

# STATE OF COLORADO

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Colorado Department  
of Public Health  
and Environment

## **Tobacco Settlement Monitoring Report**

Submitted to the Governor; Joint Budget Committee; the Colorado House of Representatives Health, and Human Services Committee; the Colorado Senate Health and Human Services Committee; and the Attorney General

By the Office of Budget, Planning and Analysis  
Tobacco Oversight Program  
Colorado Department of Public Health and Environment  
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## **I. PREFACE**

The Colorado Department of Public Health and Environment respectfully submits the following annual report to the Governor, Joint Budget Committee, the relevant committees of the General Assembly, and to the Colorado attorney general. The report covers state fiscal year (FY) 2009-10, which spans from July 1, 2009, to June 30, 2010, 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 and human services 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 monies 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. EXECUTIVE SUMMARY**

The Tobacco Master Settlement Agreement is a multi-year monetary award from the major U.S. tobacco manufacturers in response to litigation brought by states against the tobacco industry. The Colorado legislature has declared that this funding will be used to enact tobacco use prevention, education, and cessation programs; related health programs; and literacy programs with the goal of improving the health of Coloradoans.

This Tobacco Settlement monitoring report is legislatively mandated. Per statute the report provides information regarding the distribution and usage of the Tobacco Master Settlement funds. This is the tenth-annual tobacco settlement monitoring report. The Colorado Board of Health recommends funding be continued for the core tobacco settlement programs included in this report and makes no recommendation for any changes or additional programs for which the General Assembly should consider appropriating monies received pursuant to the Master Settlement Agreement.

### III. BACKGROUND

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 that participated in the settlement 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 approximately \$100 million.

The Colorado Legislature, in section 24-75-1101, C.R.S., declared that Tobacco Settlement Agreement monies "...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 statute at section 25-1-108.5(2), C.R.S., requires that the State Board of Health 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 monies 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; 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.

#### Colorado Board of Health

The General Assembly declared that the Board of Health and the Department of Public Health and Environment monitor the operation and effectiveness of tobacco settlement programs. The 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 monies (§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 Board of Health consists of nine members appointed by the Governor. The primary duties of the 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 of Public Health and Environment 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.

### Colorado Department of Public Health and Environment

The Colorado 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 Colorado 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 15 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 Board of Health recommendations;
  - The University of Colorado Health Sciences Center's evaluations, where applicable.

### Office of the State Auditor

Section 2-3-113, C.R.S., established a requirement for the Office of the State Auditor to conduct or cause to be conducted program reviews and performance evaluations of each state program receiving funding from the tobacco settlement agreement to determine whether the programs are effectively and efficiently meeting their goals. The Office of the State Auditor is required to submit an annual executive summary of the program reviews. To date, the Office of State Auditor has released performance audits of seven programs:

- Children's Basic Health Plan, Department of Health Care Policy and Financing, state fiscal year 2001; state fiscal year 2008; state fiscal year 2009;
- Read to Achieve Program, Department of Education, state fiscal year 2002, state fiscal year 2007;
- Colorado Nurse Home Visitor Program, Department of Public Health and Environment, state fiscal year 2003; state fiscal year 2006;
- Comprehensive Primary and Preventive Care Grant Program, Department of Health Care Policy and Financing, state fiscal year 2004, state Fiscal Year 2007;

- Veterans Trust Fund, Department of Military and Veterans Affairs, state fiscal year 2003;
- State Dental Loan Repayment Program, Department of Public Health and Environment, state fiscal year 2004, state fiscal year 2010;
- Tobacco Education, Prevention and Cessation Program, Department of Public Health and Environment, state fiscal year 2005;
- Performance Audits of Tobacco Settlement Programs (executive summary), December 2008.

### Office of the State Treasurer

C.R.S. 24-22-115.5 provides statutory authority for distributing tobacco settlement funds from the Tobacco Settlement Cash Fund (TSCF) within the State Treasury. The Colorado State Treasurer's Office is also custodian for the Tobacco Settlement Trust Fund (TSTF) and is charged with maximizing earnings with the Tobacco Settlement Trust Fund moneys.

### Historic Legislation

Through SB 07-097 the General Assembly changed the financial structure of the Tobacco Master Settlement programs. Senate Bill 07-097 redirected the moneys that remain after the 11 Tier 1 programs receive their allocations to a group of 9 additional health-related programs listed in Section 24-75-1104.5 (1.5), C.R.S.,. These are referred to as Tier 2 programs and include the CU Denver Health Sciences Fund, Colorado Indigent Care Program, Medicaid Shortfalls at Children's Hospital, Local Public Health Planning and Support, Colorado Immunization Program, Short-term Innovative Health Program Grants, Offender Mental Health Services, Alcohol and Drug Abuse, Supplemental State Health and Dental Contribution, and

House Bill 07-1359 further altered the distribution of settlement moneys by accelerating the use of a portion of the settlement payments and diverting another portion into a special account that can, until April 2008, be used to pay for over expenditures and supplemental appropriations for the Children's Basic Health Plan and the Colorado Benefits Management System.

Additionally, , seven bills (the "Innovative Grant Fund" bills, S.B. 07-4, S.B. 07-146, S.B. 07-232, H.B. 07-1057, H.B. 07-1064, H.B. 07-1335, and H.B. 07-1346) tapped tobacco settlement money that would have otherwise supported Short-term Innovative Health Program Grants for other purposes.

### Key legislation

(A) Three bills were passed in the 2009 session that impacted the Tobacco Settlement funding.

HB09-1223 Tobacco Litigation Fund & CO Benefit Mgmt Sys (Marostica—Tapia) This bill extended the deadline for expending funds in the Health Care Supplemental Appropriations and Overexpenditure Account of the Tobacco Litigation Settlement Cash fund through FY 2009-10. It also states that any unexpended moneys in the fund as of April 15, 2010 will revert to the General Fund.

SB09-210 Tobacco Settlement Health Programs (Tapia—Ferrandino) The bill transfers \$977,346 of tobacco-settlement moneys to the General Fund in FY 2008-09 and \$2.4 million in FY 2009-10. The FY 2009-10 transfer of \$2.4 million is from the Comprehensive Primary and Preventative Care Fund to the General Fund

The bill also simplifies budgeting by merging two streams of tobacco litigation settlement revenue that support the Children's Basic Health Plan and by specifying that annual funding for Home- and Community-based Services for Children with Autism from the Tobacco Litigation Settlement Cash Fund is \$1.0 million.

