



STATE OF COLORADO

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Jane E. Norton, Executive Director

Dedicated to protecting and improving the health and environment of the people of Colorado

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January 15, 2002



Colorado Department
of Public Health
and Environment

The Honorable Bill Owens
Colorado State Capitol
200 East Colfax
Denver, Colorado 80203-1784

Subject: Tobacco Settlement Monitoring Report

Dear Governor Owens:

The Colorado Department of Public Health and Environment respectfully submits the enclosed report, "Tobacco Settlement Monitoring Report," concerning the use of moneys received pursuant to the tobacco litigation settlement. This report is submitted to fulfill the requirements of §25-1-108.5(3), C.R.S.

Thank you for the opportunity to monitor the operation and effectiveness of the tobacco settlement programs. Colorado's commitment to strengthen the health of all Colorado residents and to improve the literacy of Colorado's children is reflected in this report. Should you have any questions or comments regarding the department's report, please contact me (303) 692-2011.

Sincerely,

Jane E. Norton
Executive Director

cc:

The Honorable Lauri Clapp, Chair, Health, Environment,
Welfare and Institutions Committee
The Honorable Brad Young, Chairman, Joint Budget Committee
The Honorable Rob Hernandez, Chairman, Health Environment,
Children and Families Committee
Members of the Joint Budget Committee
The Honorable Ken Salazar, Attorney General
Karen Reinertson, Executive Director, Health Care Policy and
Financing
William J. Moloney, Commissioner of Education
Marva Livingston Hammons, Executive Director, Human Services

Joanne Hill, Acting State Auditor
Dr. Michael Barkett, President, State Board of Health
Dr. Jay Gershen, Interim Vice President for Academic Affairs
and Research, University of Colorado
Roy Palmer, Chief of Staff, Governor's Office
Rick O'Donnell, Deputy Chief of Staff for Policy,
Governor's Office

STATE OF COLORADO



Colorado Department
of Public Health
and Environment

Tobacco Settlement Monitoring Report

Submitted to the Governor; Joint Budget Committee; the House of Representatives
Health, Environment, Welfare, and Institutions Committee; the Senate Health, Education,
Children and Families Committee; and the Attorney General

by the Office of Budget, Planning and Analysis
Tobacco Oversight Program
Colorado Department of Public Health and Environment
January 15, 2002

TABLE OF CONTENTS

I. Preface

II. Introduction

III. Executive Summary

IV. Tobacco Settlement Program Report Summaries:

Children's Basic Health Plan

Read-to-Achieve Grant Program

Colorado State Veterans Trust Fund

Comprehensive Primary and Preventive Care Grant Program

Colorado Nurse Home Visitor Program

Tobacco Education, Prevention and Cessation Grant Program

Tobacco-Related and Tobacco-Focused Research Program

V. Conclusion and Recommendations

VI. Attachments:

1. State Board of Health Regulations:

<http://www.cdphe.state.co.us/op/regs/101402tob.pdf>

2. State Auditor's Performance Reports:

Children's Basic Health Plan:

http://www.state.co.us/gov_dir/audit_dir/2001/2001perf/1225A.pdf

Colorado Department of Education:

http://www.state.co.us/gov_dir/audit_dir/2002/2002perf/1327.pdf

3. Tobacco Settlement Programs' Annual Reports:

<http://www.cdphe.state.co.us/>

I. PREFACE

The Colorado Department of Public Health and Environment (department) respectfully submits the following annual report to the Governor, Joint Budget Committee, the House Health, Environment, Welfare, and Institutions Committee, the Senate Health, Education, Children and Families Committee and the Attorney General. The report covers state fiscal year (FY) 2001, which spans from July 1, 2000, to June 30, 2001, and is in accordance with section 25-1-108.5(3), C.R.S. The statute states the following:

(3) (a) On or before January 15, 2002, and on or before each January 15 thereafter, the department shall submit to the joint budget committee, the health, environment, welfare, and institutions committees of the senate and the house of representatives, the attorney general, and the governor a report summarizing the information received by the department pursuant to subsection (2) of this section. In addition, the report shall include:

(I) The reports prepared by the state auditor during the preceding fiscal year pursuant to section 2-3-113, C.R.S., reviewing and evaluating tobacco settlement programs, so long as such reports have been previously released by the audit committee; and

(II) The state board's recommendations concerning any programs for which funding should be discontinued and any additional programs for which the general assembly should consider appropriating moneys received pursuant to the master settlement agreement.

