers for Medicare and Medicaid Services published the Home and Community Based Services Settings Final Rule setting forth new requirements for several Medicaid authorities under which states may provide home and community based services. The regulations enhance the quality of home and community based services and provide additional protections to individuals that receive services under those Medicaid authorities. The regulations went into effect in March 2014, providing states five years, until March 2019, to ensure that all home and community based settings are compliant with the rule. The new regulations ensure that participants receiving home and community based services have access to the benefits of community living, that these services are true alternatives to services provided in an institutional setting, and that they are delivered in the most integrated setting possible.

This quarterly report is an update for work completed this fiscal year (2016-2017), encompassing four months, July through October 2016. On June 30, 2016, the Colorado Department of Health Care Policy and Financing submitted the third version of its Statewide Transition Plan, along with a crosswalk that systemically assesses current state statutes, regulations and waivers and identifies where changes may be necessary, to the Centers for Medicare and Medicaid Services for review and approval. The Centers for Medicare and Medicaid Services provided feedback to the Department of Health Care Policy and Financing regarding the Statewide Transition Plan and crosswalk on August 30, 2016, requesting additional detail and clarification to these documents. The Department is finalizing its response to the Centers for Medicare and Medicaid Services and is revising its Statewide Transition Plan and crosswalk for resubmission to the Centers for Medicare and Medicaid Services. The Statewide Transition Plan includes a plan for verifying provider compliance with the federal Settings Final Rule that, among other things, calls for a randomly selected sample of settings to be visited. A contractor (Telligen) completed an initial batch of 57 site visits during the summer of 2016. The Department of Public Health and Environment is charged with completing the remaining site visits pursuant to the Statewide Transition Plan. The two departments continue with weekly calls to discuss the status of the Statewide Transition Plan and related work. The Department of Health Care Policy and Financing shares pertinent documents with the Department of Public Health and Environment related to the project, including documents for specific facilities.

Two budget requests are relevant to the site visit work discussed in this report:

- FY 2015-16 S-9, BA-9, "CLAG Recommendations and HCBS Final Rule Review" (FY 2014-15 Supplemental Request & FY 2015-16 Budget Amendment); and
- FY 2016-17 BA-8, "HCBS Waiver Settings Rule Implementation" (FY 2016-17 Budget Amendment).

In the first request, the Department of Health Care Policy and Financing requested \$518,274 in total funds for fiscal year 2014-15, \$971,749 in total funds for fiscal year 2015-16, and \$178,262 in total funds for fiscal year 2016-17. This request sought funding to hire one full-time employee and one or more contractors to bring the state into compliance with the federal Settings Final Rule, develop a strategy for implementation of the Colorado Community Living Plan, and prepare a financial analysis of the recommendations of the Community Living Advisory Group. The General Assembly approved the following funding for the first and second of these projects: \$266,800 in total funds for fiscal year 2014-15, \$612,475 in total funds for fiscal year 2015-16, and \$100,000 in total funds for fiscal year 2016-17 and ongoing.

In the second request, the Department of Health Care Policy and Financing requested \$1,179,660 in total funds for fiscal year 2016-17 (some of which would be a roll-forward of the appropriation described above for fiscal year 2015-16) and \$715,502 in total funds for fiscal year 2017-18 and ongoing. Most of the requested funding related to hiring a contractor to conduct site visits. The General Assembly approved the following funds for these projects: \$604,922 in total funds for fiscal year 2016-17, including \$425,372 to be transferred to the Department of Public Health and Environment for the costs of 5.4 full-time employees to conduct site visits (in lieu of a contractor), and \$590,966 total funds in fiscal year 2017-18 and ongoing, including \$411,416 to be transferred to the Department of Public Health and Environment for the costs of 5.4 full-time employees.

Status of hiring new site surveyors

In accordance with the appropriations described above, the Department of Public Health and Environment has hired five full-time site surveyors. The Department also hired one full-time supervisor using a combination of new and existing authority.

The supervisor position at the Department of Public Health and Environment was filled in July 2016, and the five full-time site surveyor positions were filled by mid-September 2016. Onboarding training for the surveyor positions, followed by training specifically on home and community based services and settings, was completed in September 2016. Team onsite visits started the last week of September 2016. All first-time visits to a particular type of setting have included at least three staff, for training and consistency.

Number of Surveys Completed

When it submitted Budget Request S-9, BA-9, the Department of Health Care Policy and Financing planned to focus its site visits on providers whose self-assessments indicated probable

noncompliance with the federal Settings Final Rule. This approach would have involved approximately 200 site visits and yielded a 90% confidence level.

The federal Centers for Medicare & Medicaid Services subsequently released new guidance that precluded the Department's planned approach. The federal guidance required that verification visits be conducted with a statistically representative sample of all providers, be stratified by provider setting type, and yield a 95% confidence level. Based on this guidance, the Department calculated in Budget Request BA-8 that 854 site visits would be necessary.

The Department of Health Care Policy and Financing has since revised this figure twice. The first revision, reflected in the Statewide Transition Plan currently under review by the federal Centers for Medicare & Medicaid Services, entailed a new calculation methodology that should meet the federal criteria while only requiring 231 site visits. The second revision, which will be reflected in the next version of the Statewide Transition Plan, relies on updated data regarding affected settings and will require approximately 314 site visits.

As federal guidance and the available data have evolved, the Department has adapted its plan accordingly. For example, the Provider Transition Plan is a document that the provider must complete in order to assess its compliance with the federal Settings Final Rule and set out a remedial action plan and timeline. The plan must be completed even if the provider is not receiving a site visit. When it prepared its most recent budget request, the Department of Health Care Policy and Financing expected to receive no more than 1,222 Provider Transition Plans. Based on the updated settings data it has collected, the Department now expects to receive over 3,000 Provider Transition Plans. This increase in workload is balanced by a reduction in the number of planned site visits, and the Department believes that its current appropriation is sufficient to achieve compliance.

The Department of Health Care Policy and Financing contracted with Telligen to complete 40 agency site visits from April through June 2016. Since some provider agencies provide both residential and non-residential services, there were a total of 57 surveys completed. From September through October 2016, the Department of Public Health and Environment completed 24 site visits, with 27 additional visits scheduled through the end of November.