SB09-269 Adjust Tobacco Settlement Moneys Alloc (White—Ferrandino). The bill transfers moneys that the state receives under the terms of the Tobacco Master Settlement Agreement to the General Fund. Specifically, the bill:

- Caps the amount of tobacco settlement revenue allocated to tobacco settlement programs at \$100.0 million for FY 2009-10 and reduces appropriations to affected settlement supported programs;
- Transfers \$1.1 million and any disputed settlement payments from the Tobacco Litigation Settlement Cash Fund to the General Fund;
- Delays for one year the mandated 1 percent growth in the allocation of settlement moneys to the Nurse Home Visitor Program, maintaining program funding at the FY 2008-09 level;
- Maintains funding for the AIDS Drug Assistance Program at the FY 2008-09 level;
- changes the funding source for the Summer School Grant Program from the State Education Fund to the Read-to-Achieve Cash Fund (\$1.0 million); and
- Transfers \$65 million of settlement revenue received in April 2010 to the General Fund to support FY 2009-10 expenditures and directs a like amount of the April 2011 revenue among tobacco settlement programs in FY 2010-11.

(B) Three bills were passed in the 2010 session that impacted Tobacco Settlement funding.

HB10-1140 Veterans Trust Fund Guard Armories (Nikkel—Shaffer B) This bill allows funds from the Veterans Trust Fund to be used to build National Guard armories at Alamosa, Grand Junction, and Windsor, with an effective repeal date of July 1, 2011.

HB10-1323 Use Of Tobacco Tax Master Settlement (Pommer—Ferrandino) To help balance the state budget for fiscal years 2009-10 and 2010-11, the bill limits the amount of tobacco money transferred to the comprehensive primary and preventive care grant program to the amount committed for grants on or before September 30, 2009, and transfers the remaining amount to the general fund. For FY 2010-11, the appropriation of \$2.9 million is transferred to the general fund. The bill also directs the following changes:

- a transfer of \$2 million from the Colorado indigent care program to the general fund for FY 2009-10;
- the \$1.6 million balance remaining in the short-term innovative health program fund at the end of FY 2010-11 is transferred to the general fund;
- the creation of the supplemental tobacco litigation settlement moneys account in the comprehensive primary and preventive care fund is repealed; and



- for FY 2010-11 and each year after, the children's basic health plan trust fund shall receive 13.5% of the master settlement moneys (up from 5% in FY 2009-10).

SB10-73 Nurse Home Visitor Program Admin (Tapia—McFadyen) The act modifies and clarifies the roles of the department of public health and environment (department) and the health sciences facility at the university of Colorado (health sciences facility) with regard to the nurse home visitor program (program), which receives moneys from tobacco litigation settlement funds and sets forth the general assembly's intent that the 2 entities collaborate. The most notable changes are:

- a requirement that the health sciences facility work with the state auditor's office during its annual evaluations of tobacco settlement programs;
- a requirement that the health sciences facility, rather than the state board of health and the department, monitor the effectiveness of the program;
- caps the amount of the money annually appropriated for the program from the nurse home visitor fund, that the department may retain at 5%, of which up to 2% may be retained by the department for its costs to implement the program and up to 3% may be used to compensate the health sciences facility for its costs in administering the program; and
- To implement the act the appropriation for the department is reduced by 1.0 FTE.

#### **IV. BOARD OF HEALTH RECOMMENDATION**

The Colorado Board of Health recommends funding be continued for core tobacco settlement programs subject to monitoring by the board under section 25-1-108.5 C.R.S. The board has no recommendation for any changes or additional programs for which the General Assembly should consider appropriating monies received pursuant to the Master Settlement Agreement.

#### **V. PROGRAM OVERVIEW**

Pursuant to section 24-75-1104.5, C.R.S., for state fiscal year 2009-2010, the following programs receive monies subject to appropriations based on statutory funding methodologies; percentages are based on the total master settlement funding received each year:

##### Tier 1 Programs

- Children's Basic Health Plan, 24 percent, not to exceed \$30 million each year, with a minimum of \$17.5 million;
- Comprehensive Primary and Preventive Care Grant Program, 3 percent, not to exceed \$5 million; except in 2009-10 \$2.4 million dollars will be transferred to the General Fund.
- Children's Autism Program, funding was added via C.R.S 24-4-695, up to \$1 million per year
- Read to Achieve Grant Program, 5 percent, not to exceed \$8 million;
- Colorado State Veterans Trust Fund, 1 percent, not to exceed \$1 million;
- Colorado Nurse Home Visitor Program, 13 percent, not to exceed \$19 million.

Beginning in FY 2007-08, 12 percent, with a maximum of \$19 million. Rises by one percentage point each year up to 19 percent in FY 2014-2015; except that in FY 2009-10 the percentage is the same as in FY 2008-09.

- Dental Loan Repayment Program, \$200,000 maximum;
- Tony Gramscas Youth Services Program, 4 percent, not to exceed \$5 million;
- ADAP-Ryan White AIDS Drug Assistance Program, 3.5 percent, not to exceed \$5 million per year;
- HIV and AIDS Prevention Grant Program, 2 percent, not to exceed \$2 million; and,
- Child Mental Health Treatment Program, \$300,000 per year

In the 2007 legislative session, the “Tier 2” programs were added. These programs are subject to appropriation based on the following guidelines.

The Tier 1 programs have been fully funded, and all over expenditures and supplemental appropriations have been made. In most cases any interest earned and unexpended/unencumbered funds at the end of the fiscal year will revert to the Short Term Innovative Health Program Cash Fund.

#### Tier 2 Programs

- University of Colorado at Denver Health Sciences Center shall receive 49% of the remaining moneys after Tier 1 has been funded. (This funding is used to pay off construction bonding, and no report is submitted)
- Colorado Indigent Care Program shall receive 8.5% of the remaining moneys after Tier 1 has been funded.
- The Pediatric Specialty Hospital Fund (Medicaid Shortfalls at Children’s Hospital) shall receive 1 % of the remaining moneys after Tier 1 has been funded.
- Children's Basic Health Plan Trust shall receive 5% of the remaining moneys after Tier 1 has been funded.
- Public Health Services Support Fund (Local Public Health Planning and Support) shall receive 7% of the remaining moneys after Tier 1 has been funded.
- Colorado Immunization Fund shall receive 4 % of the remaining moneys after Tier 1 has been funded.
- The Short Term Innovative Health Program Fund shall receive 6 % of the remaining moneys after Tier 1 has been funded.
- Offender Mental Health Treatment shall receive 12% of the remaining moneys after Tier 1 has been funded.
- Division of Alcohol and Drug Abuse shall receive 3 % of the remaining moneys after Tier 1 has been funded.
- Supplemental State Contribution Fund (Supplemental State Health and Dental Contribution) shall receive 4.5% of the remaining monies after Tier 1 has been funded.