(b) The report prepared pursuant to this subsection (3) shall also be available upon request to any member of the public.

II. INTRODUCTION

The statute at section 25-1-108.5(2), C.R.S., requires that the State Board of Health (state board) and the department monitor the operation and effectiveness of tobacco settlement programs. Each tobacco settlement program shall annually submit to the department, in accordance with rules promulgated by the state board, the following information:

- (a) The amount of tobacco settlement moneys received by the program for the preceding fiscal year;
- (b) A description of the program, including the program goals, the population served by the program including the actual number of persons served, and the services provided through the program;
- (c) Information evaluating the operation of the program, including effectiveness of the program in achieving its stated goals, and
- (d) Any other information required by rule of the state board.

The following seven programs reported in accordance with the above requirement:

Children's Basic Health Plan
Read-to-Achieve Grant Program
Colorado State Veterans Trust Fund
Comprehensive Primary and Preventive Care Grant Program
Colorado Nurse Home Visitor Program
Tobacco Education, Prevention and Cessation Grant Program
Tobacco-Related and Tobacco-Focused Research Program

Colorado State Board of Health

The General Assembly declared that the state board and the department monitor the operation and effectiveness of tobacco settlement programs. The state board's obligations under section 25-1-108.5, C.R.S., include:

- Monitoring the operation and effectiveness of the programs receiving tobacco settlement funds (§25-1-108.5(2), C.R.S.);
- Making recommendations concerning any programs for which funding should be discontinued and any additional programs for which the general assembly should consider appropriating moneys (§25-1-108.5(3)(a)(II), C.R.S.); and
- Promulgating rules on reporting (§25-1-108.5(2), C.R.S.) and conflict of interest (§25-1-108.5(4), C.R.S.).

The State Board of Health consists of nine members appointed by the Governor. The primary duties of the state board are to adopt or revise standards, rules and regulations to administer the public health laws of the state; to determine general policies to be followed in administering and enforcing the public health laws, standards, rules and regulations; to act in an advisory capacity to the executive director of the department on matters pertaining to public health; and to establish and appoint special advisory committees when necessary to advise and confer with the state board concerning the public health aspects of any business, profession or industry within the state.

Department of Public Health and Environment

The Department of Public Health and Environment is the agency responsible for monitoring the operation and effectiveness of the tobacco settlement programs, in conjunction with the State Board of Health. The department's obligations under the statute include:

- Monitoring the operation and effectiveness of tobacco settlement programs and receiving each tobacco settlement program's annual report (§25-1-108.5(2), C.R.S.);

- Submitting on or before January 15th the annual report to the Governor, various committees of the General Assembly, and the Attorney General (§25-1-108.5(3)(a), C.R.S.); and
- Working with the State Auditor's Office in conducting program reviews and evaluations (§2-3-113(4), C.R.S.).

The Department's monitoring plan is designed:

- To use resources efficiently;
- To avoid duplication of existing monitoring or auditing functions; and
- To rely primarily on:
 - The State Auditor's program reviews and evaluations;
 - The programs' annual report to the department;
 - The state boards' recommendations;
 - The University of Colorado Health Sciences Center's evaluations (where applicable); and
 - The Centers for Disease Control and Prevention's reviews (where applicable).

III. EXECUTIVE SUMMARY

After a four-year legal battle, the major U.S. tobacco manufacturers agreed to a settlement, now known as the Master Settlement Agreement. The states are expected to receive payments of \$250 billion over the next 25 years. Colorado's share of the settlement funds is projected to be \$2.6 billion over 25 years, resulting in an average annual payment of \$100 million.

The General Assembly of the State of Colorado in section 24-75-1101, C.R.S., created by Senate Bill 00-071, declared that tobacco settlement agreement moneys "...will enable Colorado to enact tobacco use prevention, education, and cessation programs, related health programs, and literacy programs and that such programs must involve cost-effective programs at the state and local levels."

