

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



**FISCAL YEAR 2008-09 BRIEFING:
DEPARTMENT OF PUBLIC HEALTH
AND ENVIRONMENT
(Administrative and Health Divisions)**

**JBC Working Document - Subject to Change
Staff Recommendation Does Not Represent Committee Decision**

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**FY 2008-09 Joint Budget Committee Staff Budget Briefing
DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
(Administrative and Health Divisions)**

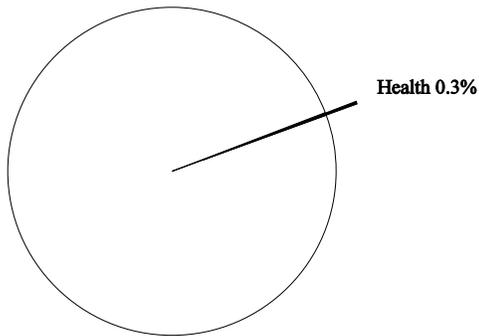
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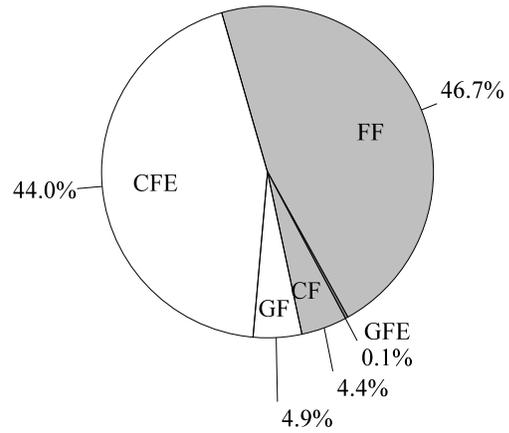
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Graphic Overview

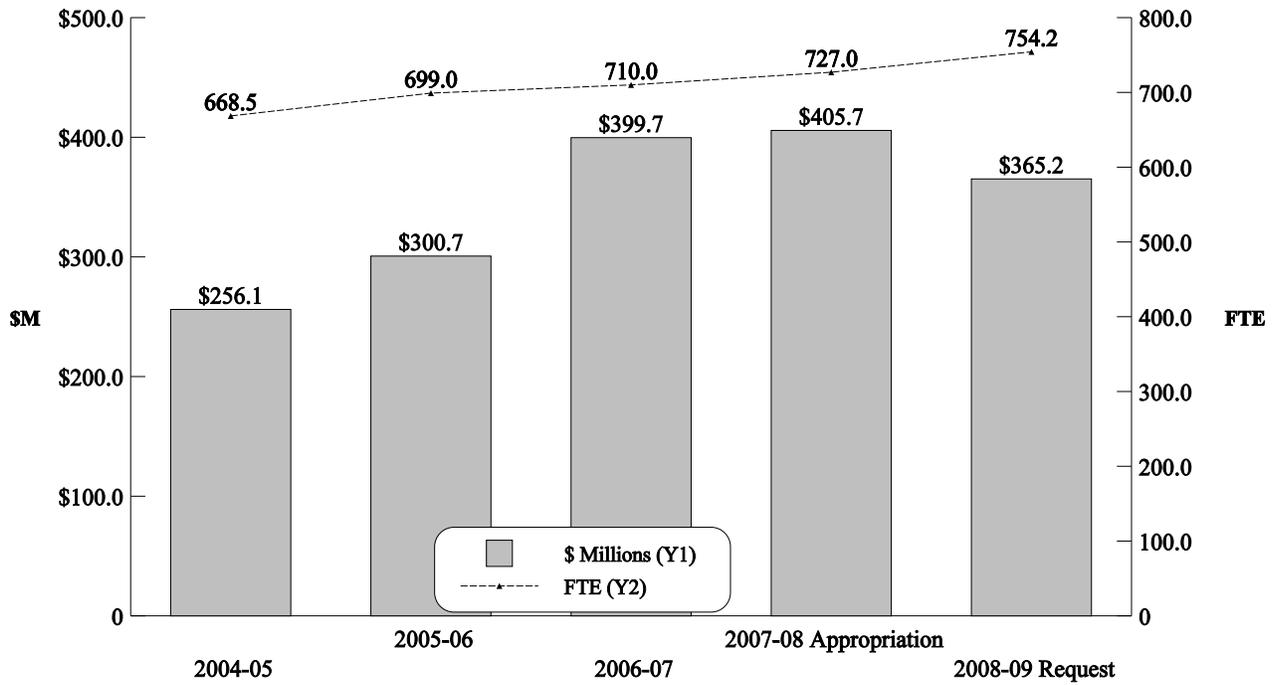
**Share of State General Fund
FY 2007-08**



**Funding Source Split
FY 2007-08**



Budget History



Department Overview: Key Responsibilities of Administrative and Health Divisions

- ▶ Maintain the state's vital records of births, deaths, marriages, and marriage dissolutions.
- ▶ Ensure access to essential public health services by training, assisting and funding public health nurses and environmental health specialists in areas not served by local health departments.
- ▶ Prevent and control communicable diseases through surveillance, investigation, reporting, training, and education.
- ▶ Ameliorate and control the causes of chronic disease and injury through education and direct service programs.
- ▶ Coordinate prevention services for children and youth.
- ▶ Provide health care and preventive services to low-income, at-risk populations including women and children.
- ▶ Assist families of children with special health care needs in accessing diagnostic services, medical care and ongoing support.
- ▶ Establish and enforce standards for the operation of health care facilities through education, inspection and investigation.
- ▶ Certify emergency medical technicians (EMTs)
- ▶ Assist emergency medical services providers with training, coordination and equipment purchases

Department Overview: Factors Driving the Administrative and Health Divisions Budgets

Federal Programs

Federal funds are the largest funding source for programs in the health divisions. Prior to FY 2005-06, these funds made up between two fifths and three quarters of the Health and Administration Divisions' budgets. This portion dipped beginning in FY 2005-06, after voters approved Amendment 35 (Tobacco Taxes for Health Related Purposes), and now constitutes approximately half of the Department's budget.

Federal funding is directed at two types of programs: (1) those that help ensure the health of all state residents through epidemiological monitoring and analysis or through assessment of health risk factors and access to care; and (2) those that provide direct services to certain groups of residents, such as low-income women in need of family planning services or families of children with special health care needs.

The bulk of the federal funds finance programs that are completely federally funded, such as the Women, Infants and Children (WIC) program grant. However, some programs are linked to state funds through a required match, such as the Maternal and Child Health (MCH) Block Grant.

Federal funds in some divisions, such as the Health Facilities and Emergency Medical Services Division, remain relatively steady over time. Other divisions, especially Disease Control and

Environmental Epidemiology, apply for many one-year and supplemental grants (which are available when funds remain after the federal government agency, often the Centers for Disease Control, has awarded the first round of funding to all eligible departments). These categories of federal grants fluctuate substantially.

(Millions of \$)	FY 2003-04 Actual	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Approp.
Federal Funds - Health and Administration Divisions	\$177.4	\$178.2	\$187.7	\$187.8	\$189.3
Total Funding - Health and Administration Divisions	256.3	256.1	300.7	372.3	405.7
Federal Funds as a Share of Divisions' Total Budget	69.2%	69.6%	62.4%	50.4%	46.7%

Providing Access to Health Care Services to Low-Income Persons

This factor is closely linked to the federal funding described above. Although some federal programs, such as bio-terrorism preparedness, are not linked to low-income populations, most of the federal funds provided to the health divisions are designed to serve people whose income is at or below a specified percentage of the federal poverty level. For example, the Women Infants and Children Supplemental Food Grant (WIC) program and the Child and Adult Care Food Program, which provides meals and snacks at day care facilities, accounted for \$91.9 million in the FY 2006-07 budget.

Tobacco Funding

Two tobacco-related funding sources support a number of the Department's programs: the payments that Colorado receives under the terms of the Master Settlement Agreement (MSA) and the tobacco-tax revenues collected under the provisions of Amendment 35.

Initially the Department operated two MSA-supported programs, the Nurse Home Visitor Program and the Tobacco Cessation and Prevention Grants Program. Subsequently, the Department received settlement moneys for the Dental Loan Repayment Program, which began in 2001-02, the Ryan White HIV/AIDS Drug Assistance Program, which began receiving settlement moneys in 2004-05, the Tony Grampsas Youth Services Program, which also began receiving settlement moneys in 2004-05, and the Colorado AIDS & HIV Prevention Program, which began in 2006-07. The Tobacco Cessation and Prevention Grants Program stopped receiving settlement money in FY 2005-06 when Amendment 35 provided an alternative source of funds. Senate Bill 07-97 further expanded the list of MSA-supported programs, adding Local Public Health Services, the Colorado Immunization Program, and Short-term Innovative Health Program Grants.

As a consequence of statutory changes, and of fluctuations in settlement revenues, the amount of settlement money flowing to the Department has fluctuated between \$11 million and \$23 million in recent years. Comparisons with prior years are complicated by the fact that prior to FY 2006-07 because the appropriations for three of the programs – Nurse Home Visitor, Tobacco Education and Prevention and Dental Loan Repayment – appeared twice in the Long Bill, once when the money was appropriated into a cash fund that supported the program, and once when it flowed to the program itself. House Bill 06-1310 eliminated these double counts.

Voters approved Amendment 35 (Tobacco Taxes for Health Related Purposes), in November 2004. The state began collecting related tobacco tax revenues in January 2005, but revenue did not start flowing to supported programs until FY 2005-06 when the enabling legislation, S.B. 05-1262, began directing the revenues to the Tobacco Education, Prevention, and Cessation program, the Health Disparities Grant Program, the Cardiovascular, Pulmonary, and Chronic Disease Grant Programs and a portion of the Breast and Cervical Cancer Screening Program.

The following table summarizes tobacco-related funding. All amounts are cash funds exempt.

	FY 2003-04 Actual	FY 2004-05 Actual	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Approp.
MSA funding	\$21,445,937	\$30,375,511	\$24,249,916	\$18,300,635	\$22,756,810
Amendment 35 funding	0	0	43,879,290	136,645,368	123,613,900
Total	\$21,445,937	\$30,375,511	\$68,129,206	\$154,946,003	\$146,370,710
As a percent of total health divisions budget	8.3%	11.9%	22.7%	38.8%	36.3%

Department Overview: Summary of Major Legislation, Administrative and Health Divisions

S.B. 07-004 (Shaffer/Todd): Coordination of Payments for Early Intervention Services. Requires the Department of Human Services to develop and implement a system for coordinating payments from various sources for the treatment of children with actual and potential developmental disabilities. For the FY 2007-08 fiscal year, reduces the cash funds exempt appropriation to the Department of Public Health and Environment for Short-term Grants for Innovative Health Programs by \$53,730.

S.B. 07-097 (Fitz-Gerald/Madden) Allocate Tobacco Settlement Moneys. Reallocates the portion of the tobacco settlement money received by the state pursuant to the Master Settlement Agreement that was previously credited to the General Fund and Tobacco Litigation Settlement Trust Fund. The bill allocates these moneys as follows:

Program	Percentage
University of Colorado Health Sciences Center	49.0%
Mental Health Services for Juvenile and Adult Offenders	12.0%
Indigent Health Care Provided by Rural and Public Hospitals	8.5%
Local Public Health Services	7.0%
Increase Eligibility in the Children's Basic Health Plan from 200% to 205% of the Federal Poverty Level	5.0%
Supplement State Contribution for Group Benefit Plans	4.5%
Colorado Immunization Program	4.0%
Expansion of Alcohol and Drug Abuse programs	3.0%
Short-term Grants for Innovative Health Programs	6.0%
Offset Medicaid Shortfall at Children's Hospital	1.0%
Total	100.0%

For more information see H.B. 07-1359.

S.B. 07-146 (Morse/Rice): Veterans Mental Health Services . Creates the Mental Health Services Pilot Program for Families of Recently Discharged Veterans in the Department of Human Services. For the FY 2007-08 fiscal year, reduces the cash funds exempt appropriation to the Department of Public Health and Environment for Short-term Grants for Innovative Health Programs by \$300,000.

S.B. 07-174 (Tapia/Buescher): Supplemental. Supplemental appropriation to the FY 2006-07 Long Bill for the Department of Public Health and Environment.

S.B. 07-182 (Bacon/Pommer): Innovative Higher Education Research Fund. Transfers control of the Advanced Technology Fund from the Colorado Commission on Higher Education to the Pollution Prevention Advisory Board in the Department of Public Health and Environment and continuously appropriates the moneys in the Advanced Technology Fund to the Department of Public Health and Environment. Includes, for informational purposes, a \$495,000 cash funds exempt appropriation from the Advanced Technology Fund to the Department of Public Health and Environment for FY 2007-08 to reflect the amount that is anticipated to be available for expenditure.

S.B. 07-196 (Hagedorn/Massey): Health Information Technology. Creates a Health Information Technology Advisory Committee and expands the use of telemedicine for Medicaid clients. For the FY 2007-08 fiscal year, appropriates \$17,780 and 0.2 FTE to the Department's Administration and Support Division for the support of the new committee and for the purchase of legal services from the Department of Law.

S.B. 07-232 (Romer/Massey): Health Professional Loan Repayment Program. Moves the loan repayment program for health professionals from the University of Colorado Health Sciences Center

to the Department of Higher Education, Division of CollegeInvest and changes various program rules. For the FY 2007-08 fiscal year, reduces the cash funds exempt appropriation to the Department of Public Health and Environment for Short-term Grants for Innovative Health Programs by \$60,000, which equals the amount of the transfer to the Health Care Provider Loan Repayment Fund.

S.B. 07-239 (Tapia/Buescher): Long Bill. General appropriations act for FY 2007-08. Also contains a \$100,000 FY 2006-07 supplemental appropriation for the Nurse Home Visitor Program.

S.B. 07-242 (Groff/Frangas): Create the Health Disparities Office. Establishes in statute the Office of Health Disparities in the Department of Public Health and Environment to work toward elimination of racial, ethnic, and rural health disparities.

H.B. 07-1057 (Stafford/Windels): Juvenile Justice Family Advocate Program. Creates three demonstration programs to provide family advocate services for youth with certain medical conditions who are involved in the juvenile justice system or are at risk of such involvement. For the FY 2007-08 fiscal year, reduces the cash funds exempt appropriation to the Department of Public Health and Environment for Short-term Grants for Innovative Health Programs by \$172,715

H.B. 07-1064 (Mitchell V./Sandoval): Programs to Find Cognitively Disabled Individuals Who Are Lost. This bill encourages counties to implement Lifesaver Programs to assist county sheriffs' departments in locating persons who wander due to a medical condition. For the FY 2007-08 fiscal year, reduces the cash funds exempt appropriation to the Department of Public Health and Environment for Short-term Grants for Innovative Health Programs by \$125,000.

H.B. 07-1131 (Kefalas/Bacon): Standards and Training for Hemodialysis Technicians. Requires the State Board of Health to establish a process to verify that hemodialysis technicians have proper credentials. For the FY 2007-08 fiscal year, appropriates \$5,862 General Fund and 0.1 FTE to the Department and reduces the FY 2007-08 Long Bill appropriation to the Controlled Maintenance Trust fund by an offsetting amount.

H.B. 07-1221 (Pommer/Johnson): Fees for Health Facilities. Allows the State Board of Health to establish a schedule of fees for the licensure of non-publically owned hospitals and health facilities in lieu of the prior \$360 annual fee. Includes FY 2007-08 appropriations for the Department of Public Health and Environment totaling \$557,925 and 6.7 FTE. Of this total, \$481,925 and 5.7 FTE are from the Health Facilities General Licensure Cash Fund, and \$76,000 and 1.0 FTE are from the General Fund.

H.B. 07-1248 (Benefield/Kester): Colorado Student Before and After School Project. Creates the Colorado Student Before and After School Project (CSBASP) as part of the Tony Grampas Youth Services Program. For the FY 2007-08 fiscal year, appropriates \$300,000 from the General Fund to the CSBASP Fund and appropriates \$300,000 from the CSBASP Fund to the Department of Public Health and Environment.

H.B. 07-1301 (Buescher and Primavera/Williams): Cervical Cancer Immunizations. Establishes the Cervical Cancer Immunization Program to immunize females against cervical cancer. Senate Bill 07-97 and H.B. 07-1359 together contain a \$685,155 FY 2007-08 appropriation from the Colorado Immunization Fund to the Department for general immunization activities. The moneys in the Immunization Fund derive from tobacco-settlement payments. House Bill 07-1301 reduces this general immunization appropriation by \$233,395, substituting the following appropriations from the Immunization Fund: (1) a \$42,600 appropriation to the Department's Cervical Cancer Immunization Program, (2) a \$100,000 appropriation to the Department for a cervical cancer immunization awareness campaign, and (3) a \$90,795 appropriation to the Department of Health Care Policy and Financing for cervical cancer immunization costs of the Children's Basic Health Plan. Appropriation (2) only becomes effective if, by January 1, 2008, the department has not received \$800,000 in gifts, grants and donations for its cervical cancer immunization awareness campaign. The bill also appropriates \$225,000 cash funds exempt to the department out of moneys received as gifts, grants, and donations for a cervical cancer immunization awareness campaign.

H.B. 07-1335 (McGihon/Romer): Supplemental Medical and Dental Benefits for Low-Income State Employees. Beginning with FY 2008-09, reallocates tobacco litigation settlement moneys that in FY 2007-08 supplement the state contribution to the medical and dental benefit plan premiums of all state employees to instead supplement the state contribution to the benefit plan premiums of lower-income state employees who have at least one dependent other than a spouse. For the FY 2007-08 fiscal year, reduces the cash funds exempt appropriation to the Department of Public Health and Environment for Short-term Grants for Innovative Health Programs by \$160,000.

H.B. 07-1346 (Buescher/Tapia): Prepaid Inpatient Health Plan Agreements. Provides the statutory authority for the Department of Health Care Policy and Financing to enter into prepaid inpatient health plan agreements (a form of managed care). For the FY 2007-08 fiscal year, reduces the cash funds exempt appropriation to the Department of Public Health and Environment for Short-term Grants for Innovative Health Programs by \$37,500.

H.B. 07-1347 (Kerr/Frangas): Immunization Registry Act. Establishes the Immunization Registry Act. Changes the name of the Infant Immunization Fund to the Immunization Fund and expands its use to include immunization programs for those of all ages.

H.B. 07-1359 (Buescher/Fitz-Gerald): Accelerate the Use of Strategic Contribution Fund Moneys. Accelerates the use of a portion of the moneys that Colorado receives under the Master Settlement Agreement (MSA) and makes up to \$24.4 million of MSA moneys available prior to April 16, 2008, to pay for FY 2006-07 and FY 2007-08 overexpenditures and supplementals of the Children's Basic Health Plan and the Colorado Benefits Management System. Alters the appropriations in the FY 2007-08 Long Bill and in S.B. 07-97 to most MSA supported programs.

Considered in combination, the FY 2007-08 Long Bill and H.B. 07-1359 resulted in the following FY 2007-08 allocations of tobacco-settlement moneys to the "Tier 1" programs, which are listed in Section 24-75-1104.5 (1), C.R.S.:

Department Program	FY 2007-08 Appropriation
Department of Education	
Read-to-achieve Grant Program	\$5,277,293
Department of Health Care Policy and Financing	
Comprehensive Primary and Preventive Care Grants Program	2,682,116
Children's Basic Health Plan	21,456,931
State share of funding required for Children with Autism Act	<u>702,597</u>
Subtotal - Department of Health Care Policy and Financing	24,841,644
Department of Higher Education	
Fitzsimons Lease Purchase	7,164,047
Department of Military and Veterans Affairs	
Colorado State Veterans Trust Fund Expenditures	648,909
Department of Human Services	
Child Mental Health Treatment Act Program	300,000
Department of Public Health and Environment	
Dental Loan Repayment Program	200,000
AIDS and HIV prevention grant program	3,179,666
Ryan White AIDS Drug Assistance Program	3,129,136
Tony Gramscas Youth Services Program	3,576,155
Nurse Home Visitor Program	<u>10,728,465</u>
Subtotal - Department of Public Health and Environment	20,813,422
Total	\$59,045,315

Senate Bill 07-97 and H.B. 07-1359 together resulted in the following FY 2007-08 appropriations of tobacco-settlement moneys to the "Tier 2" programs, which are listed in Section 24-75-1104.5 (1.5), C.R.S.:

Department Program	FY 2007-08 Appropriation
Department of Higher Education	
University of Colorado, Health Sciences Center	\$8,393,149
Department of Health Care Policy and Financing	
Comprehensive Primary and Preventive Care Grants Program	1,455,954
Medicaid shortfalls at Children's Hospital	171,289
Children's Basic Health Plan Trust for expanding caseload from 200% to 205% of the Federal Poverty Level	<u>856,444</u>
Subtotal - Department of Health Care Policy and Financing	2,483,687

Department Program	FY 2007-08 Appropriation
Department of Human Services	
Offender Mental Health Services	2,055,465
Alcohol and Drug Abuse	<u>513,866</u>
Subtotal - Department of Human Services	2,569,331
Department of Personnel and Administration	
Supplemental State Health and Dental Contribution	770,799
Department of Public Health and Environment	
Local Public Health Services	1,199,021
Colorado Immunization Program	685,155
Short-term Innovative Health Program Grants	<u>1,027,732</u>
Subtotal - Department of Public Health and Environment	2,911,908
Total	\$17,128,874

H.B. 06S1-1023 (Romanoff/Fitz-Gerald): Public Benefits for Immigrants. Requires all state agencies and political subdivisions to verify the lawful presence in the United States of each person 18 years-of-age or older who applies for state and federal public benefits.