Types of Providers Surveyed

The following types of settings have been surveyed:

	April-June 2016	July-October 2016
Residential settings		
Children's Habilitation Residential Program settings	1	2
Alternative care facilities	13	11
Supported Living Program and Transitional Living Program facilities for individuals with brain injuries	2	0
Residential settings for adults with intellectual and developmental disabilities, including group and host homes	18	4
Nonresidential settings		
Adult day services centers	4	5
Day habilitation settings for individuals with intellectual and developmental disabilities, including specialized habilitation, supported community connections and prevocational services	19	2
Day treatment facilities for individuals with brain injuries	0	0
Supported Employment – Group locations	0	0
Youth Day service settings	0	0
Total settings	57	24

Time Required per Survey

Background - in preparing Budget Request BA-8, the Department of Health Care Policy and Financing estimated that each site visit would require an average of eight hours of staff time.

Historical experience - Telligen reported that surveys initially required one and a half days to complete, including on-site observations, interviews with individuals, families and staff, and record reviews. The time also included documenting all findings. As surveyors gained experience and depending on the size of the facility, the surveys required one full day on-site.

Current state - survey staff are requesting documentation from the provider prior to the on-site review. This request includes policies, procedures and the Provider Transition Plan. Each site visit is currently requiring one and a half to two days including pre-site visit review, the on-site inspection and report writing. Department staff are conducting more robust surveys than during the initial phase of work conducted by Telligen. Additional information is being collected from providers and individuals receiving services to enhance compliance and identify potential implementation costs for providers.

The Department of Public Health and Environment projects completing two surveys a week per surveyor. Most agencies require two surveyors, due to the number of individuals in services. For

such agencies, the Department anticipates completing two surveys a week with two survey staff each. Given the five full-time surveyors, this results in five surveys a week, or 20 surveys a month. In addition, there are over 3,000 Provider Transition Plans that will be reviewed by the two departments. All providers are required to submit a revised Provider Transition Plan every six months for each setting based on the results of the survey, or changes in their practices, until they are determined to be in compliance with the rule. The desk reviews of these provider transition plans will be labor intensive, given the sheer volume of settings and the revised plans submitted.

Cost Estimates of Provider Compliance with the Final Settings Rule

The Department of Health Care Policy and Financing has sent sample Provider Transition Plans to the Centers for Medicare and Medicaid Services, and may send additional samples in the future, to ensure the plans are compliant with the federal rule. The Department will use this process to ensure that remedial action plans without cost impacts can be sufficient in some cases, and to better understand the need for any significant cost impacts. The Department is also engaging with stakeholders to learn about potential cost increases.

The Department of Public Health and Environment collects information from providers during site visits regarding anticipated changes to their costs as they work toward compliance with the federal Settings Final Rule. Similar to what Telligen reported over the summer, non-residential providers have stated they may require additional staff to provide greater choice of community services in smaller, more individualized groups in the community. Residential providers anticipate increased costs to add individual bedroom locks and key pad entry devices for the home, for individuals who are able to use this device easier than a key.

On-site surveys are expected to continue through June 2017. Once surveys are completed, the surveyors will be reviewing the Provider Transition Plans. Throughout the survey process, the Department of Public Health and Environment will continue to provide the Department of Health Care Policy and Financing with an expanding sample of data it can use to extrapolate system-wide cost projections. By the spring of 2017, the Department of Health Care Policy and Financing will calculate the potential rate impacts of provider mitigation strategies and, if warranted, begin pursuing any necessary budget requests and waiver amendments.

Support and Technical Assistance the Departments Are Providing

Since the implementation of the federal Settings Final Rule, the Department of Health Care Policy and Financing has been working with stakeholders to ensure that Colorado is fully compliant by March 17, 2019. The Department has presented numerous trainings and created and maintains a website for educational materials and other documents. The Departments of Health Care Policy and Financing and Public Health and Environment continue to provide information to stakeholders regarding the Settings Final Rule to ensure participants, providers and other stakeholders understand the rule and its implementation. The Departments of Health Care Policy and

Financing, Public Health and Environment, and Human Services convene weekly to assist in preparing and taking action steps.

The Department of Public Health and Environment provides direct support and technical assistance to providers who receive a site visit. Not only are staff working with a provider regarding a specific facility, Department staff also provide technical assistance for other services delivered by the provider, to assist with the provider's overall plan for compliance with the federal Settings Final Rule.