The General Assembly in section 24-75-1103, C.R.S., established the following policies on use of tobacco settlement funds:

- No settlement moneys shall be used for a tobacco settlement program unless expressly authorized by statute or within the authority of the department or local government requesting funding;
- Local governments are integral participants in the development and implementation of any tobacco prevention, education, and cessation programs;
- A portion of the settlement moneys may be dedicated to local governments for locally operated tobacco use prevention, education, and cessation programs and related health programs; and

- The majority of the moneys received shall be dedicated to improving the health of the citizens of Colorado, including tobacco use prevention, education, and cessation programs and related health programs.

A portion of the tobacco settlement funds:

- Shall be placed in an endowment trust fund;
- Shall be used to strengthen and enhance the health of all residents of Colorado by supplementing and expanding statewide and local public health programs;
- Shall be allocated to methods of addressing tobacco-related health problems, including but not limited to, programs designed for tobacco use prevention, reduction, cessation, and education and the reduction of second-hand smoke;
- Shall be invested in tobacco-related in-state research, including but not limited to, research in such areas as tobacco-related disease, illness, education, evaluation, cessation, and prevention; and
- Shall be invested in improving the literacy of Colorado's children through reading programs implemented by public schools throughout the state.

Pursuant to section 24-75-1104, C.R.S., for state fiscal year 2000-2001, the following programs receive appropriations in the specified amount from the available settlement moneys received by the state:

Children's Basic Health Plan:	\$10 million
Read-to-Achieve Grant Program:	19% not to exceed \$19 million
Colorado State Veterans Trust Fund:	1% not to exceed \$1 million
Comprehensive Primary and Preventive Care Grant Program:	6% not to exceed \$6 million
Colorado Nurse Home Visitor Program:	3% not to exceed \$3 million
Tobacco Education, Prevention and Cessation Grant Program:	15% not to exceed \$15 million
Tobacco-Related and Tobacco Focused Research Grant Program:	8% not to exceed \$8 million

The following chart provides the actual appropriations and expenditures as of June 30, 2001, as verified by the State Treasurer's Office and a brief description of each tobacco settlement program.

TOBACCO SETTLEMENT PROGRAM SUMMARY 2000-2001

PROGRAM	APPROPRIATIONS AND EXPENDITURES	GRANTEES	POPULATION SERVED	KEY GOALS
Children's Basic Health Plan	Appropriated \$10,000,000 to partially fund the Children's Basic Health Plan. Any unencumbered funds are retained in the Children's Basic Health Plan.	Children's Basic Health Plan.	Uninsured children; under 19 years of age; live in a family under 185% of poverty and not Medicaid eligible. A total of 35,138 children enrolled.	Administer a public/private partnership program to provide subsidized health insurance and develop a dental program for children in low-income families.
Read-to-Achieve Grant Program	Appropriated \$15,046,378; expended/encumbered \$15,028,732 including \$133,499 of administrative costs. Any unencumbered funds are retained in the Read-to-Achieve cash fund.	550 schools representing 8 regions and 47 school districts.	2 nd and 3 rd grade pupils and pupils between the 3 rd and 4 th grades whose literacy and reading comprehension skills are below established levels. Provided services to 28,000 students.	Issue grants to public schools to fund intensive reading programs to enhance the literacy and reading comprehension skills of 2nd and 3rd-grade pupils and raise literacy and reading comprehension to proficiency level on the 3rd grade reading assessment prior to beginning 4th grade.
Colorado State Veterans Trust Fund	Appropriated \$791,915. '00-'01 funds were retained as principle in the Veterans Trust Fund.	Not applicable.	Veterans, no income eligibility requirements.	Fund capitol improvements for state veterans nursing homes, costs incurred by state veterans cemeteries and veterans outreach programs, and veterans programs operated by nonprofit veterans organizations.
Comprehensive Primary and Preventive Care Grant Program	Appropriated \$4,751,488; expended/encumbered \$4,613,252 including \$4,635 of administrative costs. Returned \$138,236 to the Tobacco Settlement Trust Fund.	14 grantees providing services in 12 or more counties.	Uninsured, family income below 185% of poverty; no Medicaid, Medicare or other governmental coverage and not receiving third party payments. Expansion of services to an estimated additional 20,000 patients or visits.	Issue service grants to qualified providers for their use in providing primary and preventive care to uninsured or medically indigent patients.
Colorado Nurse Home Visitor Program	Appropriated \$2,375,744; expended/encumbered \$2,239,778 including \$69,198 of administrative costs. Returned \$135,966 to the Tobacco Settlement Trust Fund.	12 grantees in 33 counties, including 7 county health departments, 3 county health nursing services, and 2 community health centers.	Family income below 200% of poverty; first-time mothers through child's second birthday. May be Medicaid-eligible. Served 1,150 families	Provide regular, in-home, visiting nurse services to low-income, first-time mothers. Provide trained visiting nurses to help educate mothers on the importance of nutrition and avoiding alcohol and drugs, including nicotine, and to assist and educate mothers in providing general care and in improving health outcomes for their children.
Tobacco, Education, Prevention and Cessation Grant Program	Appropriated \$11,878,719; expended/encumbered \$10,023,820 including \$393,908 of administrative costs. Returned \$1,854,899 to the Tobacco Settlement Trust Fund.	85 grantees, including 56 of the then 63 counties; 14 county health departments, 28 county nursing services, 1 state agency, 21 non-governmental agencies, 6 school districts, 3 university programs.	All Coloradans. 176,344 individuals served directly.	Implement a grant program to provide funding for programs designed to reduce initiation of tobacco use by children and youth, promote cessation of tobacco use among youth and adults, and reduce exposure to second-hand smoke.
Tobacco-Related and Tobacco-Focused Research Program	Appropriated \$6,335,317; expended/encumbered \$6,335,317 including \$208,865 of administrative costs. No funds returned to the Tobacco Settlement Trust Fund.	15 grantees representing 6 institutions and 5 research areas.	All Coloradans.	Implement a grant program to support mental health research and basic scientific, clinical, and evaluative research into tobacco and substance abuse related disease, illness, education, evaluation, cessation, and prevention.