H.B. 06-1045 (McCluskey/Keller): Hospital Infection Rate Reporting. Requires the Department to collect data on hospital-acquired infections and report the data to the National Healthcare Safety Network at the Center for Disease Control, the General Assembly, and the public. Creates an advisory committee of health care professionals to assist the department with program development. For FY 2006-07 appropriates \$52,626 General Fund and 0.6 FTE to the Health Facilities and Emergency Medical Services Division.

H.B. 06-1054 (Plant/Groff): HIV and AIDS Prevention. Creates the Colorado HIV and AIDS Prevention Grant Program to address local community needs in the areas of medically appropriate prevention and education. A 7-member advisory committee oversees the program. For FY 2006-07 appropriates \$1,584,448 of cash funds exempt tobacco settlement moneys to the AIDS and HIV Prevention Fund and then appropriates \$1,584,448 cash funds exempt from that fund, along with 1.2 FTE, to the Disease Control and Environmental Epidemiology Division.

H.B. 06-1154 (Berens/Hanna): Heirloom Birth and Marriage Certificates. Requires the Department of Public Health and Environment to issue heirloom birth and marriage certificates suitable for framing. The Department will credit \$10 from each heirloom birth certificate payment to the Infant Immunization Fund and \$10 from each heirloom marriage certificate payment to the Colorado Domestic Abuse Program Fund. For FY 2006-07 appropriates \$24,400 cash funds to the Center for Health and Environmental Information in the Department of Public Health and Environment.

H.B. 06-1228 (Plant/Tapia): Supplemental. Supplemental FY 2005-06 appropriation to the Department of Public Health and Environment.

H.B. 06-1277 (Clapp/Sandoval): Mental Illness. Changes laws relating to persons with a mental illness. Defines acute treatment units (ATUs) and requires the Department of Public Health and Environment to establish and enforce standards for licensure of ATUs. For FY 2006-07 appropriates \$3,829 cash funds to the Department of Public Health and Environment, Health Facilities and Emergency Medical Services Division.

H.B. 06-1278 (Weissman/Keller): Hospital Report Cards. Creates the Colorado Hospital Report Card Act. Requires the Department to approve a comprehensive hospital information system for the collection, compilation, analysis, and utilization of hospital-related data. The information will be annually reported to the Governor, the General Assembly, and the public (through the internet). An association of hospitals will provide assistance with the project. For FY 2006-07 appropriates \$31,541 cash funds and 0.5 FTE to the Department of Public Health and Environment, Health Facilities and Emergency Medical Services Division.

H.B. 06-1310 (Buescher/Owen): Simplify Tobacco Settlement Money Distribution. Alters the rules governing the distribution of tobacco settlement moneys so as to reduce the number of supplemental appropriations for tobacco-settlement-supported programs. Eliminates numerous double appropriations that appear in the Long Bill by substituting automatic transfers for appropriations. Specifically, the following appropriations are eliminated from the FY 2006-07 Long Bill and replaced by transfers. (Each of these appropriations is from the Tobacco Litigation Settlement Cash Fund to a cash fund that supports a program, with the exception of the two-step transfer from the Tobacco Litigation Settlement Cash Fund to the Capital Construction Fund and the transfer from the Capital Construction Fund to the Fitzsimons Trust Fund.)

Department of Education:

To Read-to-achieve Cash Fund (\$4,369,567)

Department of Health Care Policy and Financing:

To Children's Basic Health Plan Trust (\$20,973,924)

To Comprehensive Primary and Preventive Care Fund (\$2,621,740)

Department of Military and Veterans Affairs:

To Colorado State Veterans Trust Fund (\$873,913)

Department of Public Health and Environment:

To State Dental Loan Repayment Fund (\$199,619)

To Nurse Home Visitor Program Fund (\$9,613,048)

Capital Construction:

From Tobacco Litigation Settlement Cash Fund to Capital Construction Fund (\$7,004,644)

From Capital Construction Fund to Fitzsimons Trust Fund (\$7,004,644)

Total (\$52,661,099)

The bill also makes small positive and negative adjustments to eight appropriations that support various tobacco programs. These adjustments total \$236.

H.B. 06-1322 (Buescher/Tapia): Support for Clean Energy. Transfers \$135,000 to the Department of Public Health and Environment from the Operational Account of the Severance Tax Trust Fund and then appropriates this money as cash funds exempt to the Department's Administration and Support Division for the purpose of making grants to Colorado universities to study climate-change issues in FY 2006-07.

H.B. 06-1372 (Plant/Tapia): Supplemental. Supplemental FY 2005-06 appropriation to the Department. Appropriates \$1,250,000 General Fund to the Department of Public Health and Environment, Local Health Services Division for Local, District and Regional Health Department Distributions pursuant to Section 25-1-516, C.R.S.

H.B. 06-1385 (Plant/Tapia): Supplemental Add-on to Long Bill. General appropriations act for FY 2006-07. Includes supplemental FY 2005-06 appropriations for the Department of Public Health and Environment that (1) increase the General Fund appropriation to the Water Quality Control Division by \$18,075 and decrease the cash funds exempt appropriation by an offsetting amount; (2) increase the appropriation for the Tony Grampsas Youth Services Program by \$4,000,000 General Fund; and (3) increase the FTE appropriation to the Department by 0.9 FTE.

H.B. 06-1396 (Kerr/Tapia): School-based Health Centers. Creates a grant program for the establishment, expansion, or on-going operation of school-based health centers. Health centers eligible for the grant moneys provide services on school district property and will be run by the school districts in cooperation with other health service providers. For FY 2006-07 appropriates \$500,000 General Fund and 0.7 FTE to the Department of Public Health and Environment, Prevention Services Division.

H.B. 06-1410 (Plant/Groff): Health Disparities Grant Program Fund. Creates the Health Disparities Grant Program Fund which is to receive 15 percent of the moneys transferred to the Prevention, Early Detection, and Treatment Fund. Changes the funding source for the \$5,570,400 cash funds exempt FY 2005-06 appropriation to the Health Disparities Grant Program (along with the associated 0.2 FTE) from the Prevention, Early Detection, and Treatment Fund to the Health Disparities Grant Program Fund. This also has the effect of moving the appropriation from the Prevention Services Division to the Administration and Support Division. Increases the FY 2006-07 cash funds exempt appropriation for the Health Disparities Grants Program by a net of \$4,253,157 while decreasing the cash funds exempt appropriation for Prevention, Early Detection, and Treatment Grants by a like amount.

S.B. 05-249 (Tapia/Plant): Tobacco Settlement Money For Read To Achieve. Increases the statutory allocation of tobacco settlement moneys to the Read-to-Achieve Grant Program for FY 2004-05. Makes the conforming increases in the FY 2004-05 appropriation of the tobacco settlement moneys for the Ryan White AIDS Drug Assistance, Tony Grampsas Youth Services, Nurse Home

Visitor, Tobacco Education and Cessation, and Dental Loan Repayment programs based on a proportionate share of the costs incurred by the State Auditor's Office to conduct statutorily-required performance reviews of various tobacco-funded programs.

H.B. 05-1161 (Pommer/Kester): Reporting Immunization Information. Authorizes the moneys in the infant immunization fund to be used to assist users of the immunization tracking system to connect to the system and to use the reminder and recall process of the system. Appropriates \$250,000 General Fund to the Department. The appropriation funded the Colorado Immunization Information System.

H.B. 05-1261 (Buescher/Owen): Tobacco Education Prevention Cessation. Changes the source for existing tobacco education and cessation programs from the annual tobacco settlement payment (from participating tobacco manufacturers) to the tobacco taxes mandated by Amendment 35, Tobacco Taxes for Health Related Purposes, which was approved by voters in November 2004. The change affects a portion (\$1,352,500, the share for the months of May and June) of the funding for cessation programs from the settlement payment in FY 2004-05 and all of the funding (\$4,438,893) for cessation programs from the settlement payment in FY 2005-06.

H.B. 05-1262 (Boyd, Hagedorn): Tobacco Tax Implementation. Implements Amendment 35, Tobacco Taxes for Health Related Purposes, to the Colorado Constitution (Article X, Section 21), concerning taxes on tobacco products, which was adopted in the November 2004 election. Provisions specifically affecting the Department of Public Health and Environment include: (1) an appropriation of \$415,236 and 7.0 for personal services related to prevention, early detection and treatment programs; (2) an appropriation of \$32,836 for operating expenses related to prevention, early detection and treatment programs; (3) an appropriation of \$948,072 for independent program evaluation of prevention, early detection and treatment programs; (4) an appropriation of \$4,089,694 for breast and cervical cancer screenings; (5) an appropriation of \$910,306 to be transferred to the Department of Health Care Policy and Financing for treatment of breast and cervical cancer; (6) an appropriation of \$2,000,000 to be transferred to the Department of Health Care Policy and Financing for chronic disease management programs; (7) an appropriation of \$23,169,456 to fund competitive grants for prevention, detection and treatment of cancer, cardiovascular disease and chronic pulmonary disease; (8) an appropriation of \$379,849 and 7.0 FTE for personal services related to tobacco education programs; (9) an appropriation of \$65,868 for operating expenses related to tobacco education programs; and (10) an appropriation of \$30,563,556 for tobacco cessation and education grants.

H.B. 04-1421 (Witwer/Teck): Tobacco Settlement Moneys Allocation. Changes the allocation formula for the state's annual tobacco settlement payment, beginning in FY 2004-05. Transfers the FY 2003-04 year-end balance in the Tobacco Litigation Settlement Trust Fund (\$20.6 million) to the General Fund for FY 2004-05. Also transfers the remainder of the annual payment.

S.B. 03-282 (Teck/Witwer): Tobacco Litigation Cash Transfer. Transferred a total of \$27.3 million from the balance in the Tobacco Litigation Settlement Cash Fund into the General Fund for

FY 2002-03, reducing appropriations of tobacco settlement moneys to various programs in the process.

S.B. 03-287 (Teck/Witwer): Health Facilities License Fee. Increased the annual fee for the licensing of health facilities from \$150 to \$360. Increased the FY 2003-04 cash fund appropriation to the Health Facilities Division by \$1,653,668 and reduced the General Fund appropriation by \$133,825.

H.B. 02-1323 (Berry/Windels): Assisted Living Residences. Increased fee in order to fund existing regulatory functions related to the inspection and monitoring of assisted living facilities. Increases three licensing fees and creates four new licensee fees. Fee revenue is credited to the Assisted Living Residences Cash Fund.

Major Funding Changes FY 2006-07 to FY 2007-08

The following table summarizes the sources of the differences between the FY 2006-07 appropriation to the Health Divisions and the FY 2007-08 appropriation to the Health Divisions.

Source	Total	GF	CF	CFE	FF	FTE
FY 2006-07 Appropriation	399,723,860	19,245,926	13,830,530	178,885,581	187,761,823	710.2
Actions taken in the 2007-08 Long Bill and Long Bill Package:						
<i>Tobacco-related changes</i>						
Master Settlement Agreement Supported Programs	2,553,473	0	0	2,553,473	0	0.0
Amendment 35 tobacco-tax adjustments	(8,086,537)	(3,147)	0	(8,083,390)	0	0.0
<i>Decision Items</i>						
#1 Health Facilities Licensing Fees (H.B. 07-1221)	557,925	76,000	481,925	0	0	6.7
#3 Communicable Disease Reporting System	0	186,055	0	0	(186,055)	0.0
#5 Newborn screening	74,958	0	291,300	(216,342)	0	0.0
#7 Nurse Home Visitor Program added FTE	0	0	0	0	0	2.0
#8 Health Disparities Grant Program FTE	0	0	0	0	0	2.8
#10 Cancer, Cardiovascular and Pulmonary Disease Grant Program FTE	0	0	0	0	0	3.0
#12 Move appropriation for Lab maintenance personnel to Administration and Support Division	0	0	(55,008)	55,008	0	0.0
<i>Other Changes</i>						
Central appropriations (Health, Life, Dental, Short-term Disability, both Amortization Equalization Disbursements, Retirements, Salary Survey, Performance-based Pay, Shift Differential, Workers' Compensation)	3,272,828	276,481	697,872	745,986	1,552,489	0.0

Source	Total	GF	CF	CFE	FF	FTE
Medical inflation	369,917	87,227	27,798	6,553	248,339	0.0
Annualize salary and benefits adjustments	309,892	42,508	102,145	214,167	(48,928)	0.0
Legal Rate Change	90,230	0	6,001	84,228	1	0.0
Fund mix adjustments	0	0	57,955	7,170	(65,125)	0.0
Second year impact of prior session bills:						
H.B. 06-1045 (Hospital Infection)						
H.B. 06-1154 (Heirloom Birth and Marriage Certificates)						
H.B. 06-1277 (Mental Illness)						
H.B. 06-1278 (Hospital Report Card)						
H.B. 06-1322 (Climate-change Grants)						
H.B. 06S1-1023 (Restrictions on Public Benefits)	(244,054)	23,540	(27,949)	(239,645)	0	0.4
Operating adjustments (Vehicle Lease, Payment to Risk Management and Property Funds, Communications Services Payments, Capitol Complex Leased Space, and Leased Space)						
	(185,250)	0	7,709	(196,097)	3,138	0.0
Changes of indirect cost assessments	(92,256)	0	(89,568)	(7,193)	4,505	0.0
Fiscal Actions Contained in 2007 Session Special Bills That Were Not Part of the Long Bill Package:						
<i>Tobacco Master-settlement-agreement related bills</i>						
S.B. 07-97 (Relocate Tobacco MSA Moneys)	3,900,000	0	0	3,900,000	0	1.0
H.B. 07-1359 (Accelerate Use of Strategic Contribution Fund Moneys)	634,892	0	0	634,892	0	0.0
H.B. 07-1301 (Cervical Cancer Immunization), which draws on the Colorado Immunization Fund.	134,205	0	0	134,205	0	0.0

Source	Total	GF	CF	CFE	FF	FTE
Bills drawing upon the Short-term Innovative Health Program Grants						
Cash Fund:						
S.B. 07-4 (Coordination of Payments for Early Intervention Services)						
S.B. 07-146 (Veterans Mental Health Services)						
S.B. 07-232 (Health Professional Loan Repayment Program)						
H.B. 07-1057 (Juvenile Justice Family Advocate Program)						
H.B. 07-1064 (Programs to Find Lost Cognitively Disabled Individuals)						
H.B. 07-1335 (Supplemental Benefits for Low-income State Employees)						
H.B. 07-1346 (Prepaid Inpatient Health Plan Agreements)	(908,945)	0	0	(908,945)	0	0.0
<i>Other Bills</i>						
H.B. 07-1288 (Recycling and Waste Management)	2,482,565	0	2,482,565	0	0	0.6
H.B. 07-1248 (Before-and-after-school Program), a new Tony Grampsas Youth Services Program	600,000	300,000	0	300,000	0	0.0
S.B. 07-182 (Innovative Higher Education Research Fund)	495,000	0	0	495,000	0	0.0
S.B. 07-196 (Health Information Technology Advisory Committee)	17,780	17,780	0	0	0	0.2
H.B. 07-1131 (Standards and Training for Hemodialysis Technicians)	5,862	5,862	0	0	0	0.1
Total = FY 2007-08 Appropriation	405,706,345	20,258,232	17,813,275	178,364,651	189,270,187	727.0
Change	5,982,485	1,012,306	3,982,745	(520,930)	1,508,364	16.8
Percentage Change	1.5%	5.3%	28.8%	-0.3%	0.8%	2.4%

FY 2006-07 Decision Items and Base Reduction Items

Decision Items

Pri- ority	Item: Description <i>[Statutory Authority]</i>	Total	GF	CF	CFE	FF	FTE
1	Tuberculosis Control and Treatment: Increases funding for Colorado's Tuberculosis Control and Treatment Program to deal with increased TB activity within the state and increased TB case management costs. <i>[Sections 25-4-501 to 513, C.R.S.]</i>	\$291,632	\$295,919	\$0	\$0	(\$4,287)	0.0
2	Operation and expansion of the Colorado Immunization Information System (CIIS): Transfer the Colorado Immunization Information System, which is currently housed at the University of Colorado at Denver Health Sciences Center, and its 6.0 FTE to CDPHE. Expand the program by 4.1 FTE in the first year and 5.0 FTE in subsequent years. <i>[Section 25-4-2402, C.R.S.]</i>	605,352	605,352	0	0	0	10.1
3	Tony Gramscas Youth Services (TGYS) Program Additional Funds: Expand the TGYS program by increasing the total appropriation from \$3.8 million to \$4.8 million. <i>[Section 25-20.5-201, C.R.S and following sections.]</i>	1,000,000	1,000,000	0	0	0	0.0
4	Sustaining the Office of Health Disparities Infrastructure: Provide 3.0 FTE and \$232,960 to the Office of Health Disparities to continue operation following the loss of private sector funding. In addition to the \$58,240 from the General Fund, \$174,720 will come from reduced Health Disparities grants. <i>[Section 25-4-2204, C.R.S. and following sections.]</i>	58,240	58,240	0	0	0	3.0

Pri- ority	Item: Description <i>[Statutory Authority]</i>	Total	GF	CF	CFE	FF	FTE
5	Emergency Medical and Trauma Services Data Collection and Grants: Increase EMS grants by \$150,000 and expand the State Emergency Medical Services Coordination, Planning, and Certification Services Program by \$112,014 and 1.5 FTE. The remainder of the request is for indirect costs. <i>[Sections 25-3.5-704]</i>	290,474	0	0	290,474	0	1.5
6	Internal Audit: Add 1.0 FTE to the Administration and Support Division for department-wide internal audit and fiscal monitoring activities. <i>[Sections 24-17-102 and 24-30-202.]</i>	55,708	0	0	55,708	0	1.0
7	Vital Records FTE Increase: Add 3.0 FTE to deal with a 25 percent increase in demand for birth and death certificates in recent years. These FTE will replace temporary workers. <i>[Sections 25-2-101, C.R.S. and following sections.]</i>	0	0	0	0	0	3.0
8	Behavioral Risk Factor Surveillance Survey: Expand the Colorado Behavioral Risk Factor Surveillance System by conducting more surveys. <i>[Sections 25-20.5-305, C.R.S.]</i>	237,346	0	0	237,346	0	5.0
9	Tony Grampsas Youth Services (TGYS) Program FTE. Add 1.0 FTE for administration of the TGYS program. The FTE will replace temporary workers. <i>[Section 25-20.5-201, C.R.S and following sections.]</i>	0	0	0	0	0	1.0
10	Inspectional cost increase due to expansion of Colorado Department of Corrections facilities. <i>[Sections 25-1.5-101 (1) (i) (I), C.R.S.]</i>	808	0	0	808	0	0.0
11	Defense State Memorandum of Agreement (DSMOA) Program Funding Change. <i>[Sections 25-15-306, C.R.S.]</i>	0	0	1,308,164	0	(1,308,164)	0.0

Pri- ority	Item: Description <i>[Statutory Authority]</i>	Total	GF	CF	CFE	FF	FTE
12	Long Bill Realignment: Combine various Long Bill lines, move various lines from one subdivision to another, eliminate bottom-line funding for one subdivision, eliminate several subdivisions. The overall number of Long Bill lines for the Department will decrease. The appropriations for the Department's various programs will not change.	0	0	0	0	0	0.0
	Total Prioritized Requests	\$2,539,560	\$1,959,511	\$1,308,164	\$584,336	(\$1,312,451)	24.6
	Total Prioritized Requests for Health Divisions	\$2,538,752	\$1,959,511	\$0	\$583,528	(\$4,287)	24.6
NP 1	Department of Human Services Decision Item # 6 - This decision item begins the transition of 20 group homes that are currently certified under the Home and Community Based Services for the Developmentally Disabled (HCBS-DD) waiver to CMS Intermediate Care Facilities for Persons with Mental Retardation (ICF/MR) certification. The Department of Public Health will conduct the surveys for CMS certification. <i>[Sections 24-31-101, C.R.S.]</i>	90,400	0	0	90,400	0	1.0
NP 2	Statewide: Adjustment to State Multiuse Network Payments.	18,943	0	0	14,208	4,735	0.0
NP 3	Statewide: Colorado State Employee Assistance Program (C-SEAP) Staffing.	2,938	0	0	2,938	0	0.0
NP 4	Statewide: Vehicle Lease Payments Decision Item.	(52,890)	0	(2,507)	(50,383)	0	0.0
	Total Nonprioritized Requests (all for Health Divisions)	\$59,391	\$0	(\$2,507)	\$57,163	\$4,735	1.0
	Total Request	\$2,598,951	\$1,959,511	\$1,305,657	\$641,499	(\$1,307,716)	25.6

Numbers Pages Overview

The following table summarizes the differences between the FY 2007-08 appropriation to the Health Divisions and the FY 2008-09 request for the Health Divisions.