Common Question 4 - Public Awareness Campaigns

Division	Campaign Name	Brief Description of Campaign Objectives and Reach	Total FY 2016-17 Budget for Campaign	Include Cash Fund Number or Source of Reappropriated Funds	What other state agencies are we collaborating with?	Statutory Authority (please include statute information)
Prevention Services Division (PSD)	Good to Know: Marijuana in Colorado	Empowers Colorado residents and visitors to make smart choices by helping to understand what responsible marijuana use looks like. Since July 1, 2016, the campaign has been viewed more than 11,400,000 times across a variety of media channels and across the state.	\$ 1,025,000	Marijuana Cash Funds	PSD's Retail Marijuana Education Program (RMEP) collaborates closely with other CDPHE programs and the Department of Transportation (CDOT) and the Department of Human Services (CDHS) on coordinated media buys to assure that the state is not outbidding itself on similar media buys. Additionally, RMEP's campaigns are guided by the work of an advisory committee set up by the Governor's Office that includes CDHS, Colorado Department of Public Safety (CDPS), CDOT, Department of Revenue's Marijuana Enforcement Division (DOR MED), and the Governor's Office of Marijuana Coordination.	25-3.5-1004
Prevention Services Division (PSD)	Good to Know: Marijuana Education for Trusted Adults	Establishes a successful youth prevention campaign that leverages the adults that youth trust (parents, coaches and teachers) and reinforces the reasons not to engage in underage marijuana use and deter youth from trying it. Since July 1, 2016, the campaign has been viewed more than 11,500,000 times across a variety of media channels and across the state.	\$ 2,660,000	Marijuana Cash Funds	PSD's Retail Marijuana Education Program (RMEP) collaborates closely with other CDPHE programs and the Department of Transportation (CDOT) and the Department of Human Services (CDHS) on coordinated media buys to assure that the state is not outbidding itself on similar media buys. Additionally, RMEP's campaigns are guided by the work of an advisory committee set up by the Governor's Office that includes CDHS, Colorado Department of Public Safety (CDPS), CDOT, Department of Revenue's Marijuana Enforcement Division (DOR MED), and the Governor's Office of Marijuana Coordination.	25-3.5-1004
Prevention Services Division (PSD)	Good to Know: Marijuana Education for Pregnant/ Breastfeeding Women	Provides educational information about the health effects and risks associated with using retail marijuana during pregnancy and breastfeeding to empower women to make informed decisions. Helps encourage conversations between women and their healthcare providers and provides resources to support a positive, open, and honest conversation. Since July 1, 2016, the campaign, targeted only at pregnant women in Colorado, has been viewed more than 4,000,000 times across a variety of media channels and across the state.	\$ 235,000	Marijuana Cash Funds	PSD's Retail Marijuana Education Program (RMEP) collaborates closely with other CDPHE programs and the Department of Transportation (CDOT) and the Department of Human Services (CDHS) on coordinated media buys to assure that the state is not outbidding itself on similar media buys. Additionally, RMEP's campaigns are guided by the work of an advisory committee set up by the Governor's Office that includes CDHS, Colorado Department of Public Safety (CDPS), CDOT, Department of Revenue's Marijuana Enforcement Division (DOR MED), and the Governor's Office of Marijuana Coordination.	25-3.5-1004
Prevention Services Division (PSD)	Marihuana en Colorado: Lo Que Debes Entender	Empowers Hispanic/Latino adults with accurate information on the laws, legal consequences, health concerns and tips on how to talk to youth to prevent and deter underage use. Since July 1, 2016, the campaign has been viewed more than 11,390,000 times across a variety of media channels and across the state.	\$ 244,265	Marijuana Cash Funds	PSD's Retail Marijuana Education Program (RMEP) collaborates closely with other CDPHE programs and the Department of Transportation (CDOT) and the Department of Human Services (CDHS) on coordinated media buys to assure that the state is not outbidding itself on similar media buys. Additionally, RMEP's campaigns are guided by the work of an advisory committee set up by the Governor's Office that includes CDHS, Colorado Department of Public Safety (CDPS), CDOT, Department of Revenue's Marijuana Enforcement Division (DOR MED), and the Governor's Office of Marijuana Coordination.	25-3.5-1004
Prevention Services Division (PSD)	Protect What's Next: Youth Marijuana Prevention	Reinforces the reasons youth have not to engage in underage recreational marijuana use and deter youth from trying it. Since July 1, 2016, the campaign has been viewed more than 23,575,000 times across a variety of media channels and across the state.	\$ 1,084,000	Marijuana Cash Funds	PSD's Retail Marijuana Education Program (RMEP) collaborates closely with other CDPHE programs and the Department of Transportation (CDOT) and the Department of Human Services (CDHS) on coordinated media buys to assure that the state is not outbidding itself on similar media buys. Additionally, RMEP's campaigns are guided by the work of an advisory committee set up by the Governor's Office that includes CDHS, Colorado Department of Public Safety (CDPS), CDOT, Department of Revenue's Marijuana Enforcement Division (DOR MED), and the Governor's Office of Marijuana Coordination.	25-3.5-1004

Prevention Services Division (PSD)	Enough with the Puff	Helps straight-to-work young adults recognize that their social smoking is dangerous, and to help move them along the quit continuum until they ultimately quit smoking for good. Comprehensive metrics are still being gathered, and will not be available until closer to the end of the fiscal year. Initial results show the campaign exceeding industry standards for click through rates and action rates.	\$ 450,000	Amendment 35 Cash Fur	None	25-3.5-805
Prevention Services Division (PSD)	Tobacco is Nasty	Campaign uses humor and pop culture to engage youth in a more authentic and meaningful way with a young audience. Comprehensive metrics are still being gathered, and will not be available until closer to the end of the fiscal year. Initial results show the campaign greatly exceeding industry standards for click through rates and action rates.	\$ 200,000	Amendment 35 Cash Fur	None	25-3.5-805
Prevention Services Division (PSD)	Colorado QuitLine	Cessation campaign raises awareness about the Colorado QuitLine and to get people to use this proven cessation service. It targets a variety of priority populations who smoke at disproportionate levels. Colorado has been successful in driving more web	\$ 2,400,000	Amendment 35 Cash Fur	None	25-3.5-805
Prevention Services Division (PSD)	Tobacco Medicaid Campaign	Connects Medicaid patients with their providers for cessation services. The paid media for this effort does not begin until mid-December; as such, no current metrics exist.	\$ 200,000	Amendment 35 Cash Fur	Department of Health Care Policy and Financing	25-3.5-805
Prevention Services Division (PSD)	Pregnancy-Related Depression	Improves the awareness and knowledge of pregnancy-related depression and anxiety among pregnant and postpartum women and their informal support networks. The overarching goal is to reduce stigma associated with maternal mental health and increase the number of women identified with pregnancy-related depression and anxiety who seek treatment. The pilot phase is targeting Denver County, Tri-County, and Larimer	\$ 129,894	Federal Funds	Department of Health Care Policy and Financing and Department of Human Services were notified of campaigns.	N/A
Office of Emergency Preparedness and Response	Zika Information Sharing Campaign	Funding awarded to create a Zika community outreach campaign and information sharing for local public health agencies (LPHAs) and federally qualified healthcare centers (FQHCs), rural health clinics, and commercial	\$ 218,000	Federal Funds	N/A	N/A
Disease Control and Environmental Epidemiology Division	HIV Pre-Exposure Prophylaxis (PrEP) Awareness Campaign	The goal of the campaign is to raise awareness about PrEP, a medication that can reduce HIV risk by approximately 92%, if taken as prescribed. The campaign is marketed toward transgender persons and men who have sex with men residing in the Denver Metropolitan Statistical Area.	\$ 350,000	Federal Funds	The Department is working with an advisory committee with representation from the following organizations: Denver Health, Children's Hospital, University Hospital, Colorado AIDS Project (and its outlying regional offices), Mile High Behavioral Health, It Takes A Village, Empowerment Program, and consumers.	25-4-408
Disease Control and Environmental Epidemiology Division	The Immunization Awareness Campaign	This statewide campaign pays for radio and television ads in English and Spanish to promote immunizations for influenza and childhood diseases, and encourages people to get vaccinated.	\$ 150,000	Federal/Gifts, Grants, Donations/State General Funds	The program does not collaborate with any other state agencies on this campaign.	25-1.5-101(1)(j)(I), 25-4-1708, 25-4-2301, 25-4-2403
Air Pollution Control	Lead Awareness Campaign	Public education materials for lead awareness. The goal is to educate the public about the dangers of childhood lead poisoning and how to prevent it.	\$ 4,999	Federal Funds	The Department collaborates with local health agencies on this campaign.	25-7-11 (1101 - 1107)

Question 5 - Turnover & Vacancy Rate

Turnover Rate FY 2016 (July 1, 2015 to June 30, 2016)