### *Disbursement of Funds*

C.R.S. 24-22-115.5 provides statutory authority for distributing tobacco settlement funds from the Tobacco Settlement Cash Fund (TCSF) within the State Treasury.

The statute appropriates a percentage of the settlement funds each year to specific programs. Unspent or unencumbered appropriated funds revert from the Tobacco Settlement Cash Fund to the Tobacco Settlement Trust Fund for the following five Tier 1 programs:

- Comprehensive Primary and Preventive Care Grant;
- Nurse Home Visitor;
- Tony Grampsas Youth Services;
- ADAP-Ryan White; and
- Child Mental Health Treatment.

The State Treasury requires the programs to submit documentation of the amount spent during the fiscal year and for any valid encumbrances that are rolled into the new fiscal year and to return any unspent and unencumbered appropriated monies to the fund.

The remaining six Tier 1 programs listed below have authority to retain unspent and unencumbered funds in their specific program fund:

- Children's Basic Health Plan;
- Children with Autism,
- Read to Achieve;
- Veterans Trust Fund;
- Dental Loan Repayment; and
- HIV and AIDS Prevention.

The Tier 2 Programs have, by statute, their interest and any unencumbered/unexpended funds at the end of the year transferred to the Short Term Innovative Health Program Fund.

**Table 1: FY 2009-10 and FY 2010-11 appropriations**

<b>Tier 1 Programs</b>	<b>FY 2009-10 Long Bill Appropriation</b>	<b>FY 2009-10 Revised Appropriation (Long bill, special bills and supplementals)</b>	<b>FY 2010-11 Appropriation</b>
<b>Department of Health Care Policy and Financing</b>			
Children's Basic Health Plan	\$31,187,033	\$31,586,571	\$29,547,271
Comprehensive Primary & Preventive Care Grants	\$3,886,623	\$127,816	\$0
Children with Autism	\$888,312	\$643,066	\$686,182
<b>Department of Education</b>			
Read to Achieve	\$6,675,177	\$4,507,883	\$6,290,713
<b>Department of Military and Veteran's Affairs</b>			
Veteran's Trust Fund	\$639,411	\$1,078,911	
<b>Department of Public Health and Environment</b>			
Nurse Home Visitor	\$14,436,684	\$13,448,040	\$13,444,464
Dental Loan Repayment	\$200,000	\$200,000	\$199,667
Tony Gramscas Youth Services	\$3,992,530	\$3,987,528	\$3,841,275
ADAP-Ryan White	\$3,622,156	\$3,622,156	\$3,622,156
HIV and Aids Prevention	\$2,779,025	\$2,778,366	\$2,938,197
<b>Department of Human Services</b>			
Child Mental Health Treatment	\$991,211	\$1,051,054	\$976,994
<b>Tier 2 Programs</b>	<b>FY 2009-10 Long Bill Appropriation</b>	<b>FY 2009-10 Revised Appropriation</b>	<b>FY 2010-11 Appropriation</b>
<b>Department of Health Care Policy and Financing</b>			
Colorado Indigent Care Program	\$2,975,000	\$0	\$0
Medicaid Shortfalls at Children's Hospital-Pediatric Specialty Hospital fund	\$355,359	\$350,000	\$307,000
<b>Department of Public Health and Environment</b>			
Local Public Health Planning and Support	\$2,615,712	\$2,578,202	\$2,286,355
Colorado Immunization Program	\$959,707	\$938,273	\$844,789
Short-term Innovative Health Program Grants	\$0	\$0	\$0
<b>Department of Human Services</b>			
Offender Mental Health Services	\$4,264,303	\$4,246,986	\$3,914,785
Division of Alcohol and Drug Abuse	\$1,066,076	\$1,065,144	\$979,866
<b>Department of Personnel And Administration</b>			
Supplemental State Health and Dental Contribution	\$1,469,800	\$1,469,800	\$1,469,800

*Please note that the Short Term Innovative Health and Colorado Indigent care programs did not receive funding in FY 2009-10 or FY 2010-11. The funding for these programs has been transferred to support other programs during the financial crisis.*

Tables 2, 3 and 4 (state fiscal years 2007-08, 2008-09 and 2009-10) list funds disbursed from the Tobacco Settlement Cash Fund and funds reverted to the Tobacco Settlement Trust Fund as reported by the State Treasurer. Additional expenditure detail is included in the annual report submitted by each program. Care should be taken in comparing program expenditure detail to the Treasury reports due to the multiple fiscal years involved; spending authority vs. cash disbursements; and reconciliation of accounts payables and other considerations.

**Table 2: State fiscal year 2007-2008 Treasury disbursements and reversion of funds**

<b>PROGRAM</b>	<b>2007-2008 TREASURY ALLOTMENTS</b>	<b>TOTAL EXPENDITURES</b>	<b>FUNDS FORWARDED TO 2008-09</b>	<b>FUNDS REVERTED TO THE TRUST FUND</b>
Children's Basic Health Plan*	\$22,851,718	\$22,851,718	\$0	\$0
Comprehensive Primary and Preventive Care	\$2,682,116	\$2,452,392	\$0	\$229,724
Children with Autism*	\$273,607	\$273,607	\$0	\$0
Read to Achieve*	\$5,067,784	\$4,452,495	\$615,289	\$0
Veterans Trust Fund*	\$716,693	\$661,352	\$55,341	\$0
Nurse Home Visitor	\$10,692,502	\$9,995,394	\$0	\$697,108
Dental Loan Repayment*	\$200,000	\$198,271	\$1,729	\$0
Tony Grampsas	\$3,602,098	\$3,602,098	\$0	\$0
ADAP-Ryan White	\$3,151,836	\$3,151,836	\$0	\$0
HIV/AIDS Prevention*	\$3,036,023	\$1,785,258	\$1,250,765	\$0
Child Mental Health Treatment	\$276,243	\$276,243	\$0	\$0
Totals	\$52,550,620	\$49,700,664	\$1,923,124	\$926,832

\*Program retains funds in individual account, and money is not returned to the Treasurer.