Source	Total	GF	CF	CFE	FF	FTE
FY 2007-08 Appropriation	405,706,345	20,258,232	17,813,275	178,364,651	189,270,187	727.0
Changes related to the Master Settlement Agreement	6,280,509	0	0	6,280,509	0	0.0
FY 2008-09 Prioritized Decision Items	2,538,752	1,959,511	58,165	583,528	(62,452)	24.6
Increase base salaries by Salary Survey, 80% of Performance Based Pay and Supplemental Amortization Disbursement	1,020,081	117,224	280,305	596,711	25,841	0.0
Personal-Services related central appropriations (Health, Life, Dental, Short-term Disability, both Amortization Equalization Disbursements, Salary Survey, Performance-based Pay, Shift Differential, Workers' Compensation)	786,078	138,970	276,783	91,620	278,705	0.0
Second year impact of 2007 session bills [S.B. 07-196 (Health Information Technology), S.B. 07-228 (Monitor Contracts), H.B. 07-1131 (Hemodialysis Technicians), H.B. 07-1221 (Health Facilities Fees) and H.B. 07-1288 (Sustainable Resource / Recycling)]	216,932	25,199	154,032	37,701	0	1.6
Lease Payments	196,528	0	0	196,528	0	0.0
FY 2008-09 Nonprioritized Decision Items	59,391	0	(2,507)	57,163	4,735	1.0
Changes related to Amendment 35 Tobacco Taxes	(51,454,552)	0	0	(51,454,552)	0	0.0
Non-Personal-Services related central appropriations (ALJ's, Risk Management, Communications Services Payments, GGCC,)	(150,330)	0	(30,688)	(93,437)	(26,205)	0.0
OSPB Base Reduction	(52,791)	(829)	(8,439)	(22,081)	(21,442)	0.0
Second year impact of FY 2007-08 Decision Items	(7,275)	0	4,650	(11,925)	0	0.0

Source	Total	GF	CF	CFE	FF	FTE
Other	100,000	0	0	100,000	0	0.0
Total = FY 2008-09 Request	365,239,668	22,498,307	18,545,576	134,726,416	189,469,369	754.2
Change	(40,466,677)	2,240,075	732,301	(43,638,235)	199,182	27.2
Percentage Change	-10.0%	11.1%	4.1%	-24.5%	0.1%	3.7%

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
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DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
(Administration and Health Divisions)
Executive Director: James B. Martin

(1) ADMINISTRATION AND SUPPORT

This division provides policy direction and support services including: accounting budgeting, facilities, procurement, internal audit, management analysis and human services. It includes the Executive Director's Office, Office of Communications, Office of Legal And Regulatory Affairs, Office of Policy and Public-Private Initiatives and the Office Of Customer Service. The primary cash funds and cash funds exempt sources include the Pollution Prevention Fund and indirect cost recoveries.

(A) Administration

Personal Services	3,944,160	4,181,203	4,334,822	4,661,040	DI #6
FTE	<u>55.9</u>	<u>57.0</u>	<u>58.9</u>	<u>60.9</u>	
General Fund	0	0	0	30,999	
Cash Funds	67,000	73,179	76,458	83,585	
FTE		0.0	0.0	0.0	
Cash Funds Exempt	3,805,717	4,073,296	4,258,364	4,546,456	
FTE		0.0	0.0	0.0	
Federal Funds	71,443	34,728	0	0	
FTE		0.0	0.0	0.0	
Retirements	<u>382,500</u>	<u>382,500</u>	<u>481,145</u>	<u>481,145</u>	
Cash Funds	0	0	0	0	
Cash Funds Exempt	382,500	382,500	481,145	481,145	
Health, Life, and Dental	<u>3,053,751</u>	<u>3,818,855</u>	<u>4,748,035</u>	<u>5,227,383</u>	DI #1, #11
General Fund	370,964	256,310	359,504	422,926	
Cash Funds	516,183	861,616	1,052,351	1,276,081	
Cash Funds Exempt	458,814	713,103	941,109	1,025,061	

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Federal Funds	1,707,790	1,987,826	2,395,071	2,503,315	
Short-term Disability	<u>96,667</u>	<u>78,202</u>	<u>93,593</u>	<u>98,082</u>	DI #1, #11
General Fund	6,360	4,882	6,258	7,897	
Cash Funds	24,350	17,477	20,390	22,960	
Cash Funds Exempt	19,525	14,586	18,887	19,744	
Federal Funds	46,432	41,257	48,058	47,481	
S.B. 04-257 Amortization Equalization Disbursement	<u>162,592</u>	<u>517,236</u>	<u>862,329</u>	<u>1,217,213</u>	DI #2, #11
General Fund	9,012	30,604	56,161	106,406	
Cash Funds	41,411	115,995	188,218	282,594	
Cash Funds Exempt	33,206	96,808	174,340	242,997	
Federal Funds	78,963	273,829	443,610	585,216	
S.B. 06-235 Supplemental Amortization Equalization Disbursement	n/a	n/a	<u>177,981</u>	<u>390,192</u>	DI #2, #11
General Fund			10,029	35,467	
Cash Funds			39,212	90,082	
Cash Funds Exempt			36,321	77,638	
Federal Funds			92,419	187,005	
Salary Survey and Senior Executive Service	<u>2,212,183</u>	<u>1,940,293</u>	<u>2,737,655</u>	<u>2,502,814</u>	DI #11
General Fund	109,973	134,019	192,053	194,837	
Cash Funds	596,303	390,412	586,636	518,655	
Cash Funds Exempt	460,002	344,449	560,521	525,601	
Federal Funds	1,045,905	1,071,413	1,398,445	1,263,721	
Performance-based Pay Awards	<u>0</u>	<u>0</u>	<u>1,107,078</u>	<u>1,162,323</u>	DI #11
General Fund	0	0	78,291	92,788	
Cash Funds	0	0	240,770	272,153	
Cash Funds Exempt	0	0	229,414	234,012	
Federal Funds	0	0	558,603	563,370	

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Shift Differential	<u>0</u>	<u>11,292</u>	<u>11,703</u>	<u>14,054</u>	
Federal Funds	0	11,292	11,703	14,054	
Workers' Compensation	<u>280,679</u>	<u>291,346</u>	<u>350,405</u>	<u>280,502</u>	DI NP-3
General Fund	0	0	0	0	
Cash Funds Exempt	280,679	291,346	350,405	280,502	
Operating Expenses	<u>1,135,862</u>	<u>1,165,868</u>	<u>1,143,392</u>	<u>1,147,406</u>	DI #5
Cash Funds Exempt	1,094,799	1,165,868	1,143,392	1,147,406	
Federal Funds	41,063	0	0	0	
Legal Services	<u>1,165,263</u>	<u>1,210,381</u>	<u>1,529,551</u>	<u>1,529,551</u>	
Hours		21,122	21,122	21,122	
General Fund	0	0	8,132	8,132	
Cash Funds	83,273	36,850	101,479	101,479	
Cash Funds Exempt	1,002,769	1,118,924	1,336,638	1,336,638	
Federal Funds	79,221	54,607	83,302	83,302	
Administrative Law Judge Services	<u>11,542</u>	<u>0</u>	<u>0</u>	<u>8,033</u>	
Cash Funds Exempt	11,542	0	0	8,033	
Payment to Risk Management and Property Funds	<u>43,864</u>	<u>127,817</u>	<u>130,375</u>	<u>162,758</u>	
Cash Funds	2,337	2,757	2,761	2,997	
Cash Funds Exempt	41,527	125,060	127,614	159,761	
Vehicle Lease Payments	<u>174,084</u>	<u>228,922</u>	<u>285,351</u>	<u>232,461</u>	DI NP-4
Cash Funds	82,916	85,309	131,126	128,619	
Cash Funds Exempt	39,317	33,490	135,045	84,662	
Federal Funds	51,851	110,123	19,180	19,180	

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Leased Space	<u>5,014,184</u>	<u>4,643,909</u>	<u>4,873,368</u>	<u>5,069,896</u>	
Cash Funds Exempt	4,967,695	4,601,063	4,834,980	5,031,508	
Federal Funds	46,489	42,846	38,388	38,388	
Capitol Complex Leased Space	<u>26,554</u>	<u>27,440</u>	<u>31,548</u>	<u>31,557</u>	
Cash Funds Exempt	26,554	27,440	31,548	31,557	
Communications Services Payments	<u>4,871</u>	<u>6,619</u>	<u>6,605</u>	<u>6,895</u>	
Cash Funds Exempt	4,871	6,619	6,605	6,895	
Utilities	<u>550,268</u>	<u>480,956</u>	<u>592,777</u>	<u>597,427</u>	
Cash Funds	11,226	9,006	13,154	17,804	
Cash Funds Exempt	435,810	389,390	457,447	457,447	
Federal Funds	103,232	82,560	122,176	122,176	
Building Maintenance and Repair	<u>271,858</u>	<u>271,858</u>	<u>271,858</u>	<u>271,858</u>	
Cash Funds Exempt	271,858	271,858	271,858	271,858	
Reimbursement for Members of the State Board of Health - GF	3,840	4,050	3,840	3,840	
SUBTOTAL - (A) Administration	18,534,722	19,388,747	23,773,411	25,096,430	5.6%
FTE	<u>55.9</u>	<u>57.0</u>	<u>58.9</u>	<u>60.9</u>	<u>2.0</u>
General Fund	500,149	429,865	714,268	903,292	26.5%
Cash Funds	1,424,999	1,592,601	2,452,555	2,797,009	14.0%
FTE					
Cash Funds Exempt	13,337,185	13,655,800	15,395,633	15,968,921	3.7%
FTE					
Federal Funds	3,272,389	3,710,481	5,210,955	5,427,208	4.1%
FTE					

(B) Special Programs

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
(1) Environmental Leadership and Pollution					
Prevention	858,181	1,014,035	879,035	879,035	
FTE	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>	<u>7.0</u>	
General Fund	0	0	0	0	
Cash Funds	104,414	124,912	124,912	124,912	
FTE			0.0	0.0	
Cash Funds Exempt	49,264	184,264	49,264	49,264	
Federal Funds	704,503	704,859	704,859	704,859	
FTE	7.0	7.0	7.0	7.0	
(2) Recycling Resources Economic Opportunity					
Program - CF	<u>0</u>	<u>0</u>	<u>2,482,565</u>	<u>2,629,361</u>	
FTE	0.0	0.0	0.6	0.6	
(3) Advanced Technology Research					
Grants - CFE	<u>0</u>	<u>0</u>	<u>495,000</u>	<u>495,000</u>	
[Formerly (2)] (4) Health Disparities Grant					
Program					
Personal Services	n/a	31,819	196,390	410,700	DI #4
FTE		<u>0.5</u>	<u>3.3</u>	<u>6.3</u>	
General Fund		0	0	51,309	
FTE		0.0	0.0	0.0	
Cash Funds Exempt		31,819	196,390	359,391	
FTE		0.5	3.3	6.3	
Operating Expenses	n/a	n/a	<u>50,039</u>	<u>65,838</u>	DI #4
General Fund			0	6,931	
Cash Funds Exempt			50,039	58,907	
Health Disparities Grants - CFE	n/a	8,583,388	5,886,980	3,255,862	

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
SUBTOTAL - (4) Health Disparities Grant					
Program	0	8,615,207	6,133,409	3,732,400	-39.1%
FTE	<u>0.0</u>	<u>0.5</u>	<u>3.3</u>	<u>6.3</u>	<u>3.0</u>
General Fund	0	0	0	58,240	n/a
FTE	0.0	0.0	0.0	0.0	0.0
Cash Funds Exempt	0	8,615,207	6,133,409	3,674,160	-40.1%
FTE	0.0	0.5	3.3	6.3	3.0
[Formerly (3)] (5) Indirect Cost Assessment					
	<u>214,054</u>	<u>263,892</u>	<u>263,892</u>	<u>263,892</u>	
Cash Funds	42,922	52,923	52,923	52,923	
Cash Funds Exempt	43,796	47,394	47,394	47,394	
Federal Funds	127,336	163,575	163,575	163,575	
SUBTOTAL - (B) Special Programs					
	1,072,235	9,893,134	10,253,901	7,999,688	-22.0%
FTE	<u>7.0</u>	<u>7.5</u>	<u>10.9</u>	<u>13.9</u>	<u>3.0</u>
General Fund	0	0	0	58,240	n/a
FTE	0.0	0.0	0.0	0.0	0.0
Cash Funds	147,336	177,835	2,660,400	2,807,196	5.5%
FTE	0.0	0.0	0.6	0.6	0.0
Cash Funds Exempt	93,060	8,846,865	6,725,067	4,265,818	-36.6%
FTE	0.0	0.5	3.3	6.3	3.0
Federal Funds	831,839	868,434	868,434	868,434	0.0%
FTE	7.0	7.0	7.0	7.0	0.0
TOTAL - (1) ADMINISTRATION AND SUPPORT					
	19,606,957	29,281,881	34,027,312	33,096,118	-2.7%
FTE	<u>62.9</u>	<u>64.5</u>	<u>69.8</u>	<u>74.8</u>	<u>5.0</u>
General Fund	500,149	429,865	714,268	961,532	34.6%
FTE					
Cash Funds	1,572,335	1,770,436	5,112,955	5,604,205	9.6%
FTE					
Cash Funds Exempt	13,430,245	22,502,665	22,120,700	20,234,739	-8.5%

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
FTE					
Federal Funds	4,104,228	4,578,915	6,079,389	6,295,642	3.6%
FTE					

(2) CENTER FOR HEALTH AND ENVIRONMENTAL INFORMATION (CHEIS)

The Health Statistics and Vital Records section maintains data for all births, deaths, marriages, and marriage dissolutions; tracks data for internal and external use; and provides records to other agencies and the public.

(A) Health Statistics and Vital Records

Personal Services	2,936,597	2,843,241	2,440,976	2,727,887	DI #7, #8
FTE	<u>49.7</u>	<u>48.8</u>	47.2	55.2	
General Fund	0	0	0	0	
Cash Funds	1,498,723	1,634,174	1,652,918	1,735,224	
FTE	25.8	0.0	0.0	0.0	
Cash Funds Exempt	137,274	133,698	150,307	356,188	
FTE	3.2	0.0	0.0	0.0	
Federal Funds	1,300,600	1,075,369	637,751	636,475	
FTE	20.7	0.0	0.0	0.0	
Operating Expenses	<u>295,118</u>	<u>220,918</u>	<u>115,875</u>	<u>158,025</u>	DI #8
Cash Funds	49,463	51,299	54,367	54,367	
Cash Funds Exempt	27,657	27,819	26,534	68,684	
Federal Funds	217,998	141,800	34,974	34,974	
Indirect Cost Assessment	<u>545,990</u>	<u>518,731</u>	<u>587,168</u>	<u>587,168</u>	
Cash Funds	331,099	308,088	302,233	302,233	
Cash Funds Exempt	17,029	24,197	36,520	36,520	
Federal Funds	197,862	186,446	248,415	248,415	

SUBTOTAL - (A) Health Statistics and Vital Records	3,777,705	3,582,890	3,144,019	3,473,080	10.5%
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	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
FTE	<u>49.7</u>	<u>48.8</u>	<u>47.2</u>	<u>55.2</u>	<u>8.0</u>
General Fund	0	0	0	0	n/a
Cash Funds	1,879,285	1,993,561	2,009,518	2,091,824	4.1%
FTE	25.8		0.0	0.0	0.0
Cash Funds Exempt	181,960	185,714	213,361	461,392	116.2%
FTE	3.2		0.0	0.0	0.0
Federal Funds	1,716,460	1,403,615	921,140	919,864	-0.1%
FTE	20.7		0.0	0.0	0.0

(B) Information Technology Services

Personal Services	2,006,729	2,116,886	2,151,652	2,238,243	
FTE	<u>23.3</u>	<u>23.2</u>	<u>24.4</u>	<u>24.4</u>	
General Fund	0	0	9,648	9,629	
FTE	0.0	0.0	0.2	0.2	
Cash Funds	139,557	164,657	163,834	163,506	
FTE	0.6	0.6	0.6	0.6	
Cash Funds Exempt	1,601,602	1,656,777	1,691,788	1,779,299	
FTE	19.8	19.7	20.9	20.9	
Federal Funds	265,570	295,452	286,382	285,809	
FTE	2.9	2.9	2.7	2.7	
Operating Expenses	<u>760,943</u>	<u>778,356</u>	<u>883,875</u>	<u>883,875</u>	
Cash Funds	99,724	94,900	101,677	101,677	
Cash Funds Exempt	661,219	661,056	661,219	661,219	
Federal Funds	0	22,400	120,979	120,979	
Purchase of Services from Computer Center	<u>158,527</u>	<u>714,752</u>	<u>441,661</u>	<u>250,616</u>	
Cash Funds	25,650	115,696	71,491	40,567	
Cash Funds Exempt	111,112	523,082	309,590	175,674	
Federal Funds	21,765	75,974	60,580	34,375	
Multiuse Network Payments	<u>149,496</u>	<u>88,872</u>	<u>142,088</u>	<u>161,031</u>	DI NP-3

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Cash Funds Exempt	96,316	79,761	91,543	105,751	
Federal Funds	53,180	9,111	50,545	55,280	
Indirect Cost Assessment	<u>81,217</u>	<u>108,127</u>	<u>111,354</u>	<u>111,354</u>	
Cash Funds	25,853	43,853	43,853	43,853	
Cash Funds Exempt	3,602	2,535	2,373	2,373	
Federal Funds	51,762	61,739	65,128	65,128	

SUBTOTAL - (B) Information Technology					
Services	3,156,912	3,806,993	3,730,630	3,645,119	-2.3%
FTE	<u>23.3</u>	<u>23.2</u>	<u>24.4</u>	<u>24.4</u>	<u>0.0</u>
General Fund	0	0	9,648	9,629	-0.2%
FTE	0.0	0.0	0.2	0.2	0.0
Cash Funds	290,784	419,106	380,855	349,603	-8.2%
FTE	0.6	0.6	0.6	0.6	0.0
Cash Funds Exempt	2,473,851	2,923,211	2,756,513	2,724,316	-1.2%
FTE	19.8	19.7	20.9	20.9	0.0
Federal Funds	392,277	464,676	583,614	561,571	-3.8%
FTE	2.9	2.9	2.7	2.7	0.0

TOTAL - (2) CENTER FOR HEALTH AND ENVIRONMENTAL INFORMATION (CHEIS)					
	6,934,617	7,389,883	6,874,649	7,118,199	3.5%
FTE	<u>73.0</u>	<u>72.0</u>	<u>71.6</u>	<u>79.6</u>	<u>8.0</u>
General Fund	0	0	9,648	9,629	-0.2%
FTE	0.0		0.2	0.2	0.0
Cash Funds	2,170,069	2,412,667	2,390,373	2,441,427	2.1%
FTE	26.4		0.6	0.6	0.0
Cash Funds Exempt	2,655,811	3,108,925	2,969,874	3,185,708	7.3%
FTE	23.0		20.9	20.9	0.0
Federal Funds	2,108,737	1,868,291	1,504,754	1,481,435	-1.5%
FTE	23.6		2.7	2.7	0.0

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
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(3) LABORATORY SERVICES

Provides testing and analyses for both health and environmental programs. Program areas include: chemistry, microbiology, newborn screening, and radioactive materials certification. The primary cash funds and cash funds exempt sources include the following: Newborn Screening and Genetic Counseling Fund, Radiation Control Cash Fund, Law Enforcement Assistance Fund, funds appropriated to the Water Quality Control Division and indirect cost recoveries.