	Total*	Administratio n and Support	Air Pollution Control Division	Center for Health and Environmenta l Data	Communit y Relations Division	Disease Control and Environmental Peidemiolgy Division	Division of Environmenta l Health and Sustainability	Edecutive Director's Office	Health Facilities and Emergency Medical Services	Hazardous Materials and Waste Manageme nt Division	Laboratory Services Division	Prevention Services Division	Water Quality Control Division
Turnover Rate	11.69%	15.07%	9.41%	17.88%	7.27%	8.72%	16.00%	10.00%	16.93%	5.74%	9.88%	14.00%	8.11%
Total Voluntary Separations	11.29%	15.07%	9.41%	17.22%	7.27%	8.21%	16.00%	10.00%	16.40%	5.74%	9.88%	12.50%	8.11%
- Accepted New Job Outside State System	2.10%	1.37%	1.49%	2.65%	1.82%	0.51%	2.00%		3.17%			6.00%	1.62%
- Full Service Retirement	2.69%	5.48%	3.47%	1.99%		3.08%	6.00%		2.12%	4.92%	1.23%	1.50%	2.16%
- Organization Transfer	0.92%		1.49%	2.65%				5.00%	0.53%		2.47%	1.50%	
- Returned to School	0.13%											1.00%	
- Relocation	0.33%		0.50%						0.53%			1.50%	
- Personal Reasons	5.12%	8.22%	2.48%	9.93%	5.45%	4.62%	8.00%	5.00%	10.05%	0.82%	6.17%	1.00%	4.32%
Total Involuntary Separations	0.39%	0.00%	0.00%	0.66%	0.00%	0.51%	0.00%	0.00%	0.53%	0.00%	0.00%	1.50%	0.00%
- Death - With Survivors	0.07%											0.50%	
- Disciplinary Termination	0.13%											1.00%	
- No Reason Given	0.07%			0.66%									
- Resigned (Contact Agency HR)	0.13%					0.51%			0.53%				

Vacancy Rate (November 29, 2016)

	Total*	Administratio n and Support	Air Pollution Control Division	Center for Health and Environmenta l Data	Communit y Relations Division	Disease Control and Environmental Peidemiolgy Division	Division of Environmenta l Health and Sustainability	Edecutive Director's Office	Health Facilities and Emergency Medical Services	Hazardous Materials and Waste Manageme nt Division	Laboratory Services Division	Prevention Services Division	Water Quality Control Division
Vacancy Rate	13.68%	8.45%	6.47%	21.18%	14.29%	10.63%	4.44%	0.00%	10.94%	11.11%	23.26%	20.44%	15.23%

*The calculated turnover and vacancy rate shown by CDPHE may differ slightly from the information provided by DPA for the following reasons:

- DPA does not consider transfers between departments as turnover, while CDPHE would consider that as turnover
- DPA does not include and non-classified staff in its calculations of vacancy and turnover

Long Bill Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds
01. Administration and Support					
(A) Administration					
Vehicle Lease Payments					
FY 2015-16 Expenditure Authority	\$318,175	0.0	\$0	\$250,554	\$67,621
FY 2015-16 Actual Expenditures	\$221,133	0.0	\$0	\$180,914	\$40,220
FY 2015-16 Reversion (Overexpenditure)	\$97,042	0.0	\$0	\$69,640	\$27,401
(B) Office of Health Equity					
(1) Office of Health Equity					
Operating Expenses					
FY 2015-16 Expenditure Authority	\$65,579	0.0	\$6,672	\$58,907	\$0
FY 2015-16 Actual Expenditures	\$27,234	0.0	\$6,672	\$20,562	\$0
FY 2015-16 Reversion (Overexpenditure)	\$38,345	0.0	\$0	\$38,345	\$0
Health Disparities Grants					
FY 2015-16 Expenditure Authority	\$4,196,710	0.0	\$0	\$4,196,710	\$0
FY 2015-16 Actual Expenditures	\$3,651,239	0.0	\$0	\$3,651,239	\$0
FY 2015-16 Reversion (Overexpenditure)	\$545,471	0.0	\$0	\$545,471	\$0
Necessary Document Assistance					
FY 2015-16 Expenditure Authority	\$300,000	0.0	\$300,000	\$0	\$0
FY 2015-16 Actual Expenditures	\$155,033	0.0	\$155,033	\$0	\$0
FY 2015-16 Reversion (Overexpenditure)	\$144,967	0.0	\$144,967	\$0	\$0

Total Percent over/under	General Fund	Cash Funds	Reappropriated Funds	Division Response for reversion greater than 10%
30%		28%	41%	This appropriation is set via Common Policy
58%	0%	65%		The operating expenses were lower than the appropriation. Effective FY16-17, the operating line and personal services line was combined into a program line providing flexibility for the office.
13%		13%		2 grantees contracts were cancelled due to performance issues and several grantees underbilled.
48%	48%			First year of funding - the Contracted work didn't start until 6 months into the year due to the state's contracting process..

Long Bill Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds
02. Center for Health and Environmental Information					
(A) Administration and Support					
(1) Administration and Support					
Program Costs					
FY 2015-16 Expenditure Authority	\$497,032	4.7	\$50,320	\$446,712	\$0
FY 2015-16 Actual Expenditures	\$253,175	2.7	\$50,318	\$202,857	\$0
FY 2015-16 Reversion (Overexpenditure)	\$243,857	2.0	\$2	\$243,855	\$0
(C) Medical Marijuana Registry					
(1) Medical Marijuana Registry					
Personal Services					
FY 2015-16 Expenditure Authority	\$1,852,713	24.3	\$0	\$1,852,713	\$0
FY 2015-16 Actual Expenditures	\$1,576,839	19.7	\$0	\$1,576,839	\$0
FY 2015-16 Reversion (Overexpenditure)	\$275,874	4.6	\$0	\$275,874	\$0
Operating Expenses					
FY 2015-16 Expenditure Authority	\$171,228	0.0	\$0	\$171,228	\$0
FY 2015-16 Actual Expenditures	\$96,404	0.0	\$0	\$96,404	\$0
FY 2015-16 Reversion (Overexpenditure)	\$74,824	0.0	\$0	\$74,824	\$0
(D) Health Data Programs and Information					
Birth Defects Monitoring and Prevention Program					
FY 2015-16 Expenditure Authority	\$292,814	12.6	\$123,092	\$169,722	\$0
FY 2015-16 Actual Expenditures	\$262,298	10.7	\$123,092	\$139,206	\$0
FY 2015-16 Reversion (Overexpenditure)	\$30,516	1.9	\$0	\$30,516	\$0

Total Percent over/under	General Fund	Cash Funds	Reappropriated Funds	Division Response for reversion greater than 10%
49%	0%	55%		reversion in cash due to under expenditures for personnel costs such as changing insurance plans, vacancy savings, etc.).
15%	0%	15%		Expenditures were reduced to correspond with declining revenues
44%	0%	44%		Expenditures were reduced to correspond with declining revenues
10%	0%	18%		expenditures were based on revenue collected.