**Table 3: State fiscal year 2008-2009 Treasury disbursements and reversion of funds**

<b>TIER 1 PROGRAMS</b>	<b>2008-2009 AVAILABLE TREASURY ALLOCATIONS</b>	<b>ACTUAL TRANSFERS FROM TREASURY</b>	<b>FUNDS FORWARDED TO 2009-10</b>	<b>FUNDS REVERTED TO THE TRUST FUND</b>
Children's Basic Health Plan*	\$26,674,098	\$26,674,098	\$0	\$0
Comprehensive Primary and Preventive Care	\$5,235,805	\$5,227,305	\$0	\$8,500
Children with Autism*	\$726,393	\$726,393	\$0	\$0
Read to Achieve*,**	\$6,524,508	\$5,174,508	\$1,350,000	\$0
Veterans Trust Fund*	\$977,500	\$998,551	\$1,051	\$0
Nurse Home Visitor	\$13,453,722	\$12,361,408	\$0	\$1,092,314
Dental Loan Repayment*, **	\$246,131	\$200,000	\$0	\$0
Tony Grampsas	\$4,139,607	\$4,074,033	\$0	\$65,574
ADAP-Ryan White	\$3,557,156	\$3,400,575	\$0	\$156,581
HIV Aids Prevention*, **	\$3,217,179	\$1,997,101	\$1,217,078	\$0
Child Mental Health Treatment	\$280,387	\$280,387	\$0	\$0
<b>TIER 2 PROGRAMS</b>				
Medicaid Shortfalls at Children's Hospital	\$317,000	\$317,000	\$0	\$0
Local Public Health Services	\$2,428,973	\$2,421,973	\$0	\$7,000
Colorado Immunization Program	\$1,379,546	\$1,469,168	\$0	\$0
Short-term Innovative Health Program Grants*	\$92,679	\$2,203,751	\$0	\$0
Offender Mental Health Services	\$4,480,243	\$4,407,502	\$0	\$72,741
Alcohol and Drug Abuse	\$1,127,508	\$1,101,875	\$0	\$25,633
Supplemental State Health and Dental Contribution.	\$1,739,729	\$1,652,813	\$0	\$86,916
Totals	\$76,598,164	\$74,688,441	\$2,112,123	\$1,515,259

\*Program retains funds in individual account, and money is not returned to the Treasurer.

\*\* Programs with a higher actual transfer than available allocation had fund balance available for use.

**Table 4: State fiscal year 2009-2010 Treasury disbursements and reversion of funds**

<b>TIER 1 PROGRAMS</b>	<b>2009-2010 AVAILABLE TREASURY ALLOCATIONS</b>	<b>ACTUAL TRANSFERS FROM TREASURY</b>	<b>FUNDS FORWARDED TO 2010-11</b>	<b>FUNDS REVERTED TO THE TRUST FUND</b>
Children's Basic Health Plan*	\$31,586,571	\$25,814,362	\$5,772,209	\$0
Comprehensive Primary and Preventive Care	\$242,041	\$130,298	\$0	\$111,743
Children with Autism*	\$1,042,785	\$1,000,000	\$42,785	\$0
Read to Achieve*,**	\$4,990,663	\$4,990,663	\$0	\$0
Veterans Trust Fund*	\$1,078,911	\$998,133	\$80,778	\$0
Nurse Home Visitor	\$12,975,724	\$12,651,361	\$0	\$324,363
Dental Loan Repayment*, **	\$200,000	\$199,591	\$409	\$0
Tony Grampsas Youth Services	\$3,992,530	\$3,986,075	\$0	\$6,455
ADAP-Ryan White	\$3,622,156	\$3,493,464	\$0	\$128,692
HIV Aids Prevention*, **	\$2,778,366	\$1,996,265	\$782,101	\$0
Child Mental Health Treatment	\$300,000	\$275,886	\$0	\$24,114
<b>TIER 2 PROGRAMS</b>				
Colorado Indigent Care Program	\$0	\$0	\$0	\$0
Medicaid Shortfalls at Children's Hospital	\$283,000	\$283,000	\$0	\$0
Local Public Health Planning and Support	\$2,060,229	\$2,060,229	\$0	\$0
Colorado Immunization Program	\$1,400,000	\$1,400,000	\$0	\$0
Short-term Innovative Health Program Grants*	\$0	\$0	\$0	\$0
Offender Mental Health Services	\$4,200,000	\$4,200,000	\$0	\$0
Alcohol and Drug Abuse	\$1,050,000	\$1,050,000	\$0	\$0
Supplemental State Health and Dental Contribution.	\$1,575,000	\$1,469,800	\$340,667	\$0
Totals	\$71,212,547	\$66,104,327	\$7,018,949	\$595,367

\*Program retains funds in individual account, and money is not returned to the Treasurer.

\*\* Programs with a higher allocation than transfer had fund balance available for use.

### *Auditing and Monitoring Costs*

C.R.S. 25-1-108.5(5) and C.R.S. 2-3-113(7) directed that the costs incurred by the Department of Public Health and Environment and the State Auditor's Office beginning in 2001-2002 be paid proportionately from the amounts annually appropriated to each tobacco settlement program. During the 2003 legislative session, C.R.S. 2-3-113(7) was changed via SB03-019. This change provided for a direct appropriation to the Office of the State Auditor. The appropriation is one-tenth of one percent of the annual settlement payment. The appropriation for each program is reduced by a proportional share of the money allocated to the State Auditor's Office. This replaced a direct payment from each program to the Auditor's Office. Each program is still required to directly pay the Colorado Department of Public Health and Environment for their portion of the oversight and monitoring costs.

The auditing costs were as follows:

- FY 2005-06 \$88,878;
- FY 2006-07 \$89,735;
- FY 2007-08 \$79,958;
- FY 2008-09 \$14,126;
- FY 2009-10 \$61,760

The monitoring costs for the Department of Public health and Environment were as follows:

- FY 2005-06 \$30,375;
- FY 2006-07 \$28,155;
- FY 2007-08 \$30,866;
- FY 2008-09 \$30,979;
- FY 2009-10 \$27,795

### *Administrative Costs*

The tobacco settlement statute limits the amount of funds available for administrative costs incurred by the programs or boards. The allowable administrative costs are based on a percent of the amount annually appropriated by the General Assembly or for Read to Achieve only, based on the amount in the Read to Achieve fund. Table 5 identifies the allowable administrative cost percentage and dollar amount and the actual expenditures as reported by the programs. C.R.S. 25-23-104 established that the administrative costs to implement the Dental Loan Repayment Program shall not exceed 10 percent, except for fiscal year 2001-2002 only when administrative costs shall not exceed \$36,000. The Children's Basic Health Plan administrative expenditures may not exceed 10 percent of total program expenditures. The actual administrative expenditures for the Children's Basic Health Plan are not provided in Table 5, but are provided relative to the administration of the full appropriation in the Colorado Department of Health Care Policy and Financing's annual report on the Children's Basic Health Plan.