(A) Director's Office

Personal Services	535,621	563,620	654,785	687,355	
FTE	<u>10.0</u>	<u>10.0</u>	<u>8.1</u>	<u>8.1</u>	
General Fund	0	0	0	0	
FTE		0.0	0.0	0.0	
Cash Funds	440,387	455,188	521,074	553,644	
FTE		0.0	0.0	0.0	
Cash Funds Exempt	20,096	0	15,493	15,493	
FTE		0.0	0.0	0.0	
Federal Funds	75,138	108,432	118,218	118,218	
FTE		0.0			
Operating Expenses	<u>25,552</u>	<u>26,452</u>	<u>30,597</u>	<u>30,597</u>	
General Fund	0	0	0	0	
Cash Funds	22,187	17,116	22,421	22,421	
Federal Funds	3,365	9,336	8,176	8,176	
Indirect Cost Assessment	<u>1,058,292</u>	<u>1,268,089</u>	<u>1,462,581</u>	<u>1,462,581</u>	
Cash Funds	887,125	900,100	1,176,870	1,176,870	
Cash Funds Exempt	0	0	63,572	63,572	
Federal Funds	171,167	367,989	222,139	222,139	
SUBTOTAL - (A) Director's Office	1,619,465	1,858,161	2,147,963	2,180,533	1.5%
FTE	<u>10.0</u>	<u>10.0</u>	<u>8.1</u>	<u>8.1</u>	<u>0.0</u>
General Fund	0	0	0	0	n/a
FTE					

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Cash Funds	1,349,699	1,372,404	1,720,365	1,752,935	1.9%
FTE					
Cash Funds Exempt	20,096	0	79,065	79,065	0.0%
FTE					
Federal Funds	249,670	485,757	348,533	348,533	0.0%
FTE					

(B) Laboratory Services - Chemistry and Microbiology

Personal Services	2,940,855	3,147,034	4,431,229	4,521,887	
FTE	<u>37.3</u>	<u>53.6</u>	<u>65.6</u>	<u>65.6</u>	
General Fund	155,029	157,199	159,019	163,773	
FTE			0.0	0.0	
Cash Funds	1,868,844	2,103,782	2,138,125	2,228,297	
FTE			0.0	0.0	
Cash Funds Exempt	227,773	208,292	207,488	207,073	
FTE			0.0	0.0	
Federal Funds	689,209	677,761	1,926,597	1,922,744	
FTE			0.0	0.0	
Operating Expenses	<u>2,265,573</u>	<u>2,529,384</u>	<u>2,582,244</u>	<u>2,582,244</u>	
General Fund	12,189	12,538	12,712	12,712	
Cash Funds	1,522,492	1,828,381	2,077,171	2,077,171	
Cash Funds Exempt	401,682	458,942	280,455	280,455	
Federal Funds	329,210	229,523	211,906	211,906	
Equipment Replacement - CF	88,490	0	117,000	117,000	

SUBTOTAL - (B) Laboratory Services - Chemistry and Microbiology	5,294,918	5,676,418	7,130,473	7,221,131	1.3%
FTE	<u>37.3</u>	<u>53.6</u>	<u>65.6</u>	<u>65.6</u>	<u>0.0</u>
General Fund	167,218	169,737	171,731	176,485	2.8%
FTE					

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Cash Funds	3,479,826	3,932,163	4,332,296	4,422,468	2.1%
FTE					
Cash Funds Exempt	629,455	667,234	487,943	487,528	-0.1%
FTE					
Federal Funds	1,018,419	907,284	2,138,503	2,134,650	-0.2%
FTE					

(C) Certification

Personal Services	609,030	666,118	670,060	694,326	
FTE	<u>9.3</u>	<u>9.9</u>	<u>10.3</u>	<u>10.3</u>	
General Fund	0	0	0	0	
FTE			0.0	0.0	
Cash Funds	419,075	470,442	479,754	504,020	
FTE			0.0	0.0	
Cash Funds Exempt	0	0	0	0	
Federal Funds	189,955	195,676	190,306	190,306	
FTE			0.0	0.0	
Operating Expenses	<u>85,227</u>	<u>79,551</u>	<u>89,886</u>	<u>89,886</u>	
Cash Funds	60,199	57,352	60,483	60,483	
Federal Funds	25,028	22,199	29,403	29,403	

SUBTOTAL - (C) Certification	694,257	745,669	759,946	784,212	3.2%
FTE	<u>9.3</u>	<u>9.9</u>	<u>10.3</u>	<u>10.3</u>	<u>0.0</u>
General Fund	0	0	0	0	n/a
FTE					
Cash Funds	479,274	527,794	540,237	564,503	4.5%
FTE					
Cash Funds Exempt	0	0	0	0	n/a
Federal Funds	214,983	217,875	219,709	219,709	0.0%
FTE					

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
TOTAL - (3) LABORATORY SERVICES	7,608,640	8,280,248	10,038,382	10,185,876	1.5%
FTE	<u>56.6</u>	<u>73.5</u>	<u>84.0</u>	<u>84.0</u>	<u>0.0</u>
General Fund	167,218	169,737	171,731	176,485	2.8%
FTE					
Cash Funds	5,308,799	5,832,361	6,592,898	6,739,906	2.2%
FTE					
Cash Funds Exempt	649,551	667,234	567,008	566,593	-0.1%
FTE					
Federal Funds	1,483,072	1,610,916	2,706,745	2,702,892	-0.1%
FTE					

(4) LOCAL HEALTH SERVICES

Provides contract funds to local, district, and regional public health departments; and nursing and environmental health agencies.

(A) Local Liaison

Public Health Nurses in Areas Not Served by Local

Health Departments	<u>962,731</u>	<u>962,731</u>	<u>962,731</u>	<u>1,370,731</u>
General Fund	962,731	962,731	962,731	962,731
Cash Funds Exempt	0	0	0	408,000

Environmental Health Specialists in Areas Not Served
by Local Health Departments - GF

	241,480	242,104	242,358	242,358
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Local, District and Regional Health Department
Distributions pursuant to Section 25-1-516, C.R.S.

	<u>1,250,000</u>	<u>5,000,000</u>	<u>6,199,021</u>	<u>6,992,000</u>
General Fund	1,250,000	5,000,000	5,000,000	5,000,000
Cash Funds Exempt	0	0	1,199,021	1,992,000

SUBTOTAL - (A) Local Liaison	2,454,211	6,204,835	7,404,110	8,605,089	16.2%
General Fund	2,454,211	6,204,835	6,205,089	6,205,089	0.0%
Cash Funds Exempt	0	0	1,199,021	2,400,000	100.2%

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
(B) Community Nursing					
Personal Services	440,142	449,328	458,659	474,718	
FTE	<u>5.2</u>	<u>5.3</u>	<u>5.4</u>	<u>5.4</u>	
General Fund	228,287	231,777	236,381	252,440	
FTE					
Cash Funds	0	0	0	0	
FTE					
Federal Funds	211,855	217,551	222,278	222,278	
FTE					
Operating Expenses - GF	16,705	16,705	16,705	16,705	
Indirect Cost Assessment - FF	32,964	34,893	41,817	41,817	
SUBTOTAL - (B) Community Nursing					
	489,811	500,926	517,181	533,240	3.1%
FTE	<u>5.2</u>	<u>5.3</u>	<u>5.4</u>	<u>5.4</u>	<u>0.0</u>
General Fund	244,992	248,482	253,086	269,145	6.3%
FTE					
Cash Funds	0	0	0	0	n/a
FTE					
Federal Funds	244,819	252,444	264,095	264,095	0.0%
FTE					
TOTAL - (4) LOCAL HEALTH SERVICES					
	2,944,022	6,705,761	7,921,291	9,138,329	15.4%
FTE	<u>5.2</u>	<u>5.3</u>	<u>5.4</u>	<u>5.4</u>	<u>0.0</u>
General Fund	2,699,203	6,453,317	6,458,175	6,474,234	0.2%
FTE	2.7				
Cash Funds	0	0	0	0	n/a
FTE	0.0				
Cash Funds Exempt	0	0	1,199,021	2,400,000	100.2%
FTE	0.0				
Federal Funds	244,819	252,444	264,095	264,095	0.0%

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
FTE	2.5				

(5) AIR QUALITY CONTROL DIVISION

(6) WATER QUALITY CONTROL DIVISION

(7) HAZARDOUS MATERIALS AND WASTE MANAGEMENT DIVISION

(8) CONSUMER PROTECTION

These environmental divisions are presented separately by another analyst

(9) DISEASE CONTROL AND ENVIRONMENTAL EPIDEMIOLOGY DIVISION

This division seeks to reduce illness and premature deaths with programs that focus on preventing and controlling communicable diseases, related diseases, and their complications. This includes investigating incidents, assessing the prevalence of diseases, and evaluating potential risks posed by environmental and toxicological exposures. The primary source of cash funds exempt is federal funds appropriated in the Department of Human Services.

(A) Administration, General Disease Control and Surveillance

Personal Services	548,892	723,076	890,601	904,964
FTE	<u>7.0</u>	<u>14.5</u>	<u>14.5</u>	<u>14.5</u>
General Fund	379,223	384,566	576,071	590,434
FTE	5.3	8.1	10.6	10.6
Federal Funds	169,669	338,510	314,530	314,530
FTE	1.7	6.4	3.9	3.9
Operating Expenses	<u>291,693</u>	<u>276,803</u>	<u>375,995</u>	<u>375,995</u>
General Fund	249,347	253,323	255,616	255,616
Cash Funds	3,503	3,000	6,538	6,538
Federal Funds	38,843	20,480	113,841	113,841
Indirect Cost Assessment	<u>3,256,351</u>	<u>3,410,832</u>	<u>3,436,993</u>	<u>3,436,993</u>
Cash Funds	0	0	2,000	2,000
Cash Funds Exempt	2,000	5,724	0	0
Federal Funds	3,254,351	3,405,108	3,434,993	3,434,993

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
SUBTOTAL - (A) Administration, General Disease					
Control and Surveillance	4,096,936	4,410,711	4,703,589	4,717,952	0.3%
FTE	<u>7.0</u>	<u>14.5</u>	<u>14.5</u>	<u>14.5</u>	<u>0.0</u>
General Fund	628,570	637,889	831,687	846,050	1.7%
FTE	5.3	8.1	10.6	10.6	0.0
Cash Funds	3,503	3,000	8,538	8,538	0.0%
Cash Funds Exempt	2,000	5,724	0	0	n/a
Federal Funds	3,462,863	3,764,098	3,863,364	3,863,364	0.0%
FTE	1.7	6.4	3.9	3.9	0.0

(B) Special Purpose Disease Control Programs

(1) Immunization

Personal Services	1,748,438	1,740,897	1,222,295	1,924,309	DI #2
FTE	<u>23.7</u>	<u>20.0</u>	<u>20.0</u>	<u>30.1</u>	
General Fund	83,361	84,530	85,702	789,989	
FTE	1.0	1.0	1.0	11.1	
Cash Funds Exempt	0	0	0	0	
Federal Funds	1,665,077	1,656,367	1,136,593	1,134,320	
FTE	22.7	19.0	19.0	19.0	
Operating Expenses	<u>14,973,190</u>	<u>3,950,471</u>	<u>22,381,594</u>	<u>23,219,060</u>	DI #2
General Fund	620,600	800,000	808,659	697,885	
General Fund Exempt	0	516,147	0	0	
Cash Funds Exempt	38,066	0	451,760	1,400,000	
Federal Funds	14,314,524	2,634,324	21,121,175	21,121,175	
Cervical Cancer Immunization - CFE	0	0	367,600	367,600	
Appropriation from Tobacco Tax Cash Fund to the General Fund - CFE	n/a	0	513,000	513,000	

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Immunizations Performed by County Public Health					
Nursing Services - GFE	n/a	n/a	513,000	513,000	
Subtotal - (1) Immunization	16,721,628	5,691,368	24,997,489	26,536,969	6.2%
FTE	<u>23.7</u>	<u>20.0</u>	<u>20.0</u>	<u>30.1</u>	<u>10.1</u>
General Fund	703,961	884,530	894,361	1,487,874	66.4%
FTE	1.0	1.0	1.0	11.1	10.1
General Fund Exempt	0	516,147	513,000	513,000	0.0%
Cash Funds Exempt	38,066	0	1,332,360	2,280,600	71.2%
Federal Funds	15,979,601	4,290,691	22,257,768	22,255,495	0.0%
FTE	22.7	19.0	19.0	19.0	0.0

(2) Sexually Transmitted Disease, HIV and AIDS

Personal Services	3,470,006	3,591,027	3,401,920	3,395,116	
FTE	<u>48.7</u>	<u>55.8</u>	<u>55.8</u>	<u>55.8</u>	
Cash Funds Exempt	0	76,738	78,826	78,668	
FTE	0.0	1.2	1.2	1.2	
Federal Funds	3,470,006	3,514,289	3,323,094	3,316,448	
FTE	48.7	54.6	54.6	54.6	
Operating Expenses	<u>4,816,058</u>	<u>3,501,199</u>	<u>7,992,666</u>	<u>6,813,000</u>	
Cash Funds Exempt	0	68,299	3,179,666	2,000,000	
Federal Funds	4,816,058	3,432,900	4,813,000	4,813,000	
HIV and Aids Prevention Fund	0	0	0	0	
Cash Funds Exempt		0			

Subtotal - (2) Sexually Transmitted Disease, HIV and AIDS	8,286,064	7,092,226	11,394,586	10,208,116	-10.4%
FTE	<u>48.7</u>	<u>55.8</u>	<u>55.8</u>	<u>55.8</u>	<u>0.0</u>
Cash Funds Exempt	0	145,037	3,258,492	2,078,668	-36.2%
FTE	0.0	1.2	1.2	1.2	0.0

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Federal Funds	8,286,064	6,947,189	8,136,094	8,129,448	-0.1%
FTE	48.7	54.6	54.6	54.6	0.0

(3) Ryan White Act

Personal Services	330,378	549,164	317,686	318,732
FTE	<u>4.1</u>	<u>7.3</u>	<u>4.0</u>	<u>4.0</u>
General Fund	25,483	25,895	26,303	27,349
FTE	0.3	0.4	0.4	0.4
Federal Funds	304,895	523,269	291,383	291,383
FTE	3.8	6.9	3.6	3.6
Operating Expenses	<u>12,970,765</u>	<u>10,332,053</u>	<u>12,458,540</u>	<u>12,829,404</u>
General Fund	1,307,785	1,334,666	1,357,404	1,357,404
Cash Funds Exempt	3,051,931	2,801,418	3,129,136	3,500,000
Federal Funds	8,611,049	6,195,969	7,972,000	7,972,000

Subtotal - (3) Ryan White Act	13,301,143	10,881,217	12,776,226	13,148,136	2.9%
FTE	<u>4.1</u>	<u>7.3</u>	<u>4.0</u>	<u>4.0</u>	<u>0.0</u>
General Fund	1,333,268	1,360,561	1,383,707	1,384,753	0.1%
FTE	0.3	0.4	0.4	0.4	0.0
Cash Funds Exempt	3,051,931	2,801,418	3,129,136	3,500,000	11.9%
FTE	0.0	0.0			
Federal Funds	8,915,944	6,719,238	8,263,383	8,263,383	0.0%
FTE	3.8	6.9	3.6	3.6	0.0

(4) Tuberculosis Control and Treatment

Personal Services	785,908	818,035	584,283	637,490	DI #1
FTE	<u>9.0</u>	<u>8.7</u>	<u>6.8</u>	<u>6.8</u>	
General Fund	62,567	63,450	64,487	116,891	
FTE	1.2	1.2	1.2	1.2	
Cash Funds Exempt	94,773	94,822	94,788	95,591	
FTE	1.5	1.7	1.7	1.7	

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Federal Funds	628,568	659,763	425,008	425,008	
FTE	6.3	5.8	3.9	3.9	
Operating Expenses	<u>1,227,390</u>	<u>1,325,177</u>	<u>1,631,067</u>	<u>1,872,933</u>	DI #1
General Fund	919,962	938,733	950,047	1,191,913	
Cash Funds Exempt	153,984	207,520	210,020	210,020	
Federal Funds	153,444	178,924	471,000	471,000	
Subtotal - (4) Tuberculosis Control and Treatment	2,013,298	2,143,212	2,215,350	2,510,423	13.3%
FTE	<u>9.0</u>	<u>8.7</u>	<u>6.8</u>	<u>6.8</u>	<u>0.0</u>
General Fund	982,529	1,002,183	1,014,534	1,308,804	29.0%
FTE	1.2	1.2	1.2	1.2	0.0
Cash Funds Exempt	248,757	302,342	304,808	305,611	0.3%
FTE	1.5	1.7	1.7	1.7	0.0
Federal Funds	782,012	838,687	896,008	896,008	0.0%
FTE	6.3	5.8	3.9	3.9	0.0
SUBTOTAL - (B) Special Purpose Disease					
Programs	40,322,133	25,808,023	51,383,651	52,403,644	2.0%
FTE	<u>85.5</u>	<u>91.8</u>	<u>86.6</u>	<u>96.7</u>	<u>10.1</u>
General Fund	3,019,758	3,247,274	3,292,602	4,181,431	27.0%
FTE	2.5	2.6	2.6	12.7	10.1
General Fund Exempt	0	516,147	513,000	513,000	0.0%
FTE		0.0			
Cash Funds Exempt	3,338,754	3,248,797	8,024,796	8,164,879	1.7%
FTE	1.5	2.9	2.9	2.9	0.0
Federal Funds	33,963,621	18,795,805	39,553,253	39,544,334	0.0%
FTE	81.5	86.3	81.1	81.1	0.0

(C) Environmental Epidemiology

(1) Birth Defects Monitoring and Prevention

Personal Services	249,464	289,328	299,343	303,848
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	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
FTE	<u>2.6</u>	<u>3.0</u>	<u>4.3</u>	<u>4.3</u>	
General Fund	113,863	115,562	117,297	121,802	
FTE	1.2	1.7	1.7	1.7	
Federal Funds	135,601	173,766	182,046	182,046	
FTE	1.4	1.3	2.6	2.6	
Operating Expenses	<u>3,340</u>	<u>2,506</u>	<u>34,242</u>	<u>34,242</u>	
Federal Funds	3,340	2,506	34,242	34,242	
Subtotal - (1) Birth Defects Monitoring	252,804	291,834	333,585	338,090	1.4%
FTE	<u>2.6</u>	<u>3.0</u>	<u>4.3</u>	<u>4.3</u>	<u>0.0</u>
General Fund	113,863	115,562	117,297	121,802	3.8%
FTE	1.2	1.7	1.7	1.7	0.0
Cash Funds	0	0			
Federal Funds	138,941	176,272	216,288	216,288	0.0%
FTE	1.4	1.3	2.6	2.6	0.0
(2) Federal Grants - FF	1,861,351	2,044,016	2,375,000	2,375,000	
FTE	13.2	11.3	15.5	15.5	
SUBTOTAL - (C) Environmental Epidemiology	2,114,155	2,335,850	2,708,585	2,713,090	0.2%
FTE	<u>15.8</u>	<u>14.3</u>	<u>19.8</u>	<u>19.8</u>	<u>0.0</u>
General Fund	113,863	115,562	117,297	121,802	3.8%
FTE	1.2	1.7	1.7	1.7	0.0
Cash Funds	0	0	0	0	n/a
Federal Funds	2,000,292	2,220,288	2,591,288	2,591,288	0.0%
FTE	14.6	12.6	18.1	18.1	0.0
(D) Emergency Management					
Personal Services	102,497	114,044	118,168	118,168	
FTE	<u>1.1</u>	<u>1.0</u>	<u>1.8</u>	<u>1.8</u>	
Cash Funds Exempt	0	0	0	0	

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
FTE	0.0	0.0	0.0	0.0	
Federal Funds	102,497	114,044	118,168	118,168	
FTE	1.1	1.0	1.8	1.8	
Operating Expenses	<u>37,690</u>	<u>92,540</u>	<u>64,533</u>	<u>64,533</u>	
Federal Funds	37,690	92,540	64,533	64,533	
SUBTOTAL - (D) Emergency Management	140,187	206,584	182,701	182,701	0.0%
FTE	<u>1.1</u>	<u>1.0</u>	<u>1.8</u>	<u>1.8</u>	<u>0.0</u>
Cash Funds Exempt	0	0	0	0	n/a
FTE	0.0	0.0	0.0	0.0	0.0
Federal Funds	140,187	206,584	182,701	182,701	0.0%
FTE	1.1	1.0	1.8	1.8	0.0
(E) Federal Grants - FF	22,012,493	31,005,712	9,639,290	9,639,290	
FTE	76.7	80.2	50.3	50.3	
TOTAL - (9) DISEASE CONTROL AND ENVIRONMENTAL EPIDEMIOLOGY DIVISION	68,685,904	63,766,880	68,617,816	69,656,677	1.5%
FTE	<u>186.1</u>	<u>201.8</u>	<u>173.0</u>	<u>183.1</u>	<u>10.1</u>
General Fund	3,762,191	4,000,725	4,241,586	5,149,283	21.4%
FTE	9.0	12.4	14.9	25.0	10.1
General Fund Exempt	0	516,147	513,000	513,000	0.0%
FTE	0.0	0.0	0.0	0.0	0.0
Cash Funds	3,503	3,000	8,538	8,538	0.0%
FTE		0.0			
Cash Funds Exempt	3,340,754	3,254,521	8,024,796	8,164,879	1.7%
FTE	1.5	2.9	2.9	2.9	0.0
Federal Funds	61,579,456	55,992,487	55,829,896	55,820,977	0.0%
FTE	175.6	186.5	155.2	155.2	0.0

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
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(10) PREVENTION SERVICES DIVISION

This division provides health care and related preventive services to people who have low incomes or limited access to health care. The division also provides programs designed to reduce crime and violence among youth. In addition, this division seeks to control and prevent the causes of chronic disease and injury for individuals at all income levels in all racial and ethnic groups. It also includes dental programs and women's health services. The services are provided directly or through contract agreements. The primary cash funds and cash funds exempt sources include: Newborn Screening and Genetic Counseling Fund, Medicaid funds initially appropriated to the Department of Health Care Policy and Financing, Colorado Children's Trust Fund, Tobacco Litigation Settlement Cash Fund federal funds appropriated to the Department of Human Services.

