

MEMORANDUM

TO: Joint Budget Committee Members

FROM: Megan Davisson, JBC Staff

SUBJECT: Department of Public Health and Environment FY 2015-16 Comebacks

DATE: March 13, 2015

The following is a summary of the comebacks in this document. The first section is for items that are not considered technical corrections and items tabled by the Committee. The second section is for technical corrections to the initial figure setting recommendations.

Non-Technical and Tabled Items

Non-technical #1 - (1) (C) Local Public Health Agencies
Non-technical #2 - (2) (A) Survey Research Unit
Non-technical #3 - (4) (B) FRAPPE Data Analysis
Non-technical #4 - (8) (A) CIIS Optimization and Colorado Immunization Fund Balance

Technical Comebacks

Technical #1 - (1) (B) Health Disparities Grants
Technical #2 - (3) Marijuana Laboratory Certification
Technical #3 - (3) Technical change to Chemistry and Microbiology Reappropriated Funds
Technical #4 - (5) Water Quality Sectors Technical Adjustments
Technical #5 - (6) (E) Radiation Management S.B. 14-192 Annualization
Technical #6 - (10) Health Facilities S.B. 14-050 Annualization

NON-TECHNICAL AND TABLED ITEMS

Non-technical #1 - (1) (C) Local Public Health Agencies

Why is this a comeback?

The Committee requested options for increases to General Fund dollars appropriated to Local Public Health Agencies.

Background

As a recap, the funding from the Distributions to Local Public Health Agencies line item is used to provide Core Public Health Services as required by Section 25-1-512, C.R.S. This specific funding for Local Public Health Agencies is General Fund and 7.0 percent of the tier 2 tobacco-settlement revenues. These funds are use for:

- Communicable disease surveillance, investigation and prevention to monitor and manage diseases such as Ebola, measles, Pertussis, food-borne illness, Tuberculosis and diseases that we get from animals/insects such as Hantavirus and West Nile Virus.
- Communication with the public about health, diseases, and wellness initiatives including public alerts about disease outbreaks and ongoing messages about how to get and stay healthy.
- Environmental health services not fully covered by fees such as restaurant, childcare inspections, wastewater issues, responding to calls regarding marijuana impacts, and land use oversight.
- Supporting community-specific programs that are not otherwise funded. This allows LPHAs to customize programs to exactly fit the needs and interests of their own community. A few examples include:
 - Working with high-risk, pregnant mothers who are not eligible for traditional first-time mother home visitation programs.
 - Providing chronic disease education and prevention activities.
 - Working with early childhood councils as a partner in helping young children be healthy and ready for school.
 - Convening local partners and community members around efforts to address parenting, social and emotional well-being, the built environment, air quality, child immunizations, and access to health care services
 - Overall agency administration functions and support as most funding is tied to specific programs.
- For some of the smallest agencies, this provides essential staffing to maintain good partnerships with organizations and businesses in the community

The following are seven options for the Committee's consideration for increases to Local Public Health Agencies. If the Committee would like to add additional funds to the Distribution to Local Public Health Agencies line item staff would recommended Option 7 because this option would not require General Fund above what was requested for LPHAs in the November 1 budget request. These funds would enable the tier movement of the six LPHAs, offset the reduction of Tobacco Master Settlement revenues and provide \$141,846 for per capita increases.

Funding Options for Local Public Health Agencies		
Option	Cost	Description
1	\$119,000	A six LPHAs have expanded the services they provide which, pursuant to the LPHA formula entitles them to additional dollars. This amount would keep funding for the 48 LPHAs that did not move tier whole and provide additional funds for the six LPHAs that expanded services.
2	\$234,934	Offset the reduction of Tobacco Master Settlement revenues.
3	\$55,085	Caseload increase to keep the per capita amount at \$1.22
4	\$409,019	Combination of options 1, 2, and 3
5	\$1,494,380	Assumes a state population of \$5,530,572 and funding at \$1.50 per capita
6	\$176,350	Provides a 2.7 percent increase which is the rate for the community provider rate increase
7	\$495,750	This is the amount was requested but not approved for HCPF R11 Public Health and Medicaid Alignment. The Committee could provide the General Fund component of the request directly to the LPHAs.