**Table 5. Allowable administrative costs and actual expenditures as reported by the Tobacco Settlement programs.**

<b>TIER 1 PROGRAMS</b>	<b>ALLOWED '07-'08</b>	<b>ACTUAL COSTS '07-'08</b>	<b>ALLOWED '08-'09</b>	<b>ACTUAL COSTS '08-'09</b>	<b>ALLOWED '09-'10</b>	<b>ACTUAL COSTS '09-'10</b>
Children's Basic Health Plan *	Use of admin funds not specified	N/A	Use of admin funds not specified	N/A	Use of admin funds not specified	N/A
Comprehensive Primary and Preventive Care	1.0% = \$26,821	1.03% = \$27,792	1.0% = \$28,951	Less than 1% = \$19,688	1.0% = \$38,866	Less than 1% = \$3,889
Children with Autism Program	Use of admin funds not specified	28.1% = \$76,822 <sup>1</sup>	Use of admin funds not specified	5.3% = \$40,406	Use of admin funds not specified	3.9% = \$39,589
Read to Achieve	3.0% = \$152,034	3.0% = \$152,034	3.0% = \$196,275	Less than 3.0% = \$113,884	3.0% = \$149,720	1.8% = \$92,930
Veterans Trust Fund	5.0% = \$35,835	5.0% = \$35,732	5.0% = \$48,875	2.8% = \$28,335	5.0% = \$53,946	2.9% = \$31,375
Nurse Home Visitor	5.0% = \$534,625	4.67% = \$499,697	5.0% = \$672,681	4.1% = \$508,968	5.0% = \$672,402	2.9% = \$393,395
Dental Loan Repayment	10.0% = \$20,000	4.51% = \$9,021 <sup>2</sup>	10.0% = \$20,000	7.4% = \$14,828	10.0% = \$20,000	7.5% = \$15,004
Tony Gramscas Youth Services	Use of admin funds not specified	6.0% = \$249,808	Use of admin funds not specified	5.0% = \$245,520	Use of admin funds not specified	5.4% = \$225,305
ADAP-Ryan White Program	Use of admin funds not specified	Less than 1% = \$2,662	Use of admin funds not specified	Less than 1% = \$1,774	Use of admin funds not specified	Less than 1% = \$858
HIV and AIDS Prevention	5.0% = \$151,810	2.5% = \$75,688	5.0% = \$160,855	2.5% = \$81,626	5.0% = \$148,315	6.3% = \$188,018 <sup>3</sup>
Child Mental Health Treatment Program	Use of admin funds not specified	Less than 1% = \$0	Use of admin funds not specified	Less than 1% = \$0	Use of admin funds not specified	Less than 1% = \$0

<sup>1</sup> The change in percentages in actual administrative costs for the Autism Program is due to a significant increase in the annual appropriation.

<sup>2</sup> The decrease in administrative costs for the Dental Loan Repayment Program for FY 2007-08 is due to vacancy savings

<sup>3</sup> Additional funds were authorized in the operating budget for HIV/ AIDS Prevention for creation of the Primary Care Office in the Prevention Services Division of the Colorado Department of Public Health and Environment (CDPHE) (House Bill 09-1111).

<b>TIER 2 PROGRAMS</b>	<b>ALLOWED '07-'08</b>	<b>ACTUAL COSTS '07-'08</b>	<b>ALLOWED '08-'09</b>	<b>ACTUAL COSTS '08-'09</b>	<b>ALLOWED '09-'10</b>	<b>ACTUAL COSTS '09-'10</b>
Local Public Health Planning and Support	No Program	No Program	Use of admin funds not specified	Less than 1% = \$0	Use of admin funds not specified	Less than 1% = \$0
Colorado Immunization Fund	No Program	No Program	Use of admin funds not specified	Less than 1% = \$472	Use of admin funds not specified	Less than 1% = \$392
Short-Term Innovative Health Program	Use of admin funds not specified	7.4% = \$63,871	Use of admin funds not specified	9.8% = \$58,161	Use of admin funds not specified	Less than 1% = \$0
Offender Mental Health services	No Program	No Program	Use of admin funds not specified	\$100,889	Use of admin funds not specified	2.5% = \$105,894
Alcohol and Substance Abuse Prevention and Treatment	No Program	No Program	\$73,995	Less than 1% = \$0	Use of admin funds not specified	Less than 1% = \$100
Supplemental State Health and Dental Contribution	No Program	No Program	Use of admin funds not specified	Less than 1% = \$538	Use of admin funds not specified	Less than 1% = \$442

\*Program does not have administrative costs specified, nor do they report on administrative costs.

**Table 6. Eligible grantees, populations, and key goals as defined by statute.**

<b>Tier 1 Programs</b>	<b>Eligible Grantees</b>	<b>Eligible Population</b>	<b>Key Goals</b>
Children's Basic Health Plan	Children's Basic Health Plan.	Uninsured children under 19 years of age and pregnant women who live in a family under 205% of poverty and are not Medicaid eligible.	Administer a public/private partnership program to provide subsidized health insurance and a dental program for children in low-income families.
Comprehensive Primary and Preventive Care Grant	Qualified provider that provides comprehensive primary care services; accepts all patients regardless of ability to pay; uses a sliding fee schedule; serves a designated medically underserved area or population; has demonstrated a record of providing cost-effective care; provides or arranges for the provision of comprehensive care services to persons of all ages on a year round basis.	Uninsured, family income below 200% of poverty; no Medicaid, Medicare or other governmental coverage and not receiving third party payments.	Fund grants to increase access to comprehensive primary care services, create new services, or augment existing services or establish new sites that offer comprehensive primary care services.
Children with Autism	Community Centered Boards	Children aged 0-6 years with a diagnosis of autism. The child cannot be enrolled and receive benefits under another Medicaid waiver program.	Increase access to care for children that are diagnosed with autism.
Read to Achieve	Any public school, including charter schools.	Kindergarten, 1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> grade pupils whose literacy and reading comprehension skills are below established levels.	Fund intensive reading programs to enhance the literacy and reading comprehension skills of pupils and raise literacy and reading comprehension to the proficiency level on the 3 <sup>rd</sup> grade reading assessment prior to beginning 4 <sup>th</sup> grade.