(A) Prevention Programs

(1) Programs and Administration

Personal Services	1,651,305	1,768,284	1,595,303	1,617,915
FTE	<u>20.8</u>	<u>20.7</u>	<u>23.7</u>	<u>23.7</u>
General Fund	113,251	114,918	116,614	120,796
FTE	2.0	2.0	2.0	2.0
Cash Funds Exempt	415,227	476,612	655,776	675,852
FTE	7.0	7.0	10.0	10.0
Federal Funds	1,122,827	1,176,754	822,913	821,267
FTE	11.8	11.7	11.7	11.7
Operating Expenses	<u>667,578</u>	<u>1,047,571</u>	<u>792,908</u>	<u>783,293</u>
Cash Funds Exempt	32,725	91,414	128,055	118,440
Federal Funds	634,853	956,157	664,853	664,853
Prevention Early Detection and Treatment Fund				
Expenditures - CFE	n/a	43,521,792	41,671,200	24,494,400
Prevention, Early Detection and Treatment Grants -				
CFE	7,821,534	17,333,686	35,982,588	15,127,068

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Prevention, Early Detection and Treatment Program Evaluation - CFE	n/a	0	0	0	
Transfer to the Department of Health Care Policy and Financing for Disease Management - CFE	0	28,656	0	0	
Short Term Innovative Health Grant Program - CFE	0	0	118,787	1,363,499	
FTE	0.0	0.0	1.0	1.0	
Indirect Cost Assessment	<u>1,068,719</u>	<u>1,102,504</u>	<u>1,007,459</u>	<u>1,007,459</u>	
Cash Funds Exempt	4,977	7,898	18,460	18,460	
Federal Funds	1,063,742	1,094,606	988,999	988,999	
Subtotal - (1) Programs and Administration	11,209,136	64,802,493	81,168,245	44,393,634	-45.3%
FTE	<u>20.8</u>	<u>20.7</u>	<u>24.7</u>	<u>24.7</u>	<u>0.0</u>
General Fund	113,251	114,918	116,614	120,796	3.6%
FTE	2.0	2.0	2.0	2.0	0.0
Cash Funds		0			
Cash Funds Exempt	8,274,463	61,460,058	78,574,866	41,797,719	-46.8%
FTE	7.0	7.0	11.0	11.0	0.0
Federal Funds	2,821,422	3,227,517	2,476,765	2,475,119	-0.1%
FTE	11.8	11.7	11.7	11.7	0.0
(2) Cancer Registry					
Personal Services	818,492	797,493	663,242	669,975	
FTE	<u>11.6</u>	<u>11.3</u>	<u>10.0</u>	<u>10.0</u>	
General Fund	176,554	179,072	181,632	188,365	
FTE	2.0	2.0	2.0	2.0	
Cash Funds	0	0	0	0	
Federal Funds	641,938	618,421	481,610	481,610	
FTE	9.6	9.3	8.0	8.0	

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Operating Expenses	<u>114,870</u>	<u>55,846</u>	<u>365,552</u>	<u>365,552</u>	
General Fund	29,848	30,552	30,552	30,552	
Federal Funds	85,022	25,294	335,000	335,000	
Subtotal - (2) Cancer Registry	933,362	853,339	1,028,794	1,035,527	0.7%
FTE	<u>11.6</u>	<u>11.3</u>	<u>10.0</u>	<u>10.0</u>	<u>0.0</u>
General Fund	206,402	209,624	212,184	218,917	3.2%
FTE	2.0	2.0	2.0	2.0	0.0
Cash Funds	0	0	0	0	n/a
Federal Funds	726,960	643,715	816,610	816,610	0.0%
FTE	9.6	9.3	8.0	8.0	0.0
(3) Chronic Disease and Cancer Prevention Grants	10,240,553	5,936,658	5,643,152	5,643,152	
FTE	<u>31.7</u>	<u>23.8</u>	<u>23.8</u>	<u>23.8</u>	
Cash Funds Exempt	0	91,855	0	0	
Federal Funds	10,240,553	5,844,803	5,643,152	5,643,152	
FTE	31.7	23.8	23.8	23.8	
(4) Suicide Prevention	275,731	277,095	278,762	283,239	
FTE	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	
General Fund	275,731	277,095	278,762	283,239	
FTE	2.0	2.0	2.0	2.0	
Cash Funds	0	0	0	0	
(5) Tobacco Education, Prevention, and Cessation					
Personal Services - CFE	557,011	733,306	729,639	737,998	
FTE	8.8	10.0	10.0	10.0	
Operating Expenses - CFE	110,886	175,000	175,000	175,000	
Tobacco Cessation and Prevention Grants - CFE	26,398,821	34,554,284	34,437,403	23,581,402	

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Subtotal - (5) Tobacco Education, Prevention, and Cessation					
	27,066,718	35,462,590	35,342,042	24,494,400	-30.7%
FTE	<u>8.8</u>	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>	<u>0.0</u>
Cash Funds Exempt	27,066,718	35,462,590	35,342,042	24,494,400	-30.7%
FTE	8.8	10.0	10.0	10.0	0.0

SUBTOTAL (A) - Prevention Programs	49,725,500	107,332,175	123,460,995	75,849,952	-38.6%
FTE	<u>74.9</u>	<u>67.8</u>	<u>70.5</u>	<u>70.5</u>	<u>0.0</u>
General Fund	595,384	601,637	607,560	622,952	2.5%
FTE	6.0	6.0	6.0	6.0	0.0
Cash Funds	0	0	0	0	n/a
Cash Funds Exempt	35,341,181	97,014,503	113,916,908	66,292,119	-41.8%
FTE	15.8	17.0	21.0	21.0	0.0
Federal Funds	13,788,935	9,716,035	8,936,527	8,934,881	0.0%
FTE	53.1	44.8	43.5	43.5	0.0

(B) Women's Health - Family Planning

Personal Services	466,339	1,268,850	1,274,727	1,292,031
FTE	<u>6.3</u>	<u>19.3</u>	<u>19.3</u>	<u>19.3</u>
General Fund	412,921	418,730	424,655	439,311
FTE	5.6	6.4	6.4	6.4
Cash Funds Exempt	53,418	180,532	179,442	182,090
FTE	0.7	2.9	2.9	2.9
Federal Funds	0	669,588	670,630	670,630
FTE	0.0	10.0	10.0	10.0
<i>Medicaid Cash Funds</i>	<i>53,418</i>	<i>56,644</i>	<i>56,906</i>	<i>59,169</i>
<i>GF in Medicaid CF</i>	<i>26,709</i>	<i>28,322</i>	<i>28,453</i>	<i>29,585</i>
<i>Net General Fund</i>	<i>439,630</i>	<i>447,052</i>	<i>453,108</i>	<i>468,896</i>
Operating Expenses - GF	3,355	3,355	3,355	3,355
Purchase of Services	<u>4,464,569</u>	<u>4,559,587</u>	<u>3,434,214</u>	<u>3,434,214</u>

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
General Fund	1,194,235	1,218,717	1,229,003	1,229,003	
Cash Funds Exempt	25,291	21,113	25,505	25,505	
Federal Funds	3,245,043	3,319,757	2,179,706	2,179,706	
<i>Medicaid Cash Funds</i>	<i>25,291</i>	<i>21,113</i>	<i>25,505</i>	<i>25,505</i>	
<i>GF in Medicaid CF</i>	<i>12,646</i>	<i>10,557</i>	<i>12,753</i>	<i>12,753</i>	
<i>Net General Fund</i>	<i>1,206,881</i>	<i>1,229,274</i>	<i>1,241,756</i>	<i>1,241,756</i>	
Transfer to the Department of Health Care Policy and Financing for Breast and Cervical Cancer Treatment - CFE	354,717	591,843	1,215,340	1,215,340	
Breast and Cervical Cancer Screening	1,733,818	6,034,396	7,286,960	7,186,742	
FTE	0.7	0.0	0.0	0.0	
Cash Funds Exempt	1,733,818	2,200,598	3,660,960	3,560,742	
FTE	0.7	0.0	0.0	0.0	
Federal Funds	0	3,833,798	3,626,000	3,626,000	
FTE	0.0	0.0	0.0	0.0	
Federal Grants - FF	457,011	588,190	350,000	350,000	
FTE	3.5	4.3	3.0	3.0	
SUBTOTAL (B) - Women's Health - Family					
Planning	7,479,809	13,046,221	13,564,596	13,481,682	-0.6%
FTE	<u>10.5</u>	<u>23.6</u>	<u>22.3</u>	<u>22.3</u>	<u>0.0</u>
General Fund	1,610,511	1,640,802	1,657,013	1,671,669	0.9%
FTE	5.6	6.4	6.4	6.4	0.0
Cash Funds Exempt	2,167,244	2,994,086	5,081,247	4,983,677	-1.9%
FTE	1.4	2.9	2.9	2.9	0.0
Federal Funds	3,702,054	8,411,333	6,826,336	6,826,336	0.0%
FTE	3.5	14.3	13.0	13.0	0.0
<i>Medicaid Cash Funds</i>	<i>78,709</i>	<i>77,757</i>	<i>82,411</i>	<i>84,674</i>	<i>2.7%</i>
<i>GF in Medicaid CF</i>	<i>39,355</i>	<i>38,879</i>	<i>41,206</i>	<i>42,337</i>	<i>2.7%</i>

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
<i>Net General Fund</i>	<i>1,649,866</i>	<i>1,679,681</i>	<i>1,698,219</i>	<i>1,714,006</i>	<i>0.9%</i>

(C) Rural-Primary Care

State Dental Loan Repayment Fund - CFE	199,612	0	0	0	
Dental Programs	1,201,084	1,282,854	1,108,918	1,113,043	
FTE	<u>5.3</u>	<u>4.9</u>	<u>3.0</u>	<u>3.0</u>	
General Fund	554,876	563,065	570,935	575,060	
FTE	0.8	0.8	0.8	0.8	
Cash Funds	0	0	0	0	
Cash Funds Exempt	199,612	199,619	200,000	200,000	
FTE	0.2	0.2	0.2	0.2	
Federal Funds	446,596	520,170	337,983	337,983	
FTE	4.3	3.9	2.0	2.0	
Federal Grants - FF	231,634	170,011	118,000	118,000	
FTE	2.0	1.9	1.5	1.5	

SUBTOTAL (C) - Rural Primary Care	1,632,330	1,452,865	1,226,918	1,231,043	0.3%
FTE	<u>7.3</u>	<u>6.8</u>	<u>4.5</u>	<u>4.5</u>	<u>0.0</u>
General Fund	554,876	563,065	570,935	575,060	0.7%
FTE	0.8	0.8	0.8	0.8	0.0
Cash Funds	0	0	0	0	n/a
Cash Funds Exempt	399,224	199,619	200,000	200,000	0.0%
FTE	0.2	0.2	0.2	0.2	0.0
Federal Funds	678,230	690,181	455,983	455,983	0.0%
FTE	6.3	5.8	3.5	3.5	0.0

(D) Prevention Partnerships

(1) Interagency Prevention Programs Coordination

Personal Services	215,758	218,734	221,741	229,729	
FTE	<u>3.1</u>	<u>3.0</u>	<u>3.2</u>	<u>3.2</u>	

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
General Fund	215,758	218,734	221,741	229,729	
FTE	3.1	3.0	3.2	3.2	
Cash Funds	0	0	0	0	
Operating Expenses	<u>16,769</u>	<u>16,736</u>	<u>16,769</u>	<u>16,769</u>	
General Fund	16,769	16,736	16,769	16,769	
Indirect Cost Assessment	<u>18,397</u>	<u>42,752</u>	<u>46,658</u>	<u>46,658</u>	
Cash Funds	12,216	12,186	17,636	17,636	
Cash Funds Exempt	0	0	1,332	1,332	
Federal Funds	6,181	30,566	27,690	27,690	

Subtotal - (1) Interagency Prevention Programs					
Coordination	250,924	278,222	285,168	293,156	2.8%
FTE	<u>3.1</u>	<u>3.0</u>	<u>3.2</u>	<u>3.2</u>	<u>0.0</u>
General Fund	232,527	235,470	238,510	246,498	3.3%
FTE	3.1	3.0	3.2	3.2	0.0
Cash Funds	12,216	12,186	17,636	17,636	0.0%
Cash Funds Exempt	0	0	1,332	1,332	0.0%
Federal Funds	6,181	30,566	27,690	27,690	0.0%

(2) Tony Grampas Youth Services Program

Prevention Services Programs	3,472,813	3,191,316	3,876,155	5,300,000	DI #3, #9
FTE	<u>1.0</u>	<u>2.0</u>	<u>2.0</u>	<u>3.0</u>	
General Fund	0	0	0	1,000,000	
FTE	0.0	0.0	0.0	0.0	
Cash Funds Exempt	3,472,813	3,191,316	3,876,155	4,300,000	
FTE	1.0	2.0	2.0	3.0	
Federal Funds	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	

Additional funding:

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
FY 05-06 appropriation available thru 7/1/07 - GF	n/a	4,000,000	n/a	n/a	
Colorado Student Before-and-After-School Project Fund - GF	0	0	300,000	300,000	

Subtotal - (2) Tony Grampsas Youth Services					
Program	3,472,813	3,191,316	4,176,155	5,600,000	34.1%
FTE	<u>1.0</u>	<u>2.0</u>	<u>2.0</u>	<u>3.0</u>	<u>1.0</u>
General Fund	0	0	300,000	1,300,000	333.3%
FTE	0.0	0.0	0.0	0.0	0.0
Cash Funds	0	0			
FTE	0.0	0.0			
Cash Funds Exempt	3,472,813	3,191,316	3,876,155	4,300,000	10.9%
FTE	1.0	2.0	2.0	3.0	1.0
Federal Funds	0	0	0	0	n/a
FTE	0.0	0.0	0.0	0.0	0.0

(3) Colorado Children's Trust Fund

Personal Services	37,681	50,715	73,157	77,121	
FTE	<u>0.5</u>	<u>0.6</u>	<u>1.5</u>	<u>1.5</u>	
Cash Funds	37,681	50,715	73,157	77,121	
FTE	0.5	0.6	1.5	1.5	
Operating Expenses	<u>598,956</u>	<u>814,595</u>	<u>495,137</u>	<u>495,137</u>	
Cash Funds	156,477	157,137	157,137	157,137	
Cash Funds Exempt	50,554	30,868	238,000	238,000	
Federal Funds	391,925	626,590	100,000	100,000	

Subtotal - (3) Colorado Children's Trust Fund	636,637	865,310	568,294	572,258	0.7%
FTE	<u>0.5</u>	<u>0.6</u>	<u>1.5</u>	<u>1.5</u>	<u>0.0</u>
Cash Funds	194,158	207,852	230,294	234,258	1.7%

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
FTE	0.5	0.6	1.5	1.5	0.0
Cash Funds Exempt	50,554	30,868	238,000	238,000	0.0%
Federal Funds	391,925	626,590	100,000	100,000	0.0%

SUBTOTAL - (D) PREVENTION					
PARTNERSHIPS	4,360,374	4,334,848	5,029,617	6,465,414	28.5%
FTE	<u>4.6</u>	<u>5.6</u>	<u>6.7</u>	<u>7.7</u>	<u>1.0</u>
General Fund	232,527	235,470	538,510	1,546,498	187.2%
FTE	3.1	3.0	3.2	3.2	0.0
Cash Funds	206,374	220,038	247,930	251,894	1.6%
FTE	0.5	0.6	1.5	1.5	0.0
Cash Funds Exempt	3,523,367	3,222,184	4,115,487	4,539,332	10.3%
FTE	1.0	2.0	2.0	3.0	1.0
Federal Funds	398,106	657,156	127,690	127,690	0.0%
FTE	0.0	0.0	0.0	0.0	0.0

(E) Family and Community Health

(1) Maternal and Child Health	3,644,752	3,252,848	3,893,000	3,893,000
FTE	<u>14.0</u>	<u>9.2</u>	<u>13.0</u>	<u>13.0</u>
General Fund	0	0	0	0
FTE	0.0	0.0	0.0	0.0
Federal Funds	3,644,752	3,252,848	3,893,000	3,893,000
FTE	14.0	9.2	13.0	13.0
Indirect Cost Assessment	<u>1,288,400</u>	<u>1,481,503</u>	<u>1,468,595</u>	<u>1,468,595</u>
Cash Funds	31,637	30,535	38,408	38,408
Cash Funds Exempt	5,500	6,172	11,500	11,500
Federal Funds	1,251,263	1,444,796	1,418,687	1,418,687

Subtotal - (1) Maternal and Child Health	4,933,152	4,734,351	5,361,595	5,361,595	0.0%
FTE	<u>14.0</u>	<u>9.2</u>	<u>13.0</u>	<u>13.0</u>	<u>0.0</u>
General Fund	0	0	0	0	n/a

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
FTE	0.0	0.0	0.0	0.0	0.0
Cash Funds	31,637	30,535	38,408	38,408	0.0%
Cash Funds Exempt	5,500	6,172	11,500	11,500	0.0%
Federal Funds	4,896,015	4,697,644	5,311,687	5,311,687	0.0%
FTE	14.0	9.2	13.0	13.0	0.0

(2) Child, Adolescent, and School Health

Private Grants - CFE	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	
Nurse Home Visitor Fund - CFE	8,662,974	0	0	0	
Nurse Home Visitor Program - CFE	8,662,974	8,974,714	10,728,465	14,000,000	
FTE	2.0	2.0	4.0	4.0	
School-Based Health Centers - GF	n/a	500,000	499,810	499,810	
FTE		0.7	0.7	0.7	
Federal Grants	968,960	821,995	533,000	533,000	
FTE	<u>3.3</u>	<u>2.2</u>	<u>2.2</u>	<u>2.2</u>	
Cash Funds Exempt	15,605	43,395	0	0	
Federal Funds	953,355	778,600	533,000	533,000	
FTE	3.3	2.2	2.2	2.2	

Subtotal - (2) Child, Adolescent, and School Health	18,294,908	10,296,709	11,761,275	15,032,810	27.8%
FTE	<u>5.3</u>	<u>4.9</u>	<u>6.9</u>	<u>6.9</u>	<u>0.0</u>
General Fund	0	500,000	499,810	499,810	0.0%
FTE	0.0	0.7	0.7	0.7	0.0
Cash Funds Exempt	17,325,948	9,018,109	10,728,465	14,000,000	30.5%
FTE	2.0	2.0	4.0	4.0	0.0
Federal Funds	968,960	778,600	533,000	533,000	0.0%
FTE	3.3	2.2	2.2	2.2	0.0