Long Bill Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds
03. Laboratory Services					
(A) Laboratory Services					
(1) Laboratory Services					
Director's Office					
FY 2015-16 Expenditure Authority	\$1,068,187	13.3	\$381,892	\$547,949	\$138,346
FY 2015-16 Actual Expenditures	\$610,845	6.7	\$381,892	\$228,953	\$0
FY 2015-16 Reversion (Overexpenditure)	\$457,342	6.6	\$0	\$318,996	\$138,346
Chemistry and Microbiology Personal Services					
FY 2015-16 Expenditure Authority	\$3,610,578	49.2	\$591,905	\$2,865,967	\$152,706
FY 2015-16 Actual Expenditures	\$2,891,985	51.5	\$591,905	\$2,300,080	\$0
FY 2015-16 Reversion (Overexpenditure)	\$718,593	(2.3)	\$0	\$565,887	\$152,706
Chemistry and Microbiology Operating Expenses					
FY 2015-16 Expenditure Authority	\$3,438,065	0.0	\$321,389	\$2,937,000	\$179,676
FY 2015-16 Actual Expenditures	\$2,994,214	0.0	\$321,389	\$2,671,565	\$1,260
FY 2015-16 Reversion (Overexpenditure)	\$443,851	0.0	\$0	\$265,435	\$178,416
Certification					
FY 2015-16 Expenditure Authority	\$939,472	13.8	\$0	\$763,180	\$176,292
FY 2015-16 Actual Expenditures	\$794,051	13.3	\$0	\$620,149	\$173,902
FY 2015-16 Reversion (Overexpenditure)	\$145,421	0.5	\$0	\$143,031	\$2,390

Total Percent over/under	General Fund	Cash Funds	Reappropriated Funds	Division Response for reversion greater than 10%
43%	0%	58%	100%	CF: The division's actual expenditures were in line with the available cash revenues. RF: This Reappropriated funding line is for appropriations from the Water Quality Control Division (WQCD). It was not utilized in FY16 due to the alternative funding sources, mostly federal grant funding, that WQCD identified and set up for the laboratory water testing work.
20%	0%	20%	100%	CF: The division's actual expenditures were in line with the available cash revenues. RF: This Reappropriated funding line is for appropriations from the Water Quality Control Division (WQCD). It was not utilized in FY16 due to the alternative funding sources, mostly federal grant funding, that WQCD identified and set up for the laboratory water testing work. This Reappropriated funding line is being used in FY17.
13%	0%	9%	99%	RF: This Reappropriated funding line is for appropriations from the Water Quality Control Division (WQCD). It was not utilized in FY16 due to the alternative funding sources, mostly federal grant funding, that WQCD identified and set up for the laboratory water testing work. This Reappropriated funding line is being used in FY17.
15%		19%	1%	CF: The division's actual expenditures were in line with the available cash revenues.

Long Bill Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds
04. Air Pollution Control Division					
(C) Mobile Sources					
(1) Mobile Sources					
Mechanic Certification Program					
FY 2015-16 Expenditure Authority	\$7,000	0.0	\$0	\$7,000	\$0
FY 2015-16 Actual Expenditures	\$4,705	0.0	\$0	\$4,705	\$0
FY 2015-16 Reversion (Overexpenditure)	\$2,295	0.0	\$0	\$2,295	\$0

Total Percent over/under	General Fund	Cash Funds	Reappropriated Funds	Division Response for reversion greater than 10%
33%		33%		Expenditures reflect the total amount of revenues generated by the program.

Long Bill Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds
05. Water Quality Control Division					
(C) Clean Water Program					
(1) Clean Water Program					
Local Grants and Contracts					
FY 2015-16 Expenditure Authority	\$19,409,489	0.0	\$362,154	\$19,007,662	\$39,673
FY 2015-16 Actual Expenditures	\$4,016,449	17.5	\$340,519	\$3,636,257	\$39,673
FY 2015-16 Reversion (Overexpenditure)	\$15,393,040	(17.5)	\$21,635	\$15,371,405	\$0
Water Quality Improvement					
FY 2015-16 Expenditure Authority	\$167,196	0.0	\$0	\$167,196	\$0
FY 2015-16 Actual Expenditures	\$110,386	0.1	\$0	\$110,386	\$0
FY 2015-16 Reversion (Overexpenditure)	\$56,810	(0.1)	\$0	\$56,810	\$0
(E) Indirect Cost Assessment					
(1) Indirect Cost Assessment					
Indirect Cost Assessment					
FY 2015-16 Expenditure Authority	\$1,472,293	0.0	\$0	\$1,472,293	\$0
FY 2015-16 Actual Expenditures	\$1,253,052	0.0	\$0	\$1,253,052	\$0
FY 2015-16 Reversion (Overexpenditure)	\$219,241	0.0	\$0	\$219,241	\$0

Total Percent over/under	General Fund	Cash Funds	Reappropriated Funds	Division Response for reversion greater than 10%
79%	6%	81%	0%	Includes \$19M in continuously appropriated cash fund in this line item. (Small Community Water and Waste Water Grant Fund)
34%		34%		
15%		15%		Includes continuously appropriated cash fund. (Small Community Water and Waste Water Grant Fund)

Long Bill Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds
06. Hazardous Materials and Waste Management Division					
(A) Administration					
(1) Administration					
Program Costs					
FY 2015-16 Expenditure Authority	\$1,720,303	19.0	\$0	\$1,635,216	\$85,087
FY 2015-16 Actual Expenditures	\$451,777	1.8	\$0	\$451,777	\$0
FY 2015-16 Reversion (Overexpenditure)	\$1,268,526	17.2	\$0	\$1,183,439	\$85,087
Legal Services					
FY 2015-16 Expenditure Authority	\$342,807	0.0	\$0	\$342,352	\$455
FY 2015-16 Actual Expenditures	\$307,250	0.0	\$0	\$307,250	\$0
FY 2015-16 Reversion (Overexpenditure)	\$35,557	0.0	\$0	\$35,102	\$455
Indirect Cost Assessment					
FY 2015-16 Expenditure Authority	\$2,154,900	0.0	\$0	\$2,104,300	\$50,600
FY 2015-16 Actual Expenditures	\$2,328,004	0.0	\$0	\$2,308,965	\$19,039
FY 2015-16 Reversion (Overexpenditure)	(\$173,104)	0.0	\$0	(\$204,665)	\$31,561
(B) Hazardous Waste Control Program					
(1) Hazardous Waste Control Program					
Personal Services					
FY 2015-16 Expenditure Authority	\$2,299,822	25.9	\$0	\$2,299,822	\$0
FY 2015-16 Actual Expenditures	\$1,408,394	28.6	\$0	\$1,408,394	\$0
FY 2015-16 Reversion (Overexpenditure)	\$891,428	(2.7)	\$0	\$891,428	\$0
(D) Contaminated Site Cleanups and Remediation Programs					
(1) Contaminated Site Cleanups and Remediation Programs					
Personal Services					
FY 2015-16 Expenditure Authority	\$1,442,950	20.8	\$0	\$1,442,950	\$0
FY 2015-16 Actual Expenditures	\$742,039	23.2	\$0	\$742,039	\$0
FY 2015-16 Reversion (Overexpenditure)	\$700,911	(2.4)	\$0	\$700,911	\$0