State fiscal year 2000-2001 was the first year programs were appropriated settlement moneys. This year has been a year of promulgating regulations, hiring staff, issuing request for proposals, establishing advisory committees and boards and otherwise building the infrastructure to support the programs. The time frame for the first year of operation was not sufficient for the infrastructures to be wholly developed; for all grants to be awarded consistent with procurement processes; and for the grantees to reasonably complete a scope of work. The state agencies worked with the State Controller's Office and received approval to extend grant periods or carry spending authority to state fiscal year 2002 contracts. In those years subsequent to the implementation year, it is projected that the programs will be operating at capacity and will fully utilize the appropriations. Program reviews and evaluations by the State Auditor's Office and the department began in state fiscal year 2001-2002. Given the early implementation phase of the seven programs and the preliminary monitoring and evaluative information available, the State Board of Health has recommended to the department that no changes be made in funding for any program for which the General Assembly originally appropriated moneys. The following is a summary of each program. This report and the complete annual report as submitted by each program may be viewed on the department's Internet page at <http://www.cdphe.state.co.us/> or call the department's Information Center at (303) 692-2035 to request a copy.

IV. TOBACCO SETTLEMENT PROGRAM REPORT SUMMARIES

Children's Basic Health Plan

The Children's Basic Health Plan provides subsidized health insurance for children in low-income families not eligible for Medicaid. The Department of Health Care Policy and Financing administers the Children's Basic Health Plan through private contractors who provide various services. The Medical Services Board provides oversight and policy development to the Department of Health Care Policy and Financing for the Children's Basic Health Plan. House Bill 01-1331 expanded this board from nine members to 11 by adding one member from the private sector who has experience delivering health care and one member with experience or expertise in caring for medically under-served children.

The State Auditor's Office released the results of the performance audit of the Children's Basic Health Plan in July 2000. The organizational structure for the Children's Basic Health Plan involves numerous entities and contractual relationships. The audit found that the complexity of the administrative structure, combined with the relatively small number of children served and the costs of starting an entirely new program, contributed to significant administrative costs. The audit may be viewed at http://www.state.co.us/gov_dir/audit_dir/2001/2001perf/1225A.pdf.

Additional information about the Children's Basic Health Plan may be obtained through the Department of Health Care Policy and Financing's Web site at <http://www.chcpf.state.co.us/titlexxi/cbhpindex.html>.