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
(3) Children With Special Needs					
(a) Health Care Program for Children with Special Needs					
Personal Services	1,236,332	1,262,023	1,282,630	1,330,868	
FTE	<u>16.4</u>	<u>15.5</u>	<u>17.5</u>	<u>17.5</u>	
General Fund	627,849	636,645	645,624	668,021	
FTE	10.1	10.1	10.1	10.1	
Federal Funds	608,483	625,378	637,006	662,847	
FTE	6.3	5.4	7.4	7.4	
Operating Expenses	<u>100,577</u>	<u>100,577</u>	<u>100,577</u>	<u>100,577</u>	
General Fund	87,577	87,577	87,577	87,577	
Federal Funds	13,000	13,000	13,000	13,000	
Community-based Case Management Services - FF	204,529	198,908	204,529	204,529	
Traumatic Brain Injury Services - CFE	52,641	78,197	188,416	188,416	
FTE		0.1	1.0	1.0	
Purchase of Services	3,374,542	3,359,347	3,400,221	3,400,221	
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	
General Fund	1,856,473	1,856,473	1,856,473	1,856,473	
Cash Funds	15,195	0	40,874	40,874	
FTE	0.0	0.0	0.0	0.0	
Federal Funds	1,502,874	1,502,874	1,502,874	1,502,874	
Subtotal - (a) Health Care Program for Children with Special Needs	4,968,621	4,999,052	5,176,373	5,224,611	0.9%
FTE	<u>16.4</u>	<u>15.6</u>	<u>18.5</u>	<u>18.5</u>	<u>0.0</u>
General Fund	2,571,899	2,580,695	2,589,674	2,612,071	0.9%
FTE	10.1	10.1	10.1	10.1	0.0

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Cash Funds	15,195	0	40,874	40,874	0.0%
FTE	0.0	0.0	0.0	0.0	0.0
Cash Funds Exempt	52,641	78,197	188,416	188,416	0.0%
FTE	0.0	0.1	1.0	1.0	0.0
Federal Funds	2,328,886	2,340,160	2,357,409	2,383,250	1.1%
FTE	6.3	5.4	7.4	7.4	0.0

(b) Genetics Counseling

Personal Services - CF	50,484	51,195	53,731	59,162	
FTE	1.0	1.0	1.0	1.0	
Operating Expenses	<u>1,021,045</u>	<u>1,175,782</u>	<u>1,239,669</u>	<u>1,239,669</u>	
Cash Funds	939,187	1,175,782	1,239,669	1,239,669	
Cash Funds Exempt	81,858	0	0	0	

Subtotal - (b) Genetics Counseling	1,071,529	1,226,977	1,293,400	1,298,831	0.4%
FTE	1.0	1.0	1.0	1.0	0.0
Cash Funds	989,671	1,226,977	1,293,400	1,298,831	0.4%
FTE	1.0	1.0	1.0	1.0	0.0
Cash Funds Exempt	81,858	0	0	0	n/a

Subtotal - (3) Children With Special Needs -

Genetics	6,040,150	6,226,029	6,469,773	6,523,442	0.8%
FTE	<u>17.4</u>	<u>16.6</u>	<u>19.5</u>	<u>19.5</u>	<u>0.0</u>
General Fund	2,571,899	2,580,695	2,589,674	2,612,071	0.9%
FTE	10.1	10.1	10.1	10.1	0.0
Cash Funds	1,004,866	1,226,977	1,334,274	1,339,705	0.4%
FTE	1.0	1.0	1.0	1.0	0.0
Cash Funds Exempt	134,499	78,197	188,416	188,416	0.0%
FTE	0.0	0.1	1.0	1.0	0.0
Federal Funds	2,328,886	2,340,160	2,357,409	2,383,250	1.1%
FTE	6.3	5.4	7.4	7.4	0.0

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
(4) Department of Human Services Grant (formerly Department of Education Grant)					
Cash Funds Exempt	26,515	29,279	29,790	29,790	
FTE	0.0	0.2	0.2	0.2	
(5) Federal Grants - FF					
FTE	603,543	372,357	508,000	508,000	
		3.0	4.6	4.6	
SUBTOTAL - (E) Family and Community Health					
	29,898,268	21,658,725	24,130,433	27,455,637	13.8%
FTE	<u>36.7</u>	<u>33.9</u>	<u>44.2</u>	<u>44.2</u>	<u>0.0</u>
General Fund	2,571,899	3,080,695	3,089,484	3,111,881	0.7%
FTE	10.1	10.8	10.8	10.8	0.0
Cash Funds	1,036,503	1,257,512	1,372,682	1,378,113	0.4%
FTE	1.0	1.0	1.0	1.0	0.0
Cash Funds Exempt	17,492,462	9,131,757	10,958,171	14,229,706	29.9%
FTE	2.0	2.3	5.2	5.2	0.0
Federal Funds	8,797,404	8,188,761	8,710,096	8,735,937	0.3%
FTE	23.6	19.8	27.2	27.2	0.0
(F) Nutrition Services					
Women, Infants, and Children Supplemental Food Grant - FF					
	65,113,322	71,832,426	69,448,035	69,448,035	
FTE	22.1	22.2	22.3	22.3	
Child and Adult Care Food Program - FF					
	21,039,057	20,114,216	24,069,644	24,069,644	
FTE	8.7	8.0	12.8	12.8	
SUBTOTAL - (F) Nutrition Services - FF					
	86,152,379	91,946,642	93,517,679	93,517,679	0.0%
FTE	30.8	30.2	35.1	35.1	0.0
(G) Federal Grants - FF					
	557,976	1,170,000	650,000	650,000	

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
FTE	4.6	5.3	5.3	5.3	
TOTAL - (10) PREVENTION SERVICES					
DIVISION	179,806,636	240,941,476	261,580,238	218,651,407	-16.4%
FTE	<u>169.4</u>	<u>173.2</u>	<u>188.6</u>	<u>189.6</u>	<u>1.0</u>
General Fund	5,565,197	6,121,669	6,463,502	7,528,060	16.5%
FTE	25.6	27.0	27.2	27.2	0.0
Cash Funds	1,242,877	1,477,550	1,620,612	1,630,007	0.6%
FTE	1.5	1.6	2.5	2.5	0.0
Cash Funds Exempt	58,923,478	112,562,149	134,271,813	90,244,834	-32.8%
FTE	20.4	24.4	31.3	32.3	1.0
Federal Funds	114,075,084	120,780,108	119,224,311	119,248,506	0.0%
FTE	121.9	120.2	127.6	127.6	0.0
Medicaid Cash Funds	78,709	77,757	82,411	84,674	2.7%
GF in Medicaid CF	39,355	38,879	41,206	42,337	2.7%
Net General Fund	5,604,552	6,160,548	6,504,708	7,570,397	16.4%

(11) HEALTH FACILITIES AND EMERGENCY MEDICAL SERVICES DIVISION

This division establishes and enforces standards for the operation of health care facilities and emergency medical services. The programs focus on education, inspection, investigation and enforcement. The primary cash funds and cash funds exempt sources for this division include: Health Facilities Licensure Cash Fund, Assisted Living Cash Fund, Medication Administration Cash Fund, Trauma System Cash Fund, Medical Services Account in the Highway Users Tax Fund and Medicaid funds appropriated to the Department of Health Care Policy and Financing.

(A) Licensure

(1) Health Facilities General Licensure

Personal Services	264,642	229,565	886,905	917,076
FTE	<u>5.0</u>	<u>6.4</u>	<u>13.6</u>	<u>13.7</u>
General Fund	0	16,507	150,876	150,331
FTE	0.0	0.6	2.1	2.2
Cash Funds	264,642	213,058	734,292	765,008
FTE	5.0	5.8	11.5	11.5

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Cash Funds Exempt	0	0	1,737	1,737	
Operating Expenses	<u>4,180</u>	<u>9,449</u>	<u>54,674</u>	<u>28,139</u>	
General Fund	4,180	2,918	6,787	3,732	
Cash Funds	0	6,531	47,887	24,407	
Indirect Cost Assessment	<u>22,674</u>	<u>38,190</u>	<u>121,746</u>	<u>121,746</u>	
Cash Funds	22,674	38,190	121,746	121,746	
Cash Funds Exempt	0	0	0	0	
Subtotal - (1) Health Facilities General Licensure	291,496	277,204	1,063,325	1,066,961	0.3%
FTE	<u>5.0</u>	<u>6.4</u>	<u>13.6</u>	<u>13.7</u>	<u>0.1</u>
General Fund	4,180	19,425	157,663	154,063	-2.3%
FTE	0.0	0.6	2.1	2.2	0.1
Cash Funds	287,316	257,779	903,925	911,161	0.8%
FTE	5.0	5.8	11.5	11.5	0.0
Cash Funds Exempt	0	0	1,737	1,737	0.0%
(2) Assisted Living Residences					
Personal Services	672,535	664,593	706,115	733,568	
FTE	<u>9.9</u>	<u>9.9</u>	<u>9.9</u>	<u>9.9</u>	
General Fund	88,397	89,067	90,348	93,710	
FTE			0.0	0.0	
Cash Funds	412,512	411,687	419,737	440,613	
FTE			0.0	0.0	
Cash Funds Exempt	171,626	163,839	196,030	199,245	
Operating Expenses	<u>43,811</u>	<u>43,811</u>	<u>43,811</u>	<u>43,811</u>	
General Fund	16,869	16,869	16,869	16,869	
Cash Funds	26,942	26,942	26,942	26,942	
Cash Funds Exempt		0	0	0	

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Indirect Cost Assessment	<u>112,023</u>	<u>105,461</u>	<u>126,023</u>	<u>126,023</u>	
Cash Funds	90,053	94,093	104,053	104,053	
Cash Funds Exempt	21,970	11,368	21,970	21,970	
Subtotal - (2) Assisted Living Residences	828,369	813,865	875,949	903,402	3.1%
FTE	<u>9.9</u>	<u>9.9</u>	<u>9.9</u>	<u>9.9</u>	<u>0.0</u>
General Fund	105,266	105,936	107,217	110,579	3.1%
FTE					
Cash Funds	529,507	532,722	550,732	571,608	3.8%
FTE					
Cash Funds Exempt	193,596	175,207	218,000	221,215	1.5%

(3) Medication Administration

Personal Services	142,402	157,042	190,527	193,865	
FTE	<u>0.8</u>	<u>0.9</u>	<u>0.9</u>	<u>0.9</u>	
Cash Funds	142,402	157,042	171,540	173,271	
FTE	0.8	0.9	0.9	0.9	
Cash Funds Exempt	0	0	18,987	20,594	
FTE	0.0	0.0	0.0	0.0	
Operating Expenses	<u>1,245</u>	<u>1,028</u>	<u>1,245</u>	<u>1,245</u>	
Cash Funds	835	835	835	835	
Cash Funds Exempt	410	193	410	410	
Indirect Cost Assessment	<u>9,881</u>	<u>9,868</u>	<u>13,157</u>	<u>13,157</u>	
Cash Funds	9,881	9,831	11,143	11,143	
Cash Funds Exempt	0	37	2,014	2,014	
Subtotal - (3) Medication Administration	153,528	167,938	204,929	208,267	1.6%
FTE	<u>0.8</u>	<u>0.9</u>	<u>0.9</u>	<u>0.9</u>	<u>0.0</u>
Cash Funds	153,118	167,708	183,518	185,249	0.9%
FTE	0.8	0.9	0.9	0.9	0.0

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
Cash Funds Exempt	410	230	21,411	23,018	7.5%
FTE	0.0	0.0	0.0	0.0	0.0
SUBTOTAL (A) - Licensure	1,273,393	1,259,007	2,144,203	2,178,630	1.6%
FTE	<u>15.7</u>	<u>17.2</u>	<u>24.4</u>	<u>24.5</u>	<u>0.1</u>
General Fund	109,446	125,361	264,880	264,642	-0.1%
FTE					
Cash Funds	969,941	958,209	1,638,175	1,668,018	1.8%
FTE					
Cash Funds Exempt	194,006	175,437	241,148	245,970	2.0%

(B) Medicaid / Medicare Certification Program

Personal Services	6,267,379	6,491,025	6,008,909	6,276,381	DI NP-1
FTE	<u>95.7</u>	<u>89.2</u>	<u>95.9</u>	<u>97.4</u>	
Cash Funds Exempt	3,042,594	3,315,123	3,421,362	3,694,009	
FTE			0.0	0.0	
Federal Funds	3,224,785	3,175,902	2,587,547	2,582,372	
FTE			0.0	0.0	
<i>Medicaid Cash Funds</i>	<i>3,042,594</i>	<i>3,315,123</i>	<i>3,621,085</i>	<i>3,621,085</i>	
<i>GF in Medicaid CF</i>	<i>1,496,348</i>	<i>1,630,377</i>	<i>1,682,626</i>	<i>1,816,714</i>	
<i>Net General Fund</i>	<i>1,496,348</i>	<i>1,630,377</i>	<i>1,682,626</i>	<i>1,816,714</i>	
Operating Expenses	<u>375,651</u>	<u>524,429</u>	<u>557,456</u>	<u>563,413</u>	DI NP-1
Cash Funds Exempt	182,368	226,769	227,667	233,624	
Federal Funds	193,283	297,660	329,789	329,789	
<i>Medicaid Cash Funds</i>	<i>182,368</i>	<i>226,769</i>	<i>227,667</i>	<i>233,624</i>	
<i>GF in Medicaid CF</i>	<i>89,689</i>	<i>111,525</i>	<i>111,967</i>	<i>114,896</i>	
<i>Net General Fund</i>	<i>89,689</i>	<i>111,525</i>	<i>111,967</i>	<i>114,896</i>	
Indirect Cost Assessment	<u>986,420</u>	<u>1,017,927</u>	<u>1,018,046</u>	<u>1,134,855</u>	DI NP-1
Cash Funds Exempt	415,677	435,951	435,951	552,760	
Federal Funds	570,743	581,976	582,095	582,095	

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
<i>Medicaid Cash Funds</i>	415,677	435,951	435,951	552,760	
<i>GF in Medicaid CF</i>	204,430	214,401	214,401	271,847	
<i>Net General Fund</i>	204,430	214,401	214,401	271,847	

SUBTOTAL (B) - Medicaid / Medicare					
Certification	7,629,450	8,033,381	7,584,411	7,974,649	5.1%
FTE	<u>95.7</u>	<u>89.2</u>	<u>95.9</u>	<u>97.4</u>	<u>1.5</u>
Cash Funds Exempt	3,640,639	3,977,843	4,084,980	4,480,393	9.7%
FTE					
Federal Funds	3,988,811	4,055,538	3,499,431	3,494,256	-0.1%
FTE					
<i>Medicaid Cash Funds</i>	3,640,639	3,977,843	4,284,703	4,407,469	2.9%
<i>GF in Medicaid CF</i>	1,790,466	1,956,303	2,008,993	2,203,457	9.7%
<i>Net General Fund</i>	1,790,466	1,956,303	2,008,993	2,203,457	9.7%

(C) Emergency Medical Services

(1) State EMS Coordination, Planning and Certification Services

Personal Services	787,585	809,455	836,295	960,615	DI #5
FTE	<u>10.9</u>	<u>11.2</u>	<u>11.2</u>	<u>12.7</u>	
Cash Funds Exempt	787,585	809,455	836,295	960,615	
FTE	10.9	11.2	11.2	12.7	
Operating Expenses	<u>57,405</u>	<u>57,330</u>	<u>57,405</u>	<u>72,614</u>	DI #5
Cash Funds Exempt	57,405	57,330	57,405	72,614	
Indirect Cost Assessment	<u>266,527</u>	<u>253,768</u>	<u>272,776</u>	<u>301,236</u>	DI #5
Cash Funds	33,846	25,470	39,148	39,148	
Cash Funds Exempt	215,769	204,732	210,062	238,522	
Federal Funds	16,912	23,566	23,566	23,566	

Subtotal - (1) State EMS Coordination, Planning and Certification Services	1,111,517	1,120,553	1,166,476	1,334,465	14.4%
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	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
FTE	<u>10.9</u>	<u>11.2</u>	<u>11.2</u>	<u>12.7</u>	<u>1.5</u>
Cash Funds	33,846	25,470	39,148	39,148	0.0%
Cash Funds Exempt	1,060,759	1,071,517	1,103,762	1,271,751	15.2%
FTE	10.9	11.2	11.2	12.7	1.5
Federal Funds	16,912	23,566	23,566	23,566	0.0%

(2) Regional Emergency Medical and Trauma

Councils (RETACs)	<u>1,785,000</u>	<u>1,785,000</u>	<u>1,785,000</u>	<u>1,785,000</u>	
Cash Funds Exempt	1,785,000	1,785,000	1,785,000	1,785,000	

(3) Emergency Medical Services Grant Program

Cash Funds Exempt	<u>1,698,024</u>	<u>1,894,600</u>	<u>1,928,793</u>	<u>2,078,793</u>	DI #5
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(4) Trauma Facility Designation

Personal Services	295,749	230,146	355,986	359,737	
FTE	<u>2.1</u>	<u>1.8</u>	<u>2.1</u>	<u>2.1</u>	
Cash Funds	295,749	230,146	355,986	359,737	
FTE	2.1	1.8	2.1	2.1	
Operating Expenses	<u>17,586</u>	<u>15,915</u>	<u>24,439</u>	<u>24,439</u>	
Cash Funds	17,586	15,915	24,439	24,439	

Subtotal - (4) Trauma Facility Designation

FTE	<u>2.1</u>	<u>1.8</u>	<u>2.1</u>	<u>2.1</u>	<u>0.0</u>
Cash Funds	313,335	246,061	380,425	384,176	1.0%
FTE	2.1	1.8	2.1	2.1	0.0

(5) Air Ambulance Licensure - CF

FTE	9,920	14,356	30,151	30,151	
FTE	0.2	0.2	0.2	0.2	

(6) Federal Grants - FF

FTE	124,916	119,910	138,000	138,000	
FTE	1.0	1.0	0.8	0.8	

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
(7) EMS Telecommunications Support	<u>66,151</u>	<u>66,151</u>	<u>67,756</u>	<u>67,756</u>	
Cash Funds Exempt	66,151	66,151	67,756	67,756	
(8) Poison Control	<u>1,093,571</u>	<u>1,393,571</u>	<u>1,421,442</u>	<u>1,421,442</u>	
General Fund	1,093,571	1,393,571	1,421,442	1,421,442	
SUBTOTAL (C) - Emergency Medical Services	6,202,434	6,640,202	6,918,043	7,239,783	4.7%
FTE	<u>14.2</u>	<u>14.2</u>	<u>14.3</u>	<u>15.8</u>	<u>1.5</u>
General Fund	1,093,571	1,393,571	1,421,442	1,421,442	0.0%
Cash Funds	357,101	285,887	449,724	453,475	0.8%
FTE	2.3	2.0	2.3	2.3	0.0
Cash Funds Exempt	4,609,934	4,817,268	4,885,311	5,203,300	6.5%
FTE	10.9	11.2	11.2	12.7	1.5
Federal Funds	141,828	143,476	161,566	161,566	0.0%
FTE	1.0	1.0	0.8	0.8	0.0
TOTAL - (11) HEALTH FACILITIES AND EMERGENCY MEDICAL SERVICES DIVISION	15,105,277	15,932,590	16,646,657	17,393,062	4.5%
FTE	<u>125.6</u>	<u>120.6</u>	<u>134.6</u>	<u>137.7</u>	<u>3.1</u>
General Fund	1,203,017	1,518,932	1,686,322	1,686,084	0.0%
FTE					
Cash Funds	1,327,042	1,244,096	2,087,899	2,121,493	1.6%
FTE					
Cash Funds Exempt	8,444,579	8,970,548	9,211,439	9,929,663	7.8%
FTE					
Federal Funds	4,130,639	4,199,014	3,660,997	3,655,822	-0.1%
FTE					
Medicaid Cash Funds	3,640,639	3,977,843	4,284,703	4,407,469	2.9%
GF in Medicaid CF	1,790,466	1,956,303	2,008,993	2,203,457	9.7%

	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Appropriation	FY 2008-09 Request	Change Requests
<i>Net General Fund</i>	2,993,483	3,475,235	3,695,315	3,889,541	5.3%

PUBLIC HEALTH AND ENVIRONMENT - HEALTH AND ADMINISTRATIVE DIVISIONS					
TOTAL	300,692,053	372,298,719	405,706,345	365,239,668	-10.0%
FTE	<u>678.8</u>	<u>710.9</u>	<u>727.0</u>	<u>754.2</u>	<u>27.2</u>
General Fund	13,896,975	18,694,245	19,745,232	21,985,307	11.3%
FTE					
General Fund Exempt	0	516,147	513,000	513,000	0.0%
FTE					
Cash Funds	11,624,625	12,740,110	17,813,275	18,545,576	4.1%
FTE					
Cash Funds Exempt	87,444,418	151,066,042	178,364,651	134,726,416	-24.5%
FTE					
Federal Funds	187,726,035	189,282,175	189,270,187	189,469,369	0.1%
FTE					
<i>Medicaid Cash Funds</i>	<i>3,719,348</i>	<i>4,055,600</i>	<i>4,367,114</i>	<i>4,492,143</i>	<i>2.9%</i>
<i>GF in Medicaid CF</i>	<i>1,829,821</i>	<i>1,995,182</i>	<i>2,050,199</i>	<i>2,245,794</i>	<i>9.5%</i>
<i>Net General Fund</i>	<i>15,726,796</i>	<i>20,689,427</i>	<i>21,795,431</i>	<i>24,231,101</i>	<i>11.2%</i>

FY 2008-09 BUDGET BRIEFING
DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
(ADMINISTRATIVE AND HEALTH DIVISIONS)
FOOTNOTE UPDATE

- 4 **All Departments, Totals** -- The General Assembly requests that copies of all reports requested in other footnotes contained in this act be delivered to the Joint Budget Committee and the majority and minority leadership in each house of the General Assembly.