<b>Tier 1 Programs (cont.)</b>	<b>Eligible Grantees</b>	<b>Eligible Population</b>	<b>Key Goals</b>
Veterans Trust Fund	State veteran's nursing homes, state veterans cemeteries, division of veteran's affairs, nonprofit veterans' organizations.	Veterans, no income eligibility requirements.	Fund capital improvements for state veterans nursing homes, costs incurred by state veterans cemeteries and veterans outreach programs, and veterans programs operated by nonprofit veterans organizations.
Nurse Home Visitor	Any non profit, or for-profit corporation, religious or charitable organization, institution of higher education, visiting nurse association, existing visiting nurse program, local health department, county department of social services, political subdivision of the state or other governmental agency or any combination thereof.	Mother's income below 200% of poverty; first-time mothers through child's second birthday. May be Medicaid eligible.	Provide the services of trained nurse home visitors to provide education and case management services to low-income, first-time pregnant women to improve their pregnancy outcomes, the health and development of their children and the long-term economic self-sufficiency of their families.
Dental Loan Repayment	Dentists and hygienists who agree to provide care to underserved populations for a minimum of two years.	Children's Basic Health Plan and Medicaid participants and other underserved Coloradans.	Fund a dental loan repayment program to encourage and enable dental professionals to provide care through the Children's Basic Health Plan, Medicaid program, and to other underserved populations in Colorado.

<b>Tier 1 Programs (cont.)</b>	<b>Eligible Grantees</b>	<b>Eligible Population</b>	<b>Key Goals</b>
Tony Gramscas Youth Services	Any private non-profit or not-for-profit community-based organization; faith-based organization; local government including public health, human service, and law-enforcement agency; local public or private school, school district or group of school districts; Board of Cooperative Education Services; institution of higher education; Colorado National Guard; state agency, or state operated program, State agencies must demonstrate 100% pass through of funds to local programs.	All Children, Youth, and Families across Colorado, primarily those children and youth determined to be “at risk”. At-risk students are defined as students who are at-risk of dropping out of school because of their socio-economic background, lack of adult support, language barriers, poor academic performance, or other identified indicators that cause students to drop out of school.	Provide funding to local organizations that serve youth and their families in an effort to reduce youth crime and violence and to prevent child abuse and neglect.
ADAP-Ryan White AIDS Drug Assistance	Funding goes directly to purchasing prescription medications for eligible individuals.	A client must have a total family income of 400% or less of the federal poverty level and have no other payment source, such as private health insurance or Medicaid prescription coverage to pay for their medications. In addition, clients must meet the medical criteria of a diagnosis of HIV disease.	Provide formulary medications on an outpatient basis, free of charge to Colorado residents who have HIV disease and who meet the financial eligibility criteria.
HIV and AIDS Prevention.	Local health agencies or Nonprofit organizations that are governed by a board of directors and are tax exempt.	Eligible grantees for the purpose of medically accurate HIV and AIDS prevention and education programs that are based in behavioral and social science theory.	Prevent morbidity and mortality of this disease by implementing comprehensive, medically accurate programs in HIV and AIDS prevention and education that are based in behavioral and social science theory and research.

<b>Tier 1 Programs (cont.)</b>	<b>Eligible Grantees</b>	<b>Eligible Population</b>	<b>Key Goals</b>
Child Mental Health Treatment Program	Residential Treatment Centers	Youth not categorically eligible for Medicaid, but who have become eligible by qualifying for Supplemental Security Income (SSI).	Provide services to children with significant mental health needs requiring residential treatment level of care, when a dependency and neglect action is neither appropriate nor warranted. Previously, the only option for many Colorado families was to obtain residential treatment through the child welfare or juvenile justice systems, which can lead to custody relinquishment.
<b>Tier 2 Programs</b>	<b>Eligible Grantees</b>	<b>Eligible Population</b>	<b>Key Goals</b>
Colorado Indigent Care Program	Local Health agencies	Colorado residents who are at or below 250% of the Federal poverty level and are not eligible for the Medicaid Program or Child Health Plan <i>Plus</i>	Provides funding to clinics and hospitals so that medical services can be provided at a discount to Colorado residents that meet the eligibility requirements
Local Public Health Services	Local Public Health agencies	Public health agencies for use in providing population based health services	Supplement the per capita funding provided through state general funds for local public health agencies.
Colorado Immunization Fund	Health care providers	All Colorado children and families.	Provide financial resources for immunizations, immunization strategies, and the Cervical Cancer Immunization Program.

<b>Tier 2 Programs (cont.)</b>	<b>Eligible Grantees</b>	<b>Eligible Population</b>	<b>Key Goals</b>
Short Term Innovative Health	Participation in the program is limited to organizations that meet the following criteria: identified priorities that could be advanced in a single fiscal year, are innovative and do not have an alternative funding source.	All Coloradans	Make short-term grants of no more than one fiscal year in duration to fund innovative health programs designed to improve the health of Coloradans.
Offender Mental health Services	Community-based organizations that collaborate with local and State juvenile and criminal justice agencies.	Juveniles and adults with mental illness involved in the criminal justice system	Increase community capacity to serve juveniles with serious emotional disorders (SED) and adults with serious Mental illness (SMI); Provide outcome and recovery oriented services that increase the target population's ability to function independently in the community; Promote collaboration among communities and across mental health and criminal justice systems; Reduce jail and prison recidivism; Provide for long term, local sustainability; Provide cost effective services
Alcohol and drug Abuse Prevention and Treatment	Community Programs established by the Division of Behavioral Health and community organizations within the seven sub-state planning areas established by the Division of Behavioral Health.	Individuals and families who are indicated to be at high risk for substance abuse, persons involuntarily committed for treatment due to the perceived danger to themselves or to others caused by alcohol or drug dependence, pregnant substance-abusing women, injecting drug users, substance abusing women with dependent children, and adolescents with substance use disorders, including binge drinking.	Provide young people, families and communities with the resources and skills to increase protective factors and decrease risk factors linked to substance abuse. Enhance and expand substance abuse treatment services statewide. Provide group, individual, and/or family counseling aimed at reducing substance use, increasing abstinence, improving housing situations, gaining employment, and reducing involvement with the juvenile or criminal justice systems.