Accomplishments include:

- Enrolled 35,138 children in the program by the end of state fiscal year 2000-2001, representing an average monthly enrollment of 29,513. This constituted a 28 percent increase from the state fiscal year 1999-2000 average monthly enrollment of 23,015.
- Transferred the responsibilities of the Children's Basic Health Plan Policy Board to the Colorado Medical Services Board.
- Redesigned and implemented a new application for Children's Basic Health Plan, the Colorado Indigent Care Program and Medicaid.
- Implemented an online application process. In state fiscal year 2000-2001, applications could be completed on-line from 11 locations statewide as part of an initial electronic development project.
- Implemented a cost-sharing structure that is simpler to administer and less of a deterrent to client enrollment.

Areas for improvement include:

- Continue monitoring implementation of the recommendations made in the July 2000 State Auditor's Office performance audit report on the Children's Basic Health Plan. The audit resulted in 26 recommendations to the Health Care Policy and Financing Department and five recommendations directed to the board. The audit addressed issues related to program design, administration and financial operations.
- Continue efforts to develop a dental benefit, to improve the efficiency and effectiveness of the satellite eligibility sites and to establish quality assurance methodologies.

Read-to-Achieve Program

The Read-to-Achieve grant program is among the most recent major initiatives in the Department of Education. This grant program was created in 2000 with the passage of Senate Bills 00-71 and 00-124. The program is structured to competitively award grants to individual schools to fund intensive reading programs. Pupils in the second and third grades, as well as those between the third and fourth grades, with literacy and reading comprehension skills below the levels established by the State Board of Education, are eligible to participate in funded programs. Funded activities can include reading academies for intensive reading instruction, after-school literacy programs, summer school clinics, tutoring, and extended-day reading programs.

The program is administered under the direction of the Read-to-Achieve Board, which consists of 11 members representing education at the state and local levels, both houses

of the General Assembly and parents of children who may participate in the program. The Read-to-Achieve Board is responsible for collecting and reviewing applications for grants; recommending to the State Board of Education the schools that should receive grants, as well as the duration and amount of each grant; and reporting to the Governor and the General Assembly on the effectiveness of the program by February 1, 2004.

During the 2000-2001 school year, the Read-to-Achieve Program was one of four Department of Education programs audited by the State Auditor's Office. The audit may be viewed at http://www.state.co.us/gov_dir/audit_dir/2002/2002perf/1327.pdf.

Additional information about the Read-to-Achieve Program may be obtained through the Department of Education's Web site at <http://www.cde.state.co.us/cdecomp/r2a.htm>.

Accomplishments include:

- Implemented the largest school-based grant effort ever undertaken in Colorado. Received an appropriation from the tobacco settlement of \$15,046,378 during state fiscal year 2001; received 817 applications; and awarded grants to 550 schools providing services to approximately 28,000 students.
- Distributed grant funds consistent with the need for funds as indicated by the number of eligible students and met the requirement to award grants to schools in a variety of geographic areas of the state.
- Addressed accountability for Read-to-Achieve grants through a rigorous application and evaluation process and the reporting of program outcomes. Future funding is conditional; schools must show progress in their reading programs.
- Implemented a comprehensive review process involving 222 trained reviewers from across Colorado with expertise in reading and school-based reform to assure research-based programs were in place for funded schools.
- Provided extensive support in planning and implementing intensive reading instruction through regional trainings, Web-based support, consultation and step-by-step guides.
- Contracted with an external evaluator to implement a comprehensive evaluation program that will review compliance with statutory requirements, evaluate the overall effectiveness of the programs across the state and make recommendations about continued funding.

Areas for improvement include:

- Continue to monitor implementation of audit recommendations made by the State Auditor's Office including: 1) Pursue alternatives for administering the Read-to-

Achieve program to ensure distribution of funds to a greater number of eligible students; 2) Improve the application process for consortium applicants in the Read-to-Achieve program; 3) Improve communication with Read-to-Achieve applicants through individualized letters regarding grant awards and expanded written feedback; 4) Improve administration of the Read-to-Achieve program by establishing and communicating a standard process.

State Veterans Trust Fund

The Veterans Trust Fund was established in 2000 with the passage of Senate Bill 00-71 and modified in 2001 with the passage of Senate Bill 01-200. The Board of Veterans Affairs (Veterans Board) administers the program. The Veterans Board consists of seven members appointed by the Governor who are veterans honorably released or separated from the armed forces of the United States. The Veterans Board advises and consults with the Division of Veterans Affairs, within the Department of Human Services, on veterans' issues. The trust was created to fund capital improvements or needed amenities for existing or future state veterans' nursing homes; costs incurred by existing or future state veterans' cemeteries; veterans' outreach programs administered by the Division of Veterans Affairs; and veterans' programs operated by non-profit veterans' organizations that meet criteria adopted by the Veterans Board and that are selected by the Veterans Board as grant recipients.