Operating Expenses

Total Percent over/under	General Fund	Cash Funds	Reappropriated Funds	Division Response for reversion greater than 10%
74%		72%	100%	Actual expenses occur in the program lines throughout the Division. The Department is requesting to adjust this in FY 2017-18 R-05. "CDPHE Long Bill adjustments."
10%		10%	100%	Expenditures are driven by the Division's need for legal services, which is variable. Decision Item R-05 requests to combine this line with the Department's central Legal Services line item for FY2017-18
-8%		-10%	62%	This is due to Limited assessment of Reappropriated indirects. Decision Item R-05 is requesting to adjust this for FY 2017-18
39%		39%		The program experienced several retirements resulting in vacancy savings. Positions have all been filled.
49%		49%		Increase in federal funds offset cash expenditures.

FY 2015-16 Expenditure Authority	\$49,045	0.0	\$0	\$49,045	\$0			
FY 2015-16 Actual Expenditures	\$6,628	0.0	\$0	\$6,628	\$0			
FY 2015-16 Reversion (Overexpenditure)	\$42,417	0.0	\$0	\$42,417	\$0	86%	86%	Increase in federal funds offset cash expenditures.
Brownsfield Cleanup Program								
FY 2015-16 Expenditure Authority	\$250,000	0.0	\$0	\$250,000	\$0			
FY 2015-16 Actual Expenditures	\$0	0.0	\$0	\$0	\$0			
FY 2015-16 Reversion (Overexpenditure)	\$250,000	0.0	\$0	\$250,000	\$0	100%	100%	This is a multi-year appropriation per SB15-234 Footnote number 66) and will be expended during FY2017 and FY2018.
Transfer To The Department Of Law For CERCLA-Related Costs								
FY 2015-16 Expenditure Authority	\$713,142	0.0	\$0	\$713,142	\$0			
FY 2015-16 Actual Expenditures	\$487,725	0.0	\$0	\$487,725	\$0			
FY 2015-16 Reversion (Overexpenditure)	\$225,417	0.0	\$0	\$225,417	\$0	32%	32%	Dept of Law CERCLA costs were not as much as anticipated.
Natural Resource Claims at Rocky Mountain Arsenal, Law								
FY 2015-16 Expenditure Authority	\$50,000	0.0	\$0	\$50,000	\$0			
FY 2015-16 Actual Expenditures	\$0	0.0	\$0	\$0	\$0			
FY 2015-16 Reversion (Overexpenditure)	\$50,000	0.0	\$0	\$50,000	\$0	100%	100%	this appropriation has been eliminated by JBC for FY2017
(E) Radiation Management								
(1) Radiation Management								
Operating Expenses								
FY 2015-16 Expenditure Authority	\$74,615	0.0	\$0	\$74,615	\$0			
FY 2015-16 Actual Expenditures	\$66,167	0.0	\$0	\$66,167	\$0			
FY 2015-16 Reversion (Overexpenditure)	\$8,448	0.0	\$0	\$8,448	\$0	11%	11%	Expenditures were reduced to match cash revenues.
(F) Waste Tire Program								
(1) Waste Tire Program								
Waste Tire Administration, and Cleanup Program Enforcement								
FY 2015-16 Expenditure Authority	\$2,896,041	5.0	\$0	\$2,896,041	\$0			
FY 2015-16 Actual Expenditures	\$780,182	5.2	\$0	\$780,182	\$0			
FY 2015-16 Reversion (Overexpenditure)	\$2,115,859	(0.2)	\$0	\$2,115,859	\$0	73%	73%	The program used FY 2015-16 to identify additional clean up sites. FY 2016-17 will experience an increase in clean up expenditures.
Waste Tire Market Development								
FY 2015-16 Expenditure Authority	\$311,534	0.0	\$0	\$311,534	\$0			
FY 2015-16 Actual Expenditures	\$262,080	0.0	\$0	\$262,080	\$0			
FY 2015-16 Reversion (Over expenditure)	\$49,454	0.0	\$0	\$49,454	\$0	16%	16%	Actual marketing costs were lower than budgeted. However, the Program has increased its outreach regarding the availability of funding and anticipates fully expending funds in FY 2016-17.

Long Bill Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds
07. Division of Environmental Health and Sustainability					
(A) Division of Environmental Health and Sustainability					
(1) Division of Environmental Health and Sustainability					
Administration and Support					
FY 2015-16 Expenditure Authority	\$829,773	7.5	\$527,080	\$302,693	\$0
FY 2015-16 Actual Expenditures	\$794,205	5.7	\$527,080	\$267,125	\$0
FY 2015-16 Reversion (Overexpenditure)	\$35,568	1.8	\$0	\$35,568	\$0
Environmental Health Programs					
FY 2015-16 Expenditure Authority	\$2,652,802	23.7	\$865,708	\$1,669,518	\$117,576
FY 2015-16 Actual Expenditures	\$2,300,487	23.0	\$865,708	\$1,326,095	\$108,683
FY 2015-16 Reversion (Overexpenditure)	\$352,315	0.7	\$0	\$343,423	\$8,893
Sustainability Programs					
FY 2015-16 Expenditure Authority	\$262,843	8.6	\$0	\$262,843	\$0
FY 2015-16 Actual Expenditures	\$200,425	6.8	\$0	\$200,425	\$0
FY 2015-16 Reversion (Overexpenditure)	\$62,418	1.8	\$0	\$62,418	\$0
Household Medication Take-back Program					
FY 2015-16 Expenditure Authority	\$350,000	0.0	\$300,000	\$50,000	\$0
FY 2015-16 Actual Expenditures	\$140,554	0.0	\$140,554	\$0	\$0
FY 2015-16 Reversion (Overexpenditure)	\$209,446	0.0	\$159,446	\$50,000	\$0

Total Percent over/under	General Fund	Cash Funds	Reappropriated Funds	Division Response for reversion greater than 10%
4%	0%	12%		Under expenditures are due to issues such as staff changing insurance plans, vacancy savings, etc.).
13%	0%	21%	8%	Under expenditures are due to issues such as staff changing insurance plans, vacancy savings, etc.).
24%		24%		Underspent spending authority to manage to actual revenue
60%	53%	100%		Underspent cash due to lack of donations. Underspent general fund due to difficulty in securing contractor for waste disposal.