<b>Tier 2 Programs (cont.)</b>	<b>Eligible Grantees</b>	<b>Eligible Population</b>	<b>Key Goals</b>
Supplemental State health and Dental Contribution	These are not typical “grants” the employee receives the benefit directly.	A state employee as defined in Section 24-50-603 (7) who is eligible by virtue of their employment to enroll in a group benefit plan; has an annual household income of less than three hundred percent of the Federal Poverty Level; and has at least one dependent other than their legal spouse.	Encourage lower-income employees with dependent children to enroll in health insurance offered by the state by supplementing plan premiums. Promote the use of disease management programs to reduce the costs of health care.

The following table identifies the actual number of persons served as reported by the individual tobacco settlement programs. Data for some programs do not allow for an unduplicated count of individuals served and data may include patients who previously received care but now are receiving services under tobacco settlement programs. Additionally, individuals may be served in more than one program. As programs evolve, eligibility counts are refined and improved and may vary from year to year.

***Table 7. Number of eligible persons served.***

<b>PROGRAM</b>	<b>'07-'08 Persons served</b>	<b>'08-'09 Persons served</b>	<b>'09-'10 Persons served</b>
<b>Tier 1</b>			
Children’s Basic Health Plan (CBHP)	Average monthly enrollment for children, 57,795 and average monthly enrollment for pregnant women, 1,570.	Average monthly enrollment for children, 61,582 and average monthly enrollment for pregnant women, 1,656.	Average monthly enrollment for children, 68,725, and average monthly enrollment for pregnant women, 1,561.
Comp. Primary and Preventive Care	Medical services were provided to 5,102 patients through 17,602 medical encounters; Dental services were provided to 1,386 patients through 3,167 dental encounters; Optical services were provided to 1,110 patients through 2,418 optical encounters; Subsidy payments toward the purchase of eyeglasses were provided to 945 patients through 2,418 optical encounters.	Medical services were provided to 7,798 patients through 12,818 medical encounters; Dental services were provided to 3,437 patients through 7,723 dental encounters; Mental health services were provided to 132 patients through 212 mental health encounters. Optical services were provided to 933 patients through 1,800 optical encounters.	As a result of the statewide budget emergency, funding to this program was withdrawn as of October 2009. The existing grants were completed, and no future grants were made, results were not reported.



<b>PROGRAM</b>	<b>'07-'08 Persons served</b>	<b>'08-'09 Persons served</b>	<b>'09-'10 Persons served</b>
Children with Autism	Children with Autism program served 75 children in FY 2007-08.	Children with Autism program served 75 children in FY 2008-09.	Children with Autism program served 75 children in FY 2009-10.
Read to Achieve	54 schools, nearly 3,800 students.	51 schools, over 3,200 students.	41 schools, over 2,500 students.
Veterans Trust Fund	22 grantees, 7,717 veterans received either direct or indirect services	29 grantees, 10,116 veterans received either direct or indirect services.	35 grantees, 10,645 veterans received either direct or indirect services.
Nurse Home Visitor	18 sites, 2,358 families.	19 sites, 2,590 families.	19 sites, 2,590 families
Dental Loan Repayment	Fourteen new dental providers participated in the program, in addition to 13 continuing providers.	Fifteen new dental providers participated in the program, in addition to fourteen continuing providers.	Fifteen new providers participated in the program, bringing the total number of awards given since the program's inception to 94.
Tony Grampsas Youth Services	Tony Grampsas Youth Services Programs served 29,361 children, youth, and parents.	Tony Grampsas Youth Services Programs served 45,996 children, youth, and parents.	Tony Grampsas Youth Services Programs served 52,161 children, youth, and parents.
ADAP-Ryan White AIDS Drug Assistance	Total clients served by all funding sources were 2,243.	Total clients served by all funding sources were 2,018. 1,427 through direct medication assistance and 591 through Medicare wrap around assistance	Total clients served by all funding sources were 2,574. 1,879 through direct medication assistance and 695 through Medicare wrap around assistance
HIV and AIDS Prevention	24 HIV and AIDS prevention projects were funded throughout the state to address the needs of individuals at-risk of acquiring or transmitting HIV.	32 HIV and AIDS prevention projects were funded throughout the state to address the needs of individuals at-risk of acquiring or transmitting HIV.	33 HIV and AIDS prevention projects were funded throughout the state to address the needs of individuals at-risk of acquiring or transmitting HIV.
Child Mental Health Treatment Program	30 children received residential mental health treatment	CMHCs assessed 44 youth, and placed 44 in either residential or community-based treatment during FY 08-09, including those admitted in previous fiscal years.	CMHCs assessed 55 youth, and placed 36 in either residential or community-based treatment during FY09-10, including those admitted in previous fiscal years.

<b>PROGRAM</b>	<b>'07-'08 Persons served</b>	<b>'08-'09 Persons served</b>	<b>'09-'10 Persons served</b>
<b>Tier 2</b>			
Local Public Health Services	The program provided funding to all 54 Local health Agencies in Colorado to serve residents of Colorado counties.	The program provided funding to all 54 Local health Agencies in Colorado to serve residents of Colorado counties.	The program provided funding to all 54 Local health Agencies in Colorado to serve residents of Colorado counties.
Colorado Immunization Fund	Since this was a new program, results were not reported	The Immunization Fund provided funds to 16 local public health and non-profit agencies to provide immunization services to local providers and citizens of their communities through two pilot project opportunities. A total of 42 immunization education sessions were provided (623 persons in attendance), 139 immunization clinics were held, and 4,781 clients were vaccinated.	The Immunization Fund provided funds to 12 local public health and non-profit agencies to provide immunization services to local providers and citizens of their communities through two pilot project opportunities. A total of 44 immunization education sessions were provided (396 persons in attendance), 128 immunization clinics were held, and 2000 clients were vaccinated.
Short Term Innovative Health	Since this was a new program, results were not reported.	Grants were made to fund five different projects. In each case, services were aimed at a specific population group, e.g. – nursing women. These were not direct services, so the number of individuals served is not available.	As a result of the statewide budget emergency, funding to this program was withdrawn as of October 2009. The existing grants were completed, and no future grants were made
Offender Mental Health Services	Since this was a new program, results were not reported	During FY 2008-09, the Offender Mental Health Services Initiative Program served 1,547 individuals (1,257 adults and 290 juveniles).	During FY 2009-10, the Offender Mental Health Services Initiative Program served 1,889 individuals (1,485 adults and 404 juveniles).