Section 26-10-111(3), C.R.S., provided that all of the funds appropriated to the Veterans Trust Fund in fiscal year 2000-2001 be credited to and retained as principal in the trust fund for fiscal year 2000-2001.

Additional information about the Veterans Trust Fund may be obtained through the Department of Human Services' Web site at <http://www.cdhs.state.co.us/ods/dva/boardroster.html>.

Accomplishments include:

- Sought changes in the 2001 legislative session to add a provision that funds may be used for veterans' programs operated by non-profit veterans' organizations that meet criteria adopted by the Veterans Board and are selected by the Veterans Board as grant recipients.
- Appointed a Trust Fund Sub-Committee to the State Board of Veterans Affairs.
- Developed policy guidelines and solicited grant applications.

Areas for improvement include:

- Review the administrative systems to support the activities of the board including the need and authority for promulgating rules and program monitoring and evaluation.

Comprehensive Primary and Preventive Care Grant Program

The Comprehensive Primary and Preventive Grants Program was established pursuant to Senate Bill 00-71 and modified by House Bill 01-1401 to provide grants to health care providers in order to expand primary and preventive services to Colorado's low-income residents. The program is administered by the Department of Health Care Policy and Financing and is under the direction of the Medical Services Board.

Additional information about the Comprehensive Primary and Preventive Care Grant Program may be obtained through the Department of Health Care Policy and Financing's Web site at <http://www.chcpf.state.co.us/StateRules/930%20cppcgp.html>.

Accomplishments include:

- Developed an infrastructure to support the distribution of grant awards including appointment of an advisory council; promulgation of rules; expansion of the definition of eligible uninsured and eligible agencies in the 2001 legislative session; and development of the request for proposal.
- Awarded 14 grants for state fiscal years 2000-2001 and 2001-2002 totaling \$9,730,381.
- Awarded grants to communities in Grand Junction, Glenwood Springs, Colorado Springs, Frederick, Las Animas, Pueblo, Durango, Greeley, Thornton and Denver.

Areas for improvement include:

- Modify the rules and grant process in FY 2001-2002 to conform to legislative changes.
- Develop an audit procedure to assure grants are used to provide services to uninsured and medically indigent patients.

Nurse Home Visitor Program

The Nurse Home Visitor Program was established to provide regular in-home, visiting nurse services to low-income, first-time mothers, with their consent, during their pregnancies and through their children's second birthday. The program is designed to provide trained visiting nurses to help educate mothers on the importance of nutrition and avoiding alcohol and drugs, including nicotine, and to assist and educate mothers in providing general infant care and in improving health outcomes for their children.

The Nurse Home Visitor program is housed in the Department of Public Health and Environment. It is administered in communities throughout the state by entities selected on a competitive basis by the state board of Health. The University of Colorado's

National Center for Children, Families and Communities was selected by the President of the University of Colorado pursuant to Senate Bill 00-71 to provide assistance to the State Board of Health in selecting the entities and in monitoring and evaluating the implementation of the program in communities throughout the state.

Additional information about nurse home visitation programs also referred to as “nurse-family partnerships” may be obtained through the department’s Nurse Home Visitor Program at <http://www.cdphe.state.co.us/ps/mch/nursehome/nursehomevisit.asp> or the University of Colorado’s National Center for Children, Families and Communities at <http://www.nccfc.org/currentSites.cfm>.

Accomplishments include:

- Awarded 12 grants to county health departments, county nursing services and community health centers. Served a total of 1,150 families in 33 counties across the state.
- Enrolled a young, at-risk population of pregnant women into the program at a pace that permitted quality implementation of the program.
- Enrolled the majority of Colorado participants relatively early in pregnancy (median gestational age at entry of 19 weeks), with 43 percent enrolled by 16 weeks of pregnancy.
- Completed an average of eight visits per participant during pregnancy with an overall expected/completed visit ratio of 0.8 and an average visit time of one hour, 16 minutes.
- Demonstrated fidelity to the original model by the proportion of time spent on each content area by home visitors.
- Demonstrated a significant reduction in the number of women who continued to smoke cigarettes during pregnancy (34 women at program entry compared to 19 at 36 weeks of pregnancy).
- Demonstrated that the percent of low birth weight infants born to participants in the Nurse Home Visitor Program in Colorado was lower than the state of Colorado low birth weight rate in 1999 (4 percent versus 8.4 percent) and the Healthy People 2010 goals for the nation of 5 percent or less low birth weight infants.