Comment: The Department has provided the requested reports to the Joint Budget Committee.

- 5 **All Departments, Totals** -- Every Department is requested to submit to the Joint Budget Committee information on the number of additional federal and cash funds exempt FTE associated with any federal grants or private donations that are applied for or received during FY 2007-08. The information should include the number of FTE, the associated costs (such as workers' compensation, health and life benefits, need for additional space, etc.) that are related to the additional FTE, the direct and indirect matching requirements associated with the federal grant or donated funds, the duration of the grant, and a brief description of the program and its goals and objectives.

Comment: *The Governor vetoed this footnote*, stating that (1) It violates the separation of powers by attempting to administer the appropriation and by attaching requirements to federal funds and private donations which are not subject to legislative appropriation; (2) By placing such information requirements on such funds it constitutes substantive legislation that cannot be included in the Long Bill; and (3) The footnote requires a substantial dedication of resources and constitutes an unfunded mandate. The General Assembly overrode this veto.

The Department has partially complied with this footnote. The actual columns in its budget submissions implicitly report some but not all of the requested FTE information and the related funding. Based on the documents submitted, it is impossible to know what portion of this spending has been reported in the budget. The Department has, for the most part, not reported grant matching requirements or the duration of grants, nor has it provided descriptions of all related programs, including goals and objectives.

- 111 **Department of Public Health and Environment, Disease Control and Environmental Epidemiology Division, Special Purpose Disease Control Programs, Immunization** -- The Department is requested to submit a report by November 1, 2007, detailing how immunization promotion funding was spent during FY 2006-07. The report should include the following information: (1) The location, number of children served and total grant amount for each immunization outreach clinic funded; (2) expenditures for and major

findings of the "Pockets of Need" research; and (3) expenditures for and major purchases of the media campaign.

Comment: The Department submitted the requested report. The report provides follow-up information on the childhood immunization decision item that was approved by the General Assembly for FY 2004-05 and subsequent years. The decision item was a response to the low (77.1 percent) up-to-date immunization rate observed among young Colorado children by the National Immunization Survey. A child's immunization is deemed up-to-date if he or she has received the multi-shot 4:3:1:3:3 series comprised of 4 DTaP, 3 Polio, 1 MMR, 3 Hib and 3 HebB vaccines.

According to figures released by the U.S. Centers for Disease Control and Prevention, Colorado's rate for up-to-date immunization of the state's very young children increased in 2005 by 6.3 points to 83.4 percent in 2005 and then decreased to 80.3 percent in 2006. In a rankings of all 50 states, this moved Colorado from 44th place in 2004 to 16th place in 2005 to 30th place in 2006. The national average up-to-date immunization rate in 2006 was 80.6 percent, ranging from a low of 64.7 percent in Nevada to a high of 86.9 percent in Massachusetts.

Before placing too much emphasis on these numbers, however, one should note that the survey result is based upon a relatively small number of complete responses (n < 300) and that a 95 percent confidence interval on the estimate is 80.6 percent plus or minus 7.3 percent. Thus with a 95 percent probability the true immunization rate for young Colorado children is between 88.2 percent (first in the nation) and 72.4 percent (third from the bottom).

What impact could the FY 2004-05 immunization decision item have had on immunization rates? The decision item provided \$413,600 of state funds (principally General Fund) for a childhood immunization program that held its first clinics in December 2004. The following table summarizes the results for the program's first three years.

Number of clinics held	Cost	Cost per clinic	Number of children 0-18 years old vaccinated*	Children vaccinated* per clinic	Cost per child vaccinated	Number of children 12-24 months vaccinated*
Results for December 2004 through June 2005 (7 months):						
356	\$413,600	\$1,162	2,318	6.5	\$178	472
Results for FY 2005-06:						
980	\$413,600	\$422	4,604	1.8	\$237	783
Results for FY 2006-07:						
1,743	\$413,600	\$237	1,743	1.0	\$237	1,743

*The FY 2004-05 and FY 2005-06 reports provided information on the number of children vaccinated. The FY 2006-07 report provides information on the number of children *screened and/or vaccinated*.

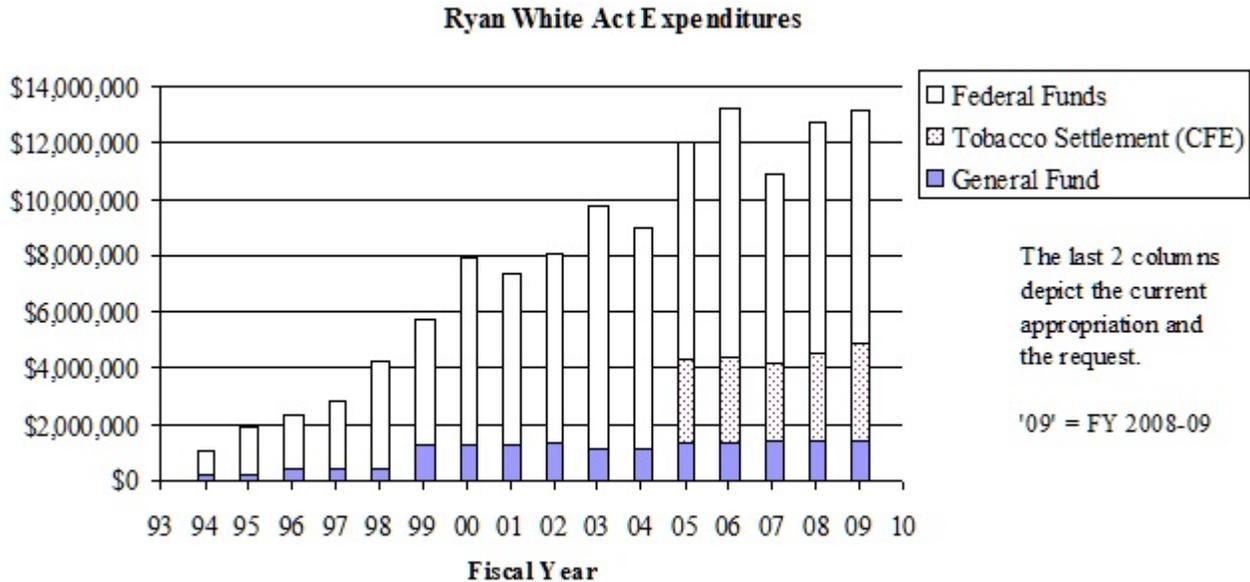
The last column of this table indicates that 1,743 (2.9 percent) of the approximately 60,000 children aged 12-24 months who live in Colorado were vaccinated at one of these clinics during FY 2005-06, which means that this immunization program could, at most, have directly raised Colorado's up-to-date immunization rate among young children by 2.9 percentage points – and this assumes that each of these children is now fully vaccinated, which is unlikely, and that none of these children would have been vaccinated elsewhere if they had not attended a clinic, which is again unlikely.

- 112 **Department of Public Health and Environment, Disease Control and Environmental Epidemiology Division, Special Purpose Disease Control Programs, Ryan White Act --** The Department is requested to report annually to the Joint Budget Committee with regard to the AIDS drug assistance program. The report should be submitted on or before October 20, 2007. The report should include, but not be limited to: The total and average monthly number of clients served, with a description of the demographic profile of the client population; the total and average monthly costs to provide pharmaceutical products to those clients; a listing of the pharmaceuticals on the formulary, the manufacturer of each product, and the respective average price for a month's supply of each product; the total amount of available funds, including state General Fund support, federal Title I and Title II support; and any other source as appropriate.

Comment: This footnote first appeared in the FY 1998-99 Long Bill at a time when the state's AIDS/HIV costs were rising rapidly and funding shortfalls left some on waiting lists. The footnote has been included in all Long Bills since that time. The most recent report, which covers FY 2006-07, indicates that the program serves an average of 823 clients per month, down from 930 clients per month in FY 2005-06, but a 23.0 percent increase since 2000, when program participants numbered 669. Approximately 85 percent of participants are male, 32 percent are Hispanic, 15 percent are African American, and 79 percent live in the Denver-Boulder area. The program spent \$10,029,341 on drugs during FY 2006-07, an average of \$12,186 per client per year, up from the approximately \$8,100 per client per year in 2000. Note that in order to participate, a client's total family income must not exceed 300 percent of the Federal Poverty Level and the client must have no other payment source, such as Medicaid prescription drug coverage, to pay for the medication.

The following chart shows Ryan White Act expenditures since FY 1992-93. Between FY 1994-95 and FY 1999-2000, the program grew at a rapid 33 percent annual rate. Program participation dipped and growth slowed about the year 2000, when the state raised the maximum income level for participation from 185 to 300 percent of the federal poverty level. Program funding declined in FY 2003-04, when the program's wait list grew to 325. During this period, the program also restricted the formulary of available drugs, restrictions that have since been relaxed. House Bill 04-1421 directed 3.5 percent of tobacco settlement money to the program, starting in FY 2004-05, not to exceed \$5 million per year. Since then tobacco settlement money have provided about \$3 million to the program annually. General Fund

support has been approximately \$1.3 million in recent years and the Department is requesting no increase in General Fund support, the slight increase it is requesting equals the expected growth of tobacco settlement funding.



113 **Department of Public Health and Environment, Prevention Services Division, Prevention Programs, Chronic Disease and Cancer Prevention Grants** -- The General Assembly accepts no obligation to continue funding for these programs when federal funds are no longer available. Any match requirements for these federal grants are to be provided by non-state sources. The Department is requested to document the sources of matching funds, which documentation should be submitted to the Joint Budget Committee annually with its budget request, to serve as proof of the required state match for these federal dollars.

Comment: The Governor vetoed this footnote, stating that (1) It violates the separation of powers by attempting to administer the appropriation; (2) It constitutes substantive legislation that cannot be included in the Long Bill; and (3) It violates the separation of powers by dictating the format of the executive budget submission. Nevertheless, he instructed the Department to comply with the footnote to the extent feasible. The General Assembly overrode this veto.

One of the three grants that the Department administers does not comply with the provisions of this footnote. During FY 2006-07, the Department operated three Chronic Disease and Cancer Prevention programs that received federal funds requiring a match. The programs are: (1) Diabetes Control, (2) Colorado Physical Activity and Nutrition, and (3) Comprehensive State-Based Tobacco Use Prevention and Control. The match for the Diabetes Control grant is a mixture of in-kind contributions and cash spending by private sector organizations, contributions that never pass through the state's hands and never appear

in the state's budgets. The match for the Colorado Physical Activity and Nutrition grant comes from private foundation grants. However, the match for the Comprehensive State-Based Tobacco Use Prevention and Control program come exclusively from the state's Amendment 35 tobacco sales tax revenue, which Staff believes cannot be characterized as coming from a non-state source as required by this footnote.

- 114 **Department of Public Health and Environment, Prevention Services Division, Women's Health - Family Planning** -- Pursuant to Article V, Section 50, of the Colorado Constitution, no public funds shall be used by the State of Colorado, its agencies or political subdivisions to pay or otherwise reimburse, either directly or indirectly, any person, agency or facility for the performance of any induced abortion, provided however, that the General Assembly, by specific bill, may authorize and appropriate funds to be used for those medical services necessary to prevent the death of either a pregnant woman or her unborn child under circumstances where every reasonable effort is made to preserve the life of each.

Comment: *The Governor vetoed this footnote, stating that (1) It is unnecessary and redundant to the extent it simply restates the requirements of Article V, Section 50 of the Colorado Constitution, (2) To the extent the footnote contains restrictions or limitations beyond those provided for in the Colorado Constitution, it violates the separation of powers by attempting to administer the appropriation and constitutes substantive legislation that cannot be included in the Long Bill. Nevertheless, he directed the department to comply with this footnote to the extent required by Article V, Section 50 of the Colorado Constitution. The General Assembly overrode this veto.*

The Department has complied with this footnote.

- 115 **Department of Public Health and Environment, Prevention Services Division, Prevention Partnerships, Tony Grampsas Youth Services Program, Prevention Services Programs** -- The Department is requested to submit a report to the Joint Budget Committee on the Tony Grampsas Youth Services Program by October 20, 2007. This report should include the following information for Fiscal Year 2006-07: (1) Names of all applicants and the amount requested by each; (2) names of all grantees, amount of each grantee's award, period covered by each grant, the number of years each grantee has previously received grants, the number of persons served under the grant, a brief description of the funded program; (3) an estimate of the amount of time that grantees must devote to grant reporting requirements; and (4) the number of site visits conducted by program staff.

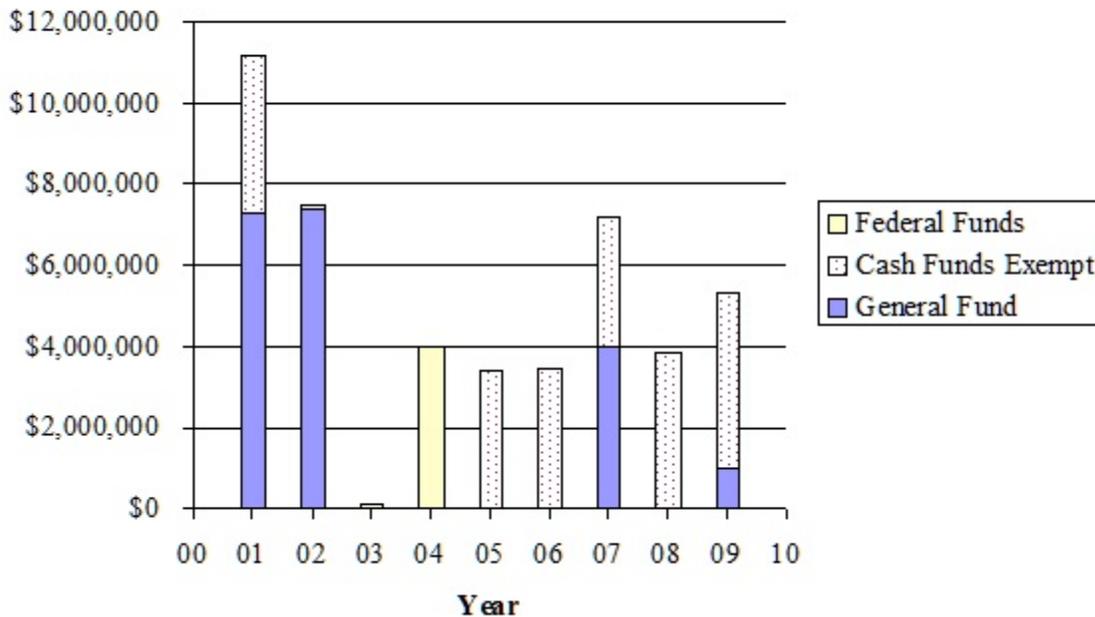
Comment: *The Governor vetoed this footnote, stating that (1) It violates the separation of powers by attempting to administer the appropriation; (2) It constitutes substantive legislation that cannot be included in the Long Bill; and (3) All of the data is not available to the Department in time to meet the reporting deadline; instead, February 1, 2008, the date that the Department has historically provided its report, is the earliest deadline feasible for the department to provide the requested report. Nevertheless, the Governor instructed the*

Department to comply with the intent of the footnote to the extent feasible. The General Assembly overrode this veto.

Last month, the Department submitted the required report covering the FY 2006-07 activities of the Tony Grampas Youth Services (TGYS) Program. The report requested by footnote 115 differed from the reports requested in prior Long Bills in that it asked more detailed questions about the program. The Department responded by producing an informative document that provides numerous insights.

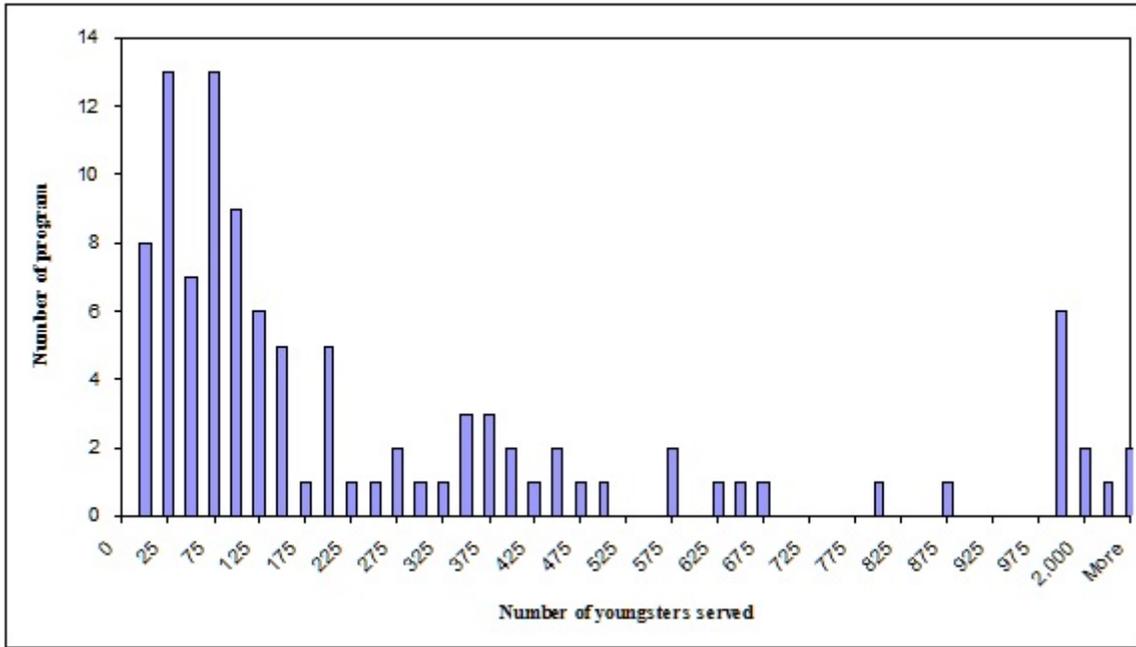
In FY 2006-07, the TGYS program received an effective appropriation of \$7.2 million, which was comprised a \$3.2 million FY 2006-07 appropriation of tobacco settlement moneys, and a roll-forward of \$4.0 million of spending authority from FY 2005-06. The \$4.0 million FY 2005-06 spending authority and the roll forward were created in the FY 2006-07 Long Bill and very little, if any, was spent in FY 2005-06. The result was the FY 2006-07 spike in program spending that is shown in the following graph, where it is labeled "07" .