<b>PROGRAM</b>	<b>'07-'08 Persons served</b>	<b>'08-'09 Persons served</b>	<b>'09-'10 Persons served</b>
Substance Abuse Prevention and Treatment	Since this was a new program, results were not reported	The prevention programs served 675,458 clients in FY 2008-09. DIRECT Services were provided to 89,704 clients and indirect services were provided to 585,748 clients and community members. The treatment program served 17,488 unique clients.	The prevention programs served 798,327 clients in FY 2009-10. DIRECT Services were provided to 25,449 clients and indirect services were provided to 772,878 clients and community members. The treatment program served 20,799 unique clients
Supplemental State Health and Dental Contribution	Since this was a new program, results were not reported	482 state employees received the supplemental insurance benefit. 16 were new enrollments from employees who had previously waived coverage. An additional 26 employees enrolled dependents who had not previously been insured.	623 state employees received the supplement under Tier A & B; Tier C applicants were declined due to lack of funds. 9 were new enrollments by employees who had previously waived coverage. An additional 22 employees enrolled dependents who had not previously been insured.

## **V. Tobacco Settlement Program Report Summaries**

The following section includes a brief description of each program, a summary of accomplishments as reported by each program and areas for development as identified through any internal and external reviews, monitoring and auditing activities.

### **Tier 1 Programs**

#### **Colorado Department of Health Care Policy and Financing Children's Basic Health Plan**

The Children's Basic Health Plan is a public/private partnership providing health insurance for children and pregnant women in low-income families who are not eligible for Medicaid and have incomes at or below 205 percent of the federal poverty level. Effective May 1, 2010, eligibility for both children and pregnant women was increased to 250 percent of the federal poverty line. The Colorado Department of Health Care Policy and Financing contracts with private vendors for many of the program services, and administers the program.

In FY 2009-10, the program was appropriated a total of \$164,398,285 by the General Assembly to serve an average monthly enrollment of 68,725 children and 1,561 adult pregnant women.

Extensive outreach activities continued in FY 2009-10. The Department's outreach efforts have focused on providing funding opportunities and training for counties and local Community Based Organizations (CBOs) to support their efforts to enroll eligible clients into Medicaid and CHP+. The Department's approach to outreach is based on the "trusted hand" model leveraging the existing relationships and knowledge of community resources to optimize opportunities to identify and enroll eligible, but not enrolled clients.

In addition, the Department's Outreach team has provided technical assistance and statewide training to support the efforts of the CBOs. The Medical Services Board submits an annual report to the Joint Budget Committee and the Health and Human Services Committee of the Senate and House of Representatives. The annual report and additional information about the Children's Basic Health Plan may be obtained through the Colorado Department of Health Care Policy and Financing's website at:

<http://www.colorado.gov/cs/Satellite/HCPF/HCPF/1214299848506>.

#### *Accomplishments include:*

- CHP+ provided medical and dental benefits to an average monthly enrollment of 68,725 children, an 11.6% increase from the previous year.
- CHP+ provided medical benefits to an average monthly enrollment of 1,561 adult pregnant women.
- Eligibility for CHP+ was increased from 205% to 250% of the federal poverty line on May 1, 2010. As of September 30, 2010, this expansion has provided coverage to approximately 2,500 children and 200 pregnant women who previously were not eligible for assistance.
- In an effort to enroll more CHP+ children into managed care organizations, the Department initiated expansions that have allowed the program to move to a risk-based managed care

model in 19 counties where previously no HMOs were geographically available. As a result of these expansions, reliance on the State's Managed Care Network decreased from 31 counties to 6 counties.

*Areas of development include:*

- Improve health status for participants by assuring access to appropriate health care services;
- Ensure continual cost-effectiveness in the Plan;
- Effectively increase program enrollment and retention;
- Continue to implement all provisions included in the Children's Health Insurance Program Reauthorization Act;
- Expand the CHP+ At Work program, which provides financial assistance to working families with employer-sponsored insurance; and
- Maximize the effectiveness of CHP+ as a public/private partnership.

Colorado Department of Health Care Policy and Financing  
**Comprehensive Primary and Preventive Care Grant Program**

The Comprehensive Primary and Preventive Care (CPPC) Grant Program is authorized by Sections 25.5-3-201 through 25.5-3-207, C.R.S., Comprehensive Primary and Preventive Care Grant Program Act. The program provides grants to health care providers in order to expand primary and preventive services to Colorado's low-income residents. The program is not intended to supplant or expand state Medicaid, the Children's Basic Health Plan or the Colorado Indigent Care Program. The grants are intended to increase access to comprehensive primary care services for uninsured or medically indigent patients who are served by qualified providers; create new services or augment existing services provided to uninsured or medically indigent patients; or establish new sites that offer comprehensive primary care services in medically underserved areas of the state or to medically underserved populations. The program is administered by the Colorado Department of Health Care Policy and Financing and is under the direction of the Medical Services Board.

In response to the current economic downturn, during the 2009 legislative session, the General Assembly significantly decreased CPPC grant funding for FY 2009-10 through the passage of SB 09-210, SB 09-269, and SB 09-259 – the Long Bill. These reductions meant that available funds for previously awarded multi-year CPPC grants were reduced and that there was no funding for new projects. Therefore, no applications were sought for new grant awards for FY 2009-10.

Subsequently, the August 25, 2009 Budget Balancing Plan for FY 2009-10 presented to the Joint Budget Committee, proposed elimination of funding for existing CPPC grant awards effective September 1, 2009. Previously awarded multi-year CPPC grant contracts with deliverables in FY 2009-10 were terminated effective September 30, 2009, with approximately \$125,000 paid to grantees.

Additional information about the Comprehensive Primary and Preventive Care Grant Program may be obtained through the Colorado Department of Health Care Policy and Financing's Web site at: [www.colorado.gov/hcpf](http://www.colorado.gov/hcpf) under the Providers menu.

*Areas for development include:*

- The Department looks forward to awarding additional CPPC grants for improving access to primary and preventative care services for low-income, uninsured Coloradans when the economy improves and funding is restored.
- The Department requested a partial restoration of funding to the program for FY 2010-11 through the FY 2010-11 Budget Request. The amount requested for use in FY 2010-11 was \$2,326,677. Due to the on-going budget crisis, the funding request was denied. The FY 2010-11 appropriations is \$0.

**Colorado Department of Health Care Policy and Financing  
Children with Autism**

Funds received by the Colorado Autism Treatment Fund are used to provide eligible children services including behavioral therapies and case management. The Home and Community Based Services (HCBS) waiver for Children with Autism (CWA) was authorized by the enactment of