Areas for improvement include:

- Monitor attrition. Attrition of participants from the Nurse Home Visitor program during pregnancy was 15.5 percent. Sites should carefully monitor participant attrition and reasons associated with attrition in an effort to reduce attrition to 10

percent or less during pregnancy. Participant attrition during pregnancy in the Denver trial was 7 percent.

- Improve completion of data on maternal health habits. Nurse home visitors need to be more vigilant in the completion of data on maternal health habits during pregnancy. Of the 174 active participants who had completed the pregnancy phase, health habit data at intake and 36 weeks of pregnancy were available for only 143 participants.
- Improve collection of data. Demographic data was missing on 9 percent of the participants at program intake.
- Continue to review the process for obtaining Medicaid funds for services provided to those Nurse Home Visitor Program participants who are Medicaid eligible. Pursue Medicaid data to supplement and validate maternal self-reported outcome data. Monitor the cost per participant.

Tobacco Education, Prevention and Cessation Grant Program

The Tobacco Education, Prevention and Cessation Grant Program was created to provide funding for community-based and statewide tobacco education programs designed to reduce initiation of tobacco use by children and youth; promote cessation of tobacco use among youth and adults; and reduce exposure to second-hand smoke. The program is structured to competitively award grants. The program is housed within the Colorado Department of Public Health and Environment. The State Board of Health is responsible for promulgating rules for the grant, including application procedures; criteria for selecting and determining grant amounts; and processes to evaluate the success of the grant awards. Accountability for the grants has been addressed through a rigorous application and evaluation process and the reporting of outcomes.

Additional information about the Tobacco Education, Prevention and Cessation Grant Program may be obtained through the Colorado Department of Public Health and Environment's Web site at <http://www.cdphe.state.co.us/pp/tobacco/tobaccohom.asp>.

Accomplishments include:

- Funded a total of 56 of Colorado's at that time 63 counties—92 percent of all counties in the state. Sixty-one percent of program funds were allocated to locally operated programs. The state board approved 85 grants.
- Included all three programmatic goals (prevent initiation, promote cessation and reduce exposure to second-hand smoke) in the projects on which the 60 grantees are working. Six grantees are working exclusively on programs intended to prevent youth initiation, while 17 grantees are implementing cessation programs for either adults or youth, and two are exclusively devoted to second hand-smoke reduction.

- Awarded one-third (33.2 percent) of the grant funds to provide services to school-aged children. The *Berenstain Bears* book project will reach every fourth-grader in the state.
- Made the quit line's toll-free number accessible by any resident of Colorado at any time.
- Demonstrated that 58 of 66 program objectives were met, representing an 88 percent achievement rate. Specifically, met 36 of 38 capacity building objectives, met seven of 11 objectives to prevent youth initiation, met six of eight objectives designed to increase cessation among youth and adults; and met all nine objectives to reduce exposure to second-hand smoke.
- Reached 128,714 individuals through programs and services related to preventing youth initiation of tobacco use. Served 1,288 Colorado residents through programs promoting cessation among youth and adults. Served 46,342 individuals by strategies directed to both smokers and non-smokers to decrease exposure to second-hand smoke. In total, these programs directly served 176,344 persons.

Areas for improvement include:

- Change the reporting cycle. The reporting cycle for the 75 grantees needs to reflect annual reporting requirements. Seventy-five of the grantees had contracts that were executed late in the fiscal year and were not required to submit annual reports in FY 2000-2001.
- Review whether components of the program evaluation should be contracted or otherwise not conducted by the same staff that recommended the award and provided technical assistance to the grantee. State Tobacco Education and Prevention Partnership staff members review, compile and analyze reports.
- Develop a program operations manual to provide fiscal and programmatic guidance to grantees and facilitate communication among state staff and grantees.