Non-technical #2 - (2) (A) Survey Research Unit

Why is this a comeback?

The Committee table the recommendations for staff initiated Survey Research Unit pending additional information on what the Unit does and why. The following are the two tabled recommendations:

Recommendations:

(1) Staff recommends the Committee sponsor legislation to allow the Center for Health and Environmental Information to collect private fees for contracted work done by the Survey Research Unit and appropriate \$50,000 cash funds for the Colorado Health Survey.

(2) Staff recommends an increase of \$250,000 cash funds from the Tobacco Education Programs Cash Fund to the Personal Services appropriation in (2) (B) and a reduction of \$250,000 associated reduction to the (9) (B) Tobacco Education, Prevention, and Cessation Grants line item.

Analysis:

What the Survey Research Unit Does

The Survey Research Program (SRP) conducts survey design, data collection, processing, analysis, and reporting for various public health studies. The primary function of the SRP is to collect data for the Behavioral Risk Factor Surveillance System (BRFSS), the Pregnancy Risk Assessment Monitoring System (PRAMS) and the Colorado Child Health Survey (CHS). The SRP completes nearly 19,000 random-digit-dial telephone surveys each year for multiple studies. This involves making nearly 500,000 phone calls per year.

The surveys conducted through the Survey Research Program rely on scientifically based methods for data collection. In the case of the BRFSS and CHS, respondents are reached through random-digit-dial telephone contact. These surveys are exempt from the “do not call” list and Colorado enjoys a very high response rate compared to many other states. The PRAMS survey conducted through a mixed mode method in which respondents are initially contacted by mail

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but follow up is conducted via phone for those who do not return the mail survey. In this case as well, Colorado achieves a very high response rate.

How the Unit Ensures Individual Privacy is Maintained

All data collected through surveys is de-identified. These telephone surveys do not collect name, date of birth, or other identifying information from participants; therefore, it is not possible to trace the results back to a specific individual. Participation in all surveys is voluntary.

Analysis for Recommendation #1: The Survey Research Unit conducts confidential health studies covering topics such as general health status, health behaviors, and preventive health practices. The survey results provide information necessary for evaluating health programs, monitoring public health trends and planning future activities to improve the health of current and former Colorado residents. The survey provides much of the data available on the Colorado Health Indicators website. The Survey Research Unit has a number of non-state partners they work with who use the data collected through the surveys.

The Survey Research Unit has conducted the Colorado Child Health Survey over the past couple of years because it is only source of population-based health data related to children for the state. Colorado was the first state to initiate a child health survey, North Carolina followed suit by replicating Colorado's model, and a handful of other states have some variant of a survey assessing children's health. Some examples of data uses from the Colorado Child Health Survey include support for policy development for second hand smoke, vending machine changes in schools and evaluating the effects of changes in booster seat laws. The partners which use the survey data are primarily private agencies, which rely on the survey to monitor trends, craft policy and program interventions, evaluate the effectiveness of measures to improve children's health, and identify emerging issues.

The cost of the Child Health Survey for the 1,200 sample size is approximately \$150,000 which is currently paid for with federal funds because the Vital Statistics Records Cash Fund is not authorized in statute to receive fee for service revenue for contracts with non-state agencies, both private and public. The Department has been limited in the ability to respond to requests from their partners to: (1) add questions to the survey and (2) prepare requested data analyses for the partners. The Department has indicated that \$50,000 would be the average annual revenue from their partners if they were authorized to collect fees for data analysis and additional survey questions.