Long Bill Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds
08. Disease Control and Environmental Epidemiology Division					
(A) Administration, General Disease Control, Surveillance					
(1) Administration, General Disease Control and Surveillance					
Program Costs					
FY 2015-16 Expenditure Authority	\$1,510,605	33.1	\$1,503,597	\$7,008	\$0
FY 2015-16 Actual Expenditures	\$1,503,596	34.0	\$1,503,596	\$0	\$0
FY 2015-16 Reversion (Overexpenditure)	\$7,009	(0.9)	\$1	\$7,008	\$0
(B) Special Purpose Disease Control Programs					
(1) Special Purpose Disease Control Programs					
Sexually Transmitted Infections, HIV and AIDS, Personal Srv.					
FY 2015-16 Expenditure Authority	\$94,236	39.9	\$0	\$94,236	\$0
FY 2015-16 Actual Expenditures	\$78,160	39.9	\$0	\$78,160	\$0
FY 2015-16 Reversion (Overexpenditure)	\$16,076	0.0	\$0	\$16,076	\$0
Sexually Transmitted Infections, HIV and AIDS, Operating Exp					
FY 2015-16 Expenditure Authority	\$2,154,272	0.0	\$0	\$2,154,272	\$0
FY 2015-16 Actual Expenditures	\$1,642,637	0.0	\$0	\$1,642,637	\$0
FY 2015-16 Reversion (Overexpenditure)	\$511,635	0.0	\$0	\$511,635	\$0
Ryan White Act, Operating Expenses					
FY 2015-16 Expenditure Authority	\$5,193,521	0.0	\$1,451,065	\$3,742,456	\$0
FY 2015-16 Actual Expenditures	\$3,190,996	0.0	\$1,451,065	\$1,739,931	\$0
FY 2015-16 Reversion (Overexpenditure)	\$2,002,525	0.0	\$0	\$2,002,525	\$0
(C) Environmental Epidemiology					
(1) Environmental Epidemiology					
Cannabis Health Information, Training, and Surveillance					
FY 2015-16 Expenditure Authority	\$320,388	4.0	\$0	\$320,388	\$0
FY 2015-16 Actual Expenditures	\$239,039	2.8	\$0	\$239,039	\$0
FY 2015-16 Reversion (Overexpenditure)	\$81,349	1.2	\$0	\$81,350	\$0
Oil and Gas Health Activities					
FY 2015-16 Expenditure Authority	\$355,846	3.0	\$0	\$355,846	\$0
FY 2015-16 Actual Expenditures	\$276,761	3.0	\$0	\$276,761	\$0
FY 2015-16 Reversion (Overexpenditure)	\$79,085	0.0	\$0	\$79,085	\$0

Total Percent over/under	General Fund	Cash Funds	Reappropriated Funds	Division Response for reversion greater than 10%
0%	0%	100%		Cash funds were part of the rabies program that has ended and the appropriation is no longer needed.
17%		17%		Legislation only authorizes up to 5% for admin costs of all funds, underspending appropriation to stay within legislated mandate.
24%		24%		The underexpenditure of CHAPP Tobacco MSA funds was mainly due to low contractor response to Request for Applications and under expending by selected contractors.
39%	0%	54%		The underexpenditure is due to an expansion of services available to individuals with preexisting conditions.
25%		25%		Vacancy savings due to permanent staff not being hired until late in the fiscal year.
22%		22%		Vacancy savings due to permanent staff not being hired until late in the fiscal year.

Long Bill Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds
09. Prevention Services Division					
(A) Administration					
(1) Administration					
FY 2015-16 Expenditure Authority	\$1,350,064	31.7	\$678,357	\$656,687	\$15,020
FY 2015-16 Actual Expenditures	\$1,183,993	27.9	\$678,357	\$490,636	\$15,001
FY 2015-16 Reversion (Overexpenditure)	\$166,071	3.8	\$0	\$166,052	\$19
Indirect Cost Assessment					
FY 2015-16 Expenditure Authority	\$1,336,576	0.0	\$0	\$1,336,576	\$0
FY 2015-16 Actual Expenditures	\$1,404,404	0.0	\$0	\$1,404,404	\$0
FY 2015-16 Reversion (Overexpenditure)	(\$67,828)	0.0	\$0	(\$67,828)	\$0
(B) Chronic Disease Prevention Programs					
Chronic Disease and Cancer Prevention Grants					
FY 2015-16 Expenditure Authority	\$305,656	27.1	\$0	\$305,656	\$0
FY 2015-16 Actual Expenditures	\$0	36.0	\$0	\$0	\$0
FY 2015-16 Reversion (Overexpenditure)	\$305,656	(8.9)	\$0	\$305,656	\$0
Breast and Cervical Cancer Screening					
FY 2015-16 Expenditure Authority	\$4,455,795	7.2	\$0	\$4,455,795	\$0
FY 2015-16 Actual Expenditures	\$3,366,669	8.2	\$0	\$3,366,669	\$0
FY 2015-16 Reversion (Overexpenditure)	\$1,089,126	(1.0)	\$0	\$1,089,127	\$0
Cancer, Cardiovascular, and Chronic Pulmonary Disease Grants					
FY 2015-16 Expenditure Authority	\$14,313,422	0.0	\$0	\$14,313,422	\$0
FY 2015-16 Actual Expenditures	\$12,040,672	0.0	\$0	\$12,040,672	\$0

Total Percent over/under	General Fund	Cash Funds	Reappropriated Funds	Division Response for reversion greater than 10%
12%	0%	25%	0%	As a result of a large number of staff vacancies and subsequent hiring delays, there were less administrative funding needs than originally anticipated.
-5%		-5%		
100%		100%		The appropriation included in the Long Bill allows for the receipt of gifts, grants and donations. However none were received during FY16.
24%		24%		The Affordable Care Act provided coverage for preventive services to more Coloradans and decreased the demand for subsidized and free cancer screenings. The Department requested and was granted authority to expand the age range for cervical cancer screenings. The expansion will be implemented in January 2017 increasing the level of expenditures.