Tony Grampas Youth Services Program



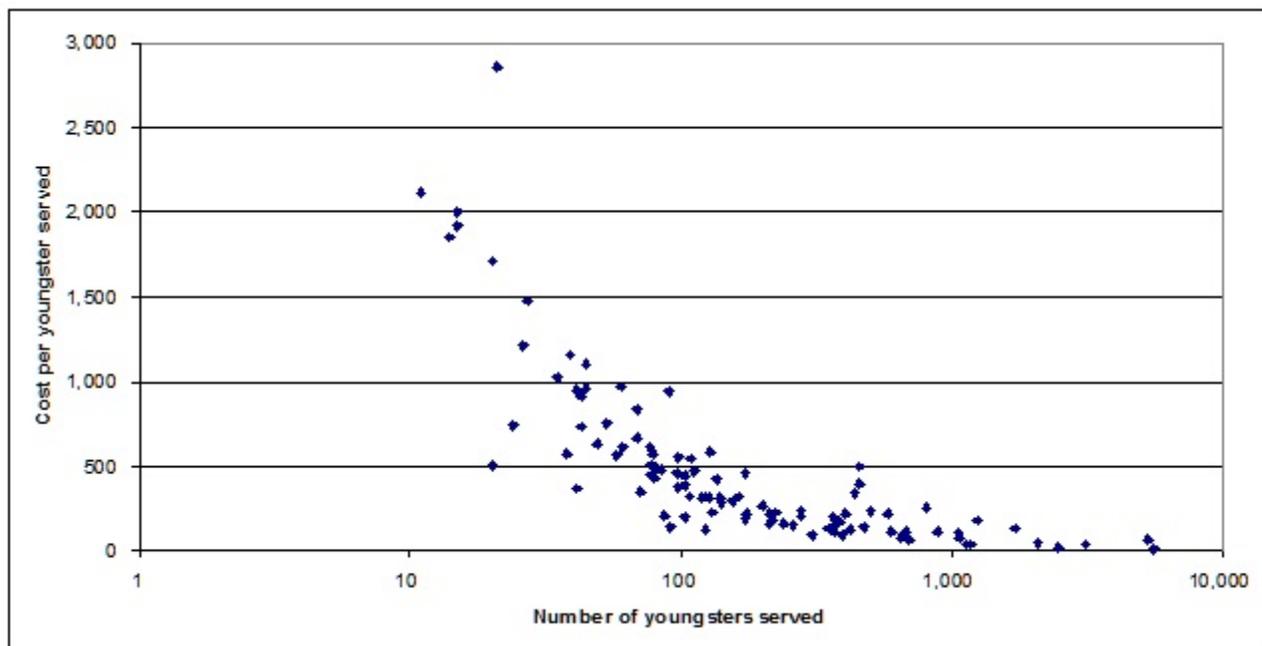
The TGYS board allocated this appropriation among 103 grantees who were all in the second year of a three-year synchronized funding cycle. The grantees were a diverse group of organizations distributed over 53 counties with programs ranging in size from 11 youngsters (Boulder IMPACT) to 5,590 (an Early Childhood Council project in Fort Collins) with an average size of 425 participants. As the following histogram shows, the 425-participant

average per program is somewhat misleading, since it was inflated by a few large programs.



The vertical axis of this histogram shows the number of participating programs, or organizations, while the horizontal axis shows the number of youngsters participating in a given program. The first bar to the left, for example, indicates that there were 8 programs with 25 or fewer participants, while the next bar indicates that there were 13 programs with 26 to 50 participants. The horizontal scale changes to the right of 975 participants; each of the four right-most bars represents programs with 1000 more participants than the prior bar. The histogram indicates that the majority of the TGYS grantees operate small programs; 40 percent have fewer than 100 participants and 60 percent have fewer than 200.

Participating organizations received grants ranging in size from \$10,225 (Passage Charter School, Montrose) to \$370,800 (Boys & Girls Clubs/Girls Inc. of Pueblo County), with the average grant equaling \$60,243. All grantees obtained matching contributions from other sources, with the average match equaling \$107,971 or 179 percent of the state moneys that were provided by the TGYS program. Cost to the TGYS program per participant also varied substantially, ranging from a low of \$12 per youngster (the Early Childhood Council project in Fort Collins), to \$2,857 (Full Circle Inter-Generational Project, Inc., Denver), with an average \$142. As the following diagram shows, cost per participant had a close inverse relationship to program size.



A total of over 39,000 individuals were served by TGYS programs; 35,171 were children and youth, 3,924 were parents or caregivers. The youngsters who participated were diverse; the three largest groups were hispanic (52 percent), white (32 percent) and African American (9 percent) . Fifty-eight percent of the children were eligible for free or reduced-cost lunches.

In order to help it monitor and evaluate grantee programs and provide support, the TGYS program hired the OMNI Institute in FY 2006-07 at a cost of \$406,000, which amounted to 5.6 percent of TGYS program costs. Under the direction of the OMNI Institute and the TGYS staff, grantees gave pre- and post-participation tests to a sample of program participants in order to evaluate program effectiveness. The tests measured such things as changes in attitude toward bullying, dropping out of school, alcohol, tobacco, and drugs, as well as self-esteem, and adult bonding. The tests revealed that 23 of 26 measures moved by statistically significant amounts in the appropriate direction in both FY 2005-06 and FY 2006-07, though it does not comment on whether the response is stronger for those programs that are more costly per participant.

In addition to grantee-administered testing, the TGYS program attempts to improve the quality of grantees programs through active program monitoring. To this end, it conducted 23 site visits during FY 2006-07, offering technical assistance and identifying areas of concern or non-compliance, following up each visit with a report and a recommendation letter.

Grantees were asked to track the amount of time that they spent during FY 2006-07 reporting on their TGYS grant. They were also asked to compare this with the time that they were required to spend on other grants that they administer. The average grantee indicated that it spent 43 hours reporting to

the TGYS program, which, according to the grantees, is comparable to the amount of time spent on grants from other sources.

- 116 **Department of Public Health and Environment, Prevention Services Division, Family and Community Health, Child Adolescent, and School Health, Nurse Home Visitor Program** -- The Department is requested to submit a report to the Joint Budget Committee with regard to the amount of federal Medicaid funding being drawn by Nurse Home Visitor-contracted agencies for providing Targeted Case Management services to Medicaid-eligible families. The report should be submitted on or before November 1, 2007. Reporting should include, but not be limited to: The number of Medicaid-eligible clients served and the amount of Targeted Case Management services billed.

Comment: *The Governor vetoed this footnote*, stating that (1) It violates the separation of powers by attempting to administer the appropriation; (2) It constitutes substantive legislation that cannot be included in the Long Bill; and (3) All of the data is not available to the department in time to meet the reporting deadline; instead, February 1, 2008, the date that the department has historically provided its report, is the earliest deadline feasible for the department to provide the requested report. Nevertheless, he instructed the Department to comply with the intent of the footnote to the extent feasible. The General Assembly overrode this veto.

The Department submitted the requested report by November 1, 2007. As in previous years, the report is two paragraphs long.

Background: The Nurse Home Visitor Program was, prior to FY 2004-05 exclusively funded with a statutorily-established percentage of Tobacco Master Settlement Funds (initially 9 percent of the annual payment, rising 1 percent each year to 19 percent in FY 2013-14, up to a maximum of \$19.0 million). The program serves low-income first-time mothers of children under age 2 and pregnant low-income first-time mothers. Nurse-home-visitor services for many of these women potentially qualify for matching medicaid reimbursement, but, prior to FY 2004-05, the program did not take advantage of these potential payments. Beginning in FY 2004-05, the program made a number of changes so it could draw upon medicaid funds.

The flow of funding for the program is now somewhat complicated because the Department cannot apply directly to Medicaid for federal matching funds; federal centralization rules require that the match be funneled through the Department of Health Care Policy and Financing. The contractors who provide visiting-nurse services bill Health Care Policy and Financing for services that are eligible for a Medicaid match and bill the Department directly for services that are not eligible. When the Department of Health Care Policy and Financing pays a contractor, it obtains half the funds for the payment from the Department and the other half from Medicaid.

This footnote requires the Department to report the number of clients served and the amount of matching Medicaid funding that contractors have received. The report indicates that 13,503 Medicaid claims were submitted for 2,754 clients with a total claims reimbursement amount of \$2.7 million, which amounts to approximately \$1000 per client and is an 80 percent increase over last year, when claims to this point in the year totaled \$1.2 million. This means that the \$9.0 million of tobacco settlement money appropriated to the Nurse Home Visitor Program in FY 2006-07 was augmented with \$2.7 million of federal dollars. Since the Department of Health Care Policy and Financing has until December 21, 2005 to submit claims, more matching funds may later be received.

**FY 2008-09 Joint Budget Committee Staff Budget Briefing
DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT**

Funding for the Office of Health Disparities

ISSUE:

The Department of Public Health and Environment is making an unexpected request for funding and FTE for the Office of Health Disparities.

SUMMARY:

Senate Bill 07-242, which established the Office of Health Disparities in statute last spring, contained an appropriation clause indicating that the bill could be implemented within existing resources. It was accompanied by a Legislative Council Staff Fiscal Note stating that the bill had no fiscal impact. In its Decision Item #4, the Department of Public Health is now requesting 3.0 FTE and \$232,960 to continue operation of the Office of Health Disparities following the loss of private sector funding. Of this \$232,960, \$58,240 will come from the General Fund and \$174,720 will come from reduced Health Disparities grants.

RECOMMENDATION:

Staff recommends that the Committee ask the Department to explain why it did not provide more complete information about potential costs during the fiscal note process for S.B. 07-242 and ask why the program should not be implemented within existing resources given the "no appropriation" clause that the bill contains. Staff also recommends that the Committee quiz the Department about compliance with Footnote 5 in the FY 2007-08 Long Bill.

DISCUSSION:

The Office of Health Disparities traces its roots to the late 1990's when the Robert Wood Johnson Foundation awarded Department of Public Health and Environment a grant to study the need for a public health program in Colorado that addresses health disparities. The grant also gave the Department an opportunity to begin planning for the implementation of such a program. In April 2004, the Executive Director of the Department officially approved the new Office of Health Disparities within the Department's Administration Division. Since that time, the program and its 3.0 FTE have been supported by private grants, most recently a grant from Kaiser Permanente.

In November 2005, voters approved Amendment 35 (Tobacco Taxes for Health Related Purposes). Senate Bill 05-1262, the implementing legislation for Amendment 35, created the Health Disparities Grant Program effective July 1, 2005. This program, which has now grown to a staff of 3.3 FTE and a budget of \$6.1 million, is closely connected to, but is distinct from, the Office of Health Disparities.

During the 2007 session, Senator Groff introduced S.B. 07-242, Create the Health Disparities Office, a bill to make the Office of Health Disparities into a statutory program. Prior to S.B. 07-242, the Office of Health Disparities had had no standing in statute; the General Assembly was under no obligation to continue funding if its private sources of support disappear.

The Legislative Council Staff Fiscal Note for S.B. 07-242 stated that the bill had no fiscal impact. Joint Budget Committee staff has spoken with the Legislative Council Staff member who wrote this Fiscal Note and has seen the e-mail exchange with the department that led to the no fiscal impact assessment. When the Department was asked via e-mail in late March 2007, whether the bill would have a fiscal impact, the Department replied

This bill will have no fiscal impact since it codifies a program that we already have in existence. Please let me know if you have any questions.

When the fiscal note analyst wrote back asking, "What are the current resources (\$ and FTE) assigned to the program?", the Department replied

For the Office of Health Disparities (excluding the Health Disparities grant program, which is already in statute) the program has 3.0 FTE and an annual budget of \$276,000 that is from a private grant from Kaiser Permanente.

The Department apparently knew at this time that the Kaiser Permanente grant was ending and it also knew that efforts to locate alternative funding sources for the program were not going well, but it did not elaborate further. Had the Department provided an expansive answer to the fiscal notes analysts' question, it would have noted that the Kaiser Permanente grant was near its end and it would have noted that the program would require a mix of General Fund and cash funds from the Health Disparities grant program cash fund if no substitute source of funding was found.

Though the fiscal note analyst did not directly ask about the possibility that private-sector funding might end, JBC staff does not believe that it should have been necessary to do so. The Department has an obligation to be forthcoming when asked about the potential fiscal impact of a bill. Though it is true that this bill "codifies a program that [is already] in existence," this act of codification was itself important because it transformed an optional program that the General Assembly might choose not to fund if private support dried up, into a mandatory program with duties and responsibilities that are not optional and with a director who is identified in statute.

Had the fiscal notes analyst known these facts, the result might have been a conditional-fiscal-impact fiscal note or at least a mention of some concerns regarding continuing funding in the context of a no-fiscal-impact fiscal note. Had this been the case, the General Assembly would have been more fully informed about the potential cost of a bill it was considering.

As it turned out, the enacted version of S.B. 07-242 contained the following "no appropriation" clause.

SECTION 6 No appropriation. The general assembly has determined that this act can be implemented within existing appropriations, and therefore no separate appropriation of state moneys is necessary to carry out the purposes of this act.

In the course of investigating these matters, JBC staff discovered that the Department has never reported any of the expenditures of this program or any of the FTE employed by this program in documents presented to the JBC as required by Footnote 5 in the FY 2007-08 Long Bill. Staff notes that the FTE who work for this program classified employees with all the rights and privileges associated with such positions.

**FY 2008-09 Joint Budget Committee Staff Budget Briefing
DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT**

Master Settlement Agreement (MSA) Update

ISSUE:

This issue updates the Committee on the ongoing dispute between the states and tobacco manufacturers concerning the amount that manufacturers must pay the states under the terms of the Master Settlement Agreement (MSA).

SUMMARY:

Colorado and other states that participate in the Master Settlement Agreement (MSA) are now engaged in a legal dispute concerning the "non-participating manufacturers adjustment". The tobacco manufacturers who participate in the MSA have withheld payments and placed them in escrow accounts, claiming that states are not "diligently enforcing" their laws regarding manufacturers who are not party to the MSA. Much legal work must be done before an appointed panel of arbitrators can hand down rulings on this matter. Rulings are unlikely before 2009 or 2010, though there is always the possibility of an earlier negotiated settlement. If the dispute is resolved in Colorado's favor, Colorado will receive the amounts that have been placed in escrow, plus interest. If the dispute is resolved in the participating manufacturer's favor, Colorado may lose all that has been placed in escrow and possibly more.

RECOMMENDATION:

There is no staff recommendation regarding this issue.

DISCUSSION:

Special "qualifying" statutes enacted by each participating state impose costs on non-participating manufacturers that approximately equal the MSA payments they would make if they participated. When the Master Settlement Agreement was signed in 1998, it was recognized that the extra costs the tobacco settlement imposes on manufacturers who participate in the agreement would place them at a competitive disadvantage when compared with the non-participating manufacturers who have not joined the MSA. In an effort to level the playing field, the MSA required states to enact "qualifying statutes" that force non-participating manufacturers to make payments into escrow accounts that are comparable to what they would have paid to the states had they participated in the MSA. Moneys in the escrow accounts are set aside for 25 years and are to be used to pay health and other claims that may be made against the non-participating manufacturers. House Bill 99-1208 added the qualifying statute to Colorado law in Sections 39-28-201 to 203, C.R.S. Additional stamping, certification, and escrow reporting requirements were subsequently added to Sections 39-28-301 to 307, C.R.S.

A state's MSA payments are reduced if (1) the market share of Participating Manufactures declines more than 2 percent, (2) the MSA contributed "significantly" to that decline, and (3) that state didn't "diligently enforce" its qualifying statute. Concern that the MSA might cause participating manufacturers to lose market share led to the inclusion of a "Non Participating Manufacturer Adjustment" clause in the agreement. The non participating manufacturer adjustment reduces a state's MSA payment when three tests are met. The first two tests apply at a national level:

1. An independent auditor must find that the participating manufacturers have lost at least 2 percent of their national market share since the MSA was signed in 1998.
2. An independent economic consulting firm must determine that the MSA was a "significant" factor contributing to this loss.

If these two tests are passed, a third test must be applied on a state-by state basis:

3. A court or an arbitrator must find that a state did not "diligently" enforce its qualifying non participating manufacturer statute. The term "diligent" is not defined in the MSA.

If tests 1 and 2 are passed, then the non participating manufacturer adjustment is computed in two steps.

1. The potential nationwide non participating manufacturer reduction is computed using a formula contained in the MSA. The potential reduction equals the collective market share lost by the participating manufacturers since 1997, to the extent that this loss exceeds 2 percent, times the total settlement payments to all states, times three.
2. The nationwide non participating manufacturer reduction is apportioned among those states that are determined not to have diligently enforced their qualifying non participating manufacturer statutes. States deemed to have diligently enforced receive their full payments.

Since 1998, major tobacco manufactures have lost more than 2 percent of their market share despite the qualifying statutes: Despite the existence of qualifying non participating manufacturer statutes in Colorado and other states, the market share of participating manufacturers, which equaled 99.6 percent in 1997, the year before the tobacco settlement was signed, eroded, slipping 8.2 percentage points by 2003.

Pre-2003 Non-Participating-Manufacturer problems were handled through negotiation but negotiation failed for the 2003 payment and for subsequent annual payments. Prior to the 2003 MSA payment (which was paid in April 2004) participating manufacturers and states handled the non-participating manufacturers adjustments in an informal fashion and reached negotiated settlements that did not employ the formal adjustment procedure set up in the MSA. The participating manufacturers went ahead and made the 2003 payment but they also set the MSA's payment-reduction process in motion. The first two tests for a reduced 2003 payment were passed

in April 2006 when an economic consultant issued a report concluding that the MSA significantly contributed to the decline in market share of participating manufacturers between 1998 and 2003.

Some participating manufacturers withheld the 2003 Non Participating Manufacturer Adjustment as an offset against the April 2006 payment and withheld the 2004 Non Participating Manufacturer Adjustment as an offset against the April 2007 payment even though a diligent enforcement determination has not yet been made. Following the economic consultant's decision, and a similar consultant's decision a year later, most of the major tobacco manufacturers reduced their April 2006 payment to the states by the amount of the potential 2003 non participating manufacturer adjustment, placing the disputed amount in escrow accounts, even though the diligent enforcement question has not yet been resolved. The largest manufacturer, Philip Morris, did not withhold payments, though it asserts that it is also entitled to the adjustment.

Each state's "MSA Court" must now decide who will make the diligent enforcement determination and the form of that proceeding. The consultant's determination meant that state courts or an arbitrator would have to determine whether each state had diligently enforced its qualifying non participating manufacturer statutes. Unfortunately, the MSA did not clearly specify who would make this determination or the form that the proceeding would take. Broadly speaking, three are possibilities:

1. The diligent enforcement determination will be made in the courts of each state separately and will only apply to that state.
2. The diligent enforcement determination will be made by arbitrators in a proceeding applying only to that state.
3. The diligent enforcement determination will be made by arbitrators in a combined nationwide proceeding that hears the cases of all participating state. Though the cases would be combined, the arbitration panel would presumably make separate decisions for each state, perhaps deciding that some states diligently enforced while others did not.

The states generally preferred option 1; state courts, are thought to be a more state-sympathetic venue. The participating manufacturers preferred option 3, nationwide arbitration.

Since there is no single court with jurisdiction over the MSA agreement, it fell to each state's "MSA court" -- the court that oversees the MSA agreement in each state -- to decide the venue in which the diligent enforcement question will be resolved and the form of the proceedings. An order issued by an MSA court is, of course, subject to appeal within that state's court system. Colorado's MSA court, the Denver District Court for the State of Colorado, essentially choose option 3.

State MSA court orders have differed, some ordering nationwide arbitration, some ordering state-specific arbitration; one ordered state courts to decide the matter. In the 18 months that have elapsed since participating manufacturers escrowed a portion of the 2006 payment, MSA courts in most participating states have issued orders concerning the diligent enforcement proceeding. Two MSA court orders, those for North Dakota and Louisiana, have said that diligent enforcement must

be decided in a state court. The participating manufacturers have appealed both these orders. The North Dakota order has been overturned by a higher court, which decided upon arbitration. MSA court orders in other states have favored arbitration, but they have disagreed as to whether arbitration should be a nationwide proceeding or an individual proceeding for that state. In some instances the court orders are flexible, permitting the arbitration proceeding to be nationwide or individual, in other cases they are not.

The court orders must be harmonized. Before proceeding to arbitration, these diverse court orders must somehow be harmonized with one another. This process will be complex because a large number of courts are involved and no single court has the power to issue a decision governing all participants. In some instances, it will be necessary to go back to certain MSA courts and ask for new court orders, perhaps more flexible orders, for instance an order that permits a state to participate in a "multi-state" arbitration proceeding that does not include certain states whose MSA courts insist upon an individual proceeding. It's possible that matters will finally be resolved by two different forms of arbitration. One group of states might participate in a multi-state arbitration proceeding; another, probably smaller group of states might have their cases resolved in individual arbitration proceedings. Louisiana might be the lone state in which the diligent enforcement determination is made by a state court, or its courts might change their orders if it proves to be the only holdout.

A final arbitration decision is at least two years away though an earlier negotiated settlement is always possible. We probably are at least a year away from reaching sufficient agreement concerning the form of the arbitration proceeding in which the diligent enforcement determination will be made. Once there is sufficient agreement on the form of arbitration, it may take two or more years for the arbitrators to reach a decision.

1. Arbitrators must be appointed. The participating states and participating manufacturers each appoint one arbitrator and the two appointees then must pick a third panel member. The states will have to agree on a single arbitrator.
2. The arbitrators must establish the rules that will govern the proceedings. Will each state present its case separately? How much time will each state get? Which states will go first? Will the panel decide what diligent enforcement means before it starts hearing evidence or afterwards? Will decisions be handed down one at a time, after hearing evidence from each state, or will they be handed down all at once?
3. The arbitration hearing itself may take a year. If each participating state is given a week to present its evidence, that alone will take nearly a year.

As a consequence, it could easily be 2009 or 2010, perhaps later, before arbitrators issue decisions. However, it is possible that the matter could be resolved earlier through negotiation, though negotiations have so far been unproductive.