Analysis for Recommendation #2: The Attitudes and Behaviors Surveys (TABS, previously the Colorado Tobacco Attitudes and Behaviors Survey) is conducted by the Colorado School of Public Health and is a population-level survey of Colorado adults to identify and understand influential factors that public health programs can address to improve the health of our state. Every three to four years 12,000 to 18,000 randomly selected adults are interviewed. The most recent survey was done in 2012. The survey provides data for an ongoing, repeated-cross-sectional study of chronic diseases and health risks among Colorado adults. This population-level survey supports planning, implementation and evaluation of Colorado state and local programs to address health risks and chronic disease. Findings have been used to identify priority

needs and gaps in the reach of evidence-based strategies, to inform strategic program planning; to explore possible mechanisms that underlie health risk and chronic disease behaviors, and to inform policy choices.

There are two components to the survey: data collection and data analysis. Both components are currently funded through the Tobacco Education, Prevention and Cessation Grant Program line item. The current inefficiency lies with the data collection component because the Department grants funds to the Colorado School of Public Health which then contracts with a private, out-of state company to collect the data via a telephone survey. The company charges on a per call basis. The Department's Center for Health and Environmental Data performs similar surveys for the Behavioral Risk Factor Surveillance System (BRFSS) and the Child Health Survey (CHS)¹. The Center for Health and Environmental Data is a more efficient and less expensive method to collect data for TABS, but is not used to collect the data due to ambiguity about the definition of administrative costs. Historically the survey has been contracted out because when the funding was first available, the Survey Research Program at CDPHE did not have the capacity to conduct this large survey. Both CDPHE and the University recognize that there would be a cost savings if the CDPHE Survey Research Unit collected the data for this survey.

The Department estimates that the cost to utilize the Center for Health and Environmental Data would be \$250,000 per year, as compared to the current \$400,000 annual cost to contract for data collection. The Department notes that an additional benefit to consolidating the data collection would be aligning the tobacco questions with the BRFSS, and reducing the data collection costs to approximately \$38 per survey. The cost for the private data collection is approximately \$60 per survey. Therefore the streamlining of the health data collection will increase the amount of dollars available for Tobacco Education, Prevention, and Cessation grants by \$150,000 each year.

Non-technical #3 - (4) (B) FRAPPE Data Analysis

Why is this a comeback?

During the figure setting presentation staff indicated that additional information was required to make an informed recommendation on the cost to analyze the data collected by the Front Range Pollution and Photochemistry Experience.

***Recommendation:* Staff recommends an appropriation of \$94,298 General Fund to the Air Pollution Control Division, Technical Services, Local Contracts line item for FRAPPE data analysis.**

¹ The Behavioral Risk Factor Surveillance System is a federally-funded random telephone survey of Colorado residents ages 18 and older. Information is gathered on a variety of health behaviors and conditions, and preventative health practice. The Colorado Child Health Survey was developed to fill the gap in health data in Colorado that existed for children ages 1-14 years and uses a screening process to identify BRFSS participating households with children ages 1-14 years who agree to participate in the CHS.

Analysis:

Background

The \$2.0 million total funds appropriated for the FRAPPE was specifically for aircraft and ground-based measurements, not for analysis of the data. Staff noted in the analysis of the request that there was no funding for the analysis of the data. The National Center for Atmospheric Research (NCAR) and all the university groups that provided instrumentation and participated in the FRAPPE study will be performing analyses and publishing their findings but it will take time. Each group will be focused on their specific measurements, which will not necessarily provide a detailed compilation analysis. Also, each university group will be more focused on the pure science aspects of the data and atmospheric chemical processes, and not on looking at potential source sectors to focus on for ozone reduction strategies. Such an analysis, with a focus on possible future regulation needs to further reduce ozone concentrations to meet current and future NAAQS, is the key need for the Division.

In addition, the National Aeronautics and Space Administration (NASA) conducted the fourth mission of its Deriving Information on Surface Conditions from Column and Vertically Resolved Observations Relevant to Air Quality (DISCOVER-AQ) project in conjunction with the FRAPPE study. Incorporating these data into an overall composite analysis focusing on reducing ozone concentrations adds to the robustness of the process. It should be noted that the primary focus for NASA and its DISCOVER-AQ missions (previously performed in Baltimore, San Joaquin Valley and Houston) is to validate and enhance their satellite measurements. While their data are complementary and additive to FRAPPE, NASA will not be performing analyses focused on ozone reduction options.