FY 2015-16 Reversion (Overexpenditure)	\$2,272,750	0.0	\$0	\$2,272,750	\$0
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Tobacco Education, Prevention, and Cessation Program Grants

FY 2015-16 Expenditure Authority	\$22,572,897	0.0	\$0	\$21,287,171	\$1,285,726
FY 2015-16 Actual Expenditures	\$20,500,173	0.0	\$0	\$20,212,230	\$287,942

FY 2015-16 Reversion (Overexpenditure)	\$2,072,724	0.0	\$0	\$1,074,941	\$997,784
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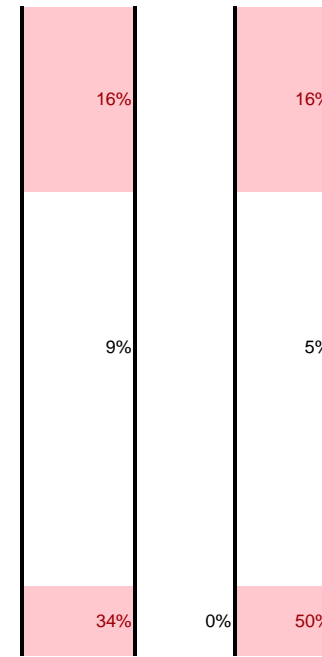
(C) Primary Care Office

(1) Primary Care Office

Primary Care Office

FY 2015-16 Expenditure Authority	\$6,011,917	3.3	\$1,875,259	\$4,136,658	\$0
FY 2015-16 Actual Expenditures	\$3,954,776	5.0	\$1,870,950	\$2,083,825	\$0

FY 2015-16 Reversion (Overexpenditure)	\$2,057,141	(1.7)	\$4,309	\$2,052,833	\$0
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There were significant grantee reversions from the prior fiscal year for the two primary screening programs . The Affordable Care Act provided coverage for preventive services to more Coloradans and decreased the demand for subsidized and free cancer screenings. The JBC increased current fiscal year spending authority to allow an increased level of grant awards. The new grants were awarded in the first quarter of this fiscal year.

The spending authority reflects the quitline expenditures that generate the Medicaid matching funds but the quitline expenditures are shown in this line item.

Appropriated cash amount includes a \$2 million private award that was received at the end of the fiscal year and could not be spent by June 30, 2016.

Long Bill Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds
10. Health Facilities and Emergency Medical Services					
(B) Health Facilities Program					
(1) Health Facilities Program					
FY 2015-16 Expenditure Authority	\$1,784,364	14.4	\$72,121	\$1,602,243	\$110,000
FY 2015-16 Actual Expenditures	\$1,227,224	13.4	\$72,121	\$1,140,799	\$14,304
FY 2015-16 Reversion (Overexpenditure)	\$557,140	1.0	\$0	\$461,444	\$95,697
Transfer to Department of Public Safety					
FY 2015-16 Expenditure Authority	\$361,973	0.0	\$0	\$0	\$361,973
FY 2015-16 Actual Expenditures	\$272,319	0.0	\$0	\$0	\$272,319
FY 2015-16 Reversion (Overexpenditure)	\$89,654	0.0	\$0	\$0	\$89,654
(C) Emergency Medical Services					
Poison Control					
FY 2015-16 Expenditure Authority	\$2,535,140	0.0	\$2,535,140	\$0	\$0
FY 2015-16 Actual Expenditures	\$1,535,140	0.0	\$1,535,140	\$0	\$0
FY 2015-16 Reversion (Overexpenditure)	\$1,000,000	0.0	\$1,000,000	\$0	\$0

Total Percent over/under	General Fund	Cash Funds	Reappropriated Funds	Division Response for reversion greater than 10%
31%	0%	29%	87%	expenditures were reduced to be consistent with actual revenue.
25%			25%	This is a pass through line to the Division of Fire Prevention and Control at the Department of Public Safety. The DPS invoices the HFEMSD based on inspections completed each year.
39%	39%			This funding was added from HB 15-1367 with the express roll forward authority to FY 2016-17. The division did not complete the contracting process with the poison control center in time for expenditures to commence in FY 2015-16.

Question 15 - Non-Appropriated Funds

Program Name	Source of Funding	FY2016 Amount
Federal		
National Exchange Network Implementation Project	Federal Grants	\$ 1,003,896
Prevention Partnership Block Grant (Admin and Support portion)	Federal Grants	\$ 545,378
Ebola Phase II	Federal Grants	\$ 2,197,741
Ebola Phase III-Part A	Federal Grants	\$ 2,394,069
Ebola Phase III-Part B	Federal Grants	\$ 2,500,000
Zika	Federal Grants	\$ 253,357
Cash Funds		
Radiation Decommissioning	Decommissioning Fund	\$ 364
Natural Resource Damage Reparations	Natural Resources Damage Recovery Fund	\$ 27,573,708
Summitville	Hazardous Substance Settlement Fund	\$ 6,269,753
Colorado Coroner's Standards and Training Board	Coroner Training Fund (Gifts, grants and donations and a fee for the new coroners training institute)	\$ 1,404
Water Quality Control Division, Grants and Loan Unit	Small Communities Water and Waste Water Grant Fund	\$ 15,578,057
Water Quality Control Division, Grants and Loan Unit	Nutrients Grant Fund	\$ 259,884
Colorado Commission of Affordable Health Care	Commission on Affordable Health Care Fund	\$ 7,625
Water Quality Control Division, Grants and Loan Unit	Natural Disaster Grant Fund	\$ 5,070,830
Gifts, Grants, and Private Donations		
Office of Planning and Partnership	Private Grants	\$ 12,000
STI/HIV Prevention Training Centers	California Public Health Foundation Grant	\$ 5,453
AIDS Drug Assistance Program (ADAP) Pharmaceutical Rebate	Rebate Cash Donation	\$ 777,805
Linkage to Care	Childrens Hospital Grant	\$ 6,345
Immunization CIIS Program	CU Foundation Grant	\$ 30,631
Womens Health Family Planning Program	Anonymous Foundation	\$ 510,526
Womens Health Family Planning Program	Various Foundations	\$ 2,068,710
Oral Health Program (Cavity Free at 3)	Caring for Colorado Foundation	\$ 350,000
Children and Youth Health (Family Leadership Training Institute)	Colorado Health Foundation via CSU	\$ 20,000