Tobacco-Related and Tobacco-Focused Research

The Tobacco-Related and Tobacco-Focused Research Program was established to create a comprehensive grant program to be implemented and operated by the Office of the President of the University of Colorado to support mental health research and basic and applied scientific, clinical and evaluative research into tobacco and substance abuse-related disease, illness, education, evaluation, cessation and prevention. Senate Bill 00-071 created a nine-member scientific advisory committee to advise the president as to the direction, scope and progress of the research program. A peer review system modeled on the National Institutes of Health peer review process reviews grant applications.

Additional information about the Tobacco-Related and Tobacco-Focused Research Program may be obtained through the University of Colorado's Web site at http://www.cu.edu/~vpaar/2.award.grant/2_11CTRP.htm

Accomplishments include:

- Established the Scientific Advisory Committee.
- Established the priorities for funding with the scientific advisory committee. Priorities for funding include bio-behavioral and nicotine addiction treatment research; biological research; effects of exposure to second-hand smoke; epidemiological and surveillance research; prevention of tobacco use; and policy research.
- Established a peer review process, resulting in \$6,136,452 awarded through 15 grants, of which 14 were research projects and one was a baseline study that will lead to more knowledge about the etiology, pathogenesis, diagnosis and treatment of tobacco and addiction-related diseases.
- Awarded approximately one-fourth of the funds in its inaugural year to support a baseline evaluation survey to gather information about tobacco-related behavior and attitudes of children and adults in Colorado. Of the remaining first-year monies, approximately 40% will support six studies that center on social and behavioral factors underlying why individuals smoke, how cultural and family norms influence smoking prevalence and what factors contribute to effective anti-smoking messages. Slightly less than one-third will fund projects focusing on tobacco-related disease processes, ranging from basic biological studies of the molecular and cellular changes that are critical to the initiation of disease, the development of new or refined diagnostic approaches to identify disease progression and on potential therapies and/or novel drug delivery techniques. Two projects will investigate the underlying physiological mechanisms that may predispose individual susceptibility to nicotine addiction or play key roles in its progression. One project will study what factors underlie maternal tobacco use and its effects on brain development.

Areas for improvement include:

- Evaluate the potential for partnering with state agencies to fund mutually beneficial research projects to better address the public health impact of tobacco and substance abuse.
- Increase dissemination of information for both program-specific issues and tobacco-related research on a global scale as part of the overall outreach efforts.

V. CONCLUSION AND RECOMMENDATIONS

State fiscal year 2000-2001 was the first year programs were appropriated settlement moneys. This year has been a year of promulgating regulations, hiring staff, issuing requests for proposals, establishing advisory committees and boards and otherwise building the infrastructure to support the programs. The time frame for the first year of operation was not sufficient for the infrastructures to be wholly developed; for all grants to be awarded consistent with procurement processes; and for the grantees to reasonably complete a scope of work. The state agencies worked with the State Controller's Office and received approval to extend grant periods or carry spending authority to state fiscal year 2002 contracts. In those years subsequent to the implementation year, it is projected that the programs will be operating at capacity and will fully utilize the appropriations. Program reviews and evaluations by the State Auditor's Office and the Colorado Department of Public Health and Environment's monitoring began in 2001-2002. Given the early implementation phase of the seven programs and the preliminary monitoring and evaluative information available, the State Board of Health has recommended to the department that no changes be made in funding for any program for which the General Assembly appropriated moneys.

VI. ATTACHMENTS

The State Board of Health regulations, State Auditor's performance reports and the complete annual tobacco settlement report as submitted by each program may be viewed at the Internet addresses listed below. If you are unable to access the Internet address or wish to obtain a copy of this report or attachments, please contact the department's Information Center at (303) 692-2035.

1. State Board of Health Regulations:

<http://www.cdphe.state.co.us/op/regs/101402tob.pdf>

2. State Auditor's Performance Reports:

Children's Basic Health Plan:

http://www.state.co.us/gov_dir/audit_dir/2001/2001perf/1225A.pdf

Colorado Department of Education:

http://www.state.co.us/gov_dir/audit_dir/2002/2002perf/1327.pdf

3. Tobacco Settlement Programs' Annual Reports:

The complete annual tobacco settlement report as submitted by each program may be viewed on the department's Internet page at <http://www.cdphe.state.co.us/>