Funding for Data Analysis

With current staffing, the Division will not be able to complete detailed analyses of the FRAPPE and DISCOVER-AQ data in a timely manner to support the State's ability to come into compliance with the current and proposed new acceptable ozone levels that are being considered by the Environmental Protection Agency. Having the data analysis performed and recommendations made in a timely manner would allow the Division to meet regulatory requirements associated with the current and new allowable ozone levels.

The Division would prefer to contract out this work because contracting is preferable to alternatives such as term-limited FTE because contracting would avoid the time and expense needed for hiring and training, and the potential for such a person to leave prior to the work being completed. The Division would use the \$188,596 of funds to contract with an outside agency or consulting firm to:

- Compile data from both the FRAPPE study and the DISCOVER-AQ mission;
- Perform detailed analyses and modeling relating to ozone, ozone precursors and the atmospheric chemistry leading to ozone formation;
- Develop a list of source types and emissions that contribute significantly to ozone formation; and
- Develop a final report, including a list of possible recommendations for ozone reduction options.

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Non-technical #4 - (8) (A) CIIS Optimization and Colorado Immunization Fund Balance

Why is this a comeback?

Staff indicated in the figure setting presentation that there was a possibility that the excess reserves in the Colorado Immunization Fund could be used to fund a portion of the Colorado Immunization Information System upgrades. Staff requested permission to bring the issue back if using the Colorado Immunization Fund was a viable funding alternative.

***Recommendation:* Staff recommends the Committee appropriate \$44,658 cash funds from the Colorado Immunization Fund in FY 2014-15 and provide roll forward for those funds. Staff also recommends the FY 2015-16 General Fund appropriated for the CIIS Upgrades be reduced by \$44,658.**

Analysis:

The Committee approved \$158,400 General Fund to optimize CIIS performance by eliminating the provider waitlist for electronic connectivity, improving system performance for all users, ensuring CIIS data are as accurate and as timely as possible and increasing provider participation. Section 25-4-2301, C.R.S. limits the year-end balance of the Colorado Immunization Fund to no more than 5.0 percent of that fiscal years appropriation. Any funds in excess of the 5.0 percent limit must be transferred to the Tobacco Litigation Settlement Cash Fund where moneys are used to pay down the accelerated payments.

There will be \$44,658 cash funds in the Fund at the end of FY 2014-15 which is \$801 is excess of the 5.0 percent limit. Since the Fund can't maintain a balance greater than 5.0 percent and has had a year end fund balance equal to the maximum allowable amount, staff recommends the FY 2014-15 year-end balance to fund a portion of the CIIS optimization. This recommendation will reduce FY 2015-16 General Fund obligations by a like amount because the total cost of optimizing the system does not change. This recommendation will simply offset the need for General Fund with available uncommitted cash funds. Since the optimization will take more than three months, staff recommends the roll forward.

TECHNICAL COMEBACKS

Technical #1 - (1) (B) Health Disparities Grants

There was an error in the Department; cash fund report for the Health Disparities Cash Fund, and therefore staff revises the recommendation for **Health Disparities Grant to be \$4,196,710 cash funds**. The following table summarizes how the recommendation is calculated.

Summary of Total Amendment 35 Funds for Health Disparities Grants	
	Amount
FY 2015-16 Projected Beginning Fund Balance	\$1,337,169
Amendment 35 revenue projection	3,420,744
Appropriation to Personal Services line item	(234,262)
Appropriation to Operating Expenses line item	(58,907)
Estimated indirect costs	(99,111)
5.0 percent reserve	(168,923)
FY 2015-16 Funds Available for Grants	\$4,196,710

Technical #2 - (3) Marijuana Laboratory Certification

The Committee approved a place holder for \$176,292 cash funds from the Marijuana Tax Cash Fund and 2.3 FTE for marijuana laboratory certification. **Staff recommends the Committee approve an appropriation of \$176,292 reappropriated funds from the Department of Revenue, Marijuana Tax Cash Fund and 2.3 FTE. Additionally staff recommends the Department of Revenue receive an appropriation of \$179,292 cash funds from the Marijuana Tax Cash Fund.**

The recommendation is intended to ensure, regardless of what occurs with the special legislation related to marijuana laboratories, the Department is funded to conduct the certification surveys required for the Department of Revenue to determine if a laboratory should be licensed for marijuana testing. If the special legislation is introduced and the appropriate language allowing the Department to directly receive Marijuana Tax Cash Fund dollars for marijuana laboratory certification is introduced the appropriation clause can amend the Long Bill to directly appropriate the funds the Department.

Technical #3 - (3) Technical Change to Chemistry and Microbiology Reappropriated Funds

Staff recommends a technical correction to the personal services and operating expenses appropriation for the Chemistry and Microbiology appropriations. The recommended changes are summarized in the following table.

Recommended Reappropriated Funds Change			
	Revised Recommendation	Original Recommendation	Change
Personal Services	\$238,873	\$179,676	\$418,549
Operating Expenses	179,676	238,873	\$418,549
Total Funds	\$418,549	\$418,549	\$0

Technical #4 - (5) Water Quality Sectors Technical Adjustments

Staff recommends the following technical, net zero changes to the appropriations for the Clean Water Sector based on new information provided by the Department. The changes are related to the correct application of the Committee approved indirect cost methodology and the adjustment of funds to the Local Grants and Contracts line which are for functions not specific to one clean water sector.

Recommended Changes to the Clean Water Line Items				
	Total Adjustment	General Fund	Reappropriated Funds	Federal Funds
(5) (A) Administration	\$176,310	\$161,617	\$0	14693
(5) (B) Clean Water Sectors				
Commerce and Industry	(591,969)	(157,623)	(39,673)	(394,673)
Construction	(324,674)	(92,661)		(232,013)
Municipal Separate Storm Sewer System	(65,684)	(18,745)	0	(46,939)
Public and Private Utilities Sector	(892,587)	(254,742)		(637,845)
(5) (C) Local Grants and Contracts	1,698,604	362,154	39,673	1,296,777
Total Funds	\$0	\$0	\$0	\$0

Technical #5 - (6) (E) Radiation Management S.B. 14-192 Annualization

Staff incorrectly annualized out funding related to S.B. 14-192 (Uranium Processing Groundwater Protection) in the operating expenses line item. The following table summarizes the revised recommendation for Radiation Management Personal Services and Operating Expenses line item.

Recommended Changes to the Radiation Management Personal Services and Operating Expenses				
	Total Revised Appropriation	Cash Funds	Federal Funds	Cash Funds Change from Initial Recommendation
(6) (E) Personal Services	\$1,909,396	\$1,720,419	\$188,977	(\$2,180)
(6) (E) Operating Expenses	\$239,268	74,615	164,653	2,180
Total Funds	\$2,148,664	\$1,795,034	\$353,630	\$0

Technical #6 - (10) Health Facilities S.B. 14-050 Annualization

Staff incorrectly annualized out funding related to S.B. 14-050 ((Financial Assistance in Colorado Hospitals) in the (10) Health Facilities and Emergency Medical Services Division. The following table summarizes the revised recommendation for Administration and Operations line item and the Nursing Facilities line item.

Recommended Changes to Annualization of Appropriations in S.B. 14-050						
	Total Revised Appropriation	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Cash Funds Change from Initial Recommendation
(10) (A) Administration and Operations	\$2,372,859	\$143,508	\$851,046	\$1,278,305	\$100,000	(\$49,161)
(10) (B) Nursing Facilities	\$514,523	\$54,669	459,854	0	0	49,161
Total Funds	\$2,887,382	\$198,177	\$1,310,900	\$1,278,305	\$100,000	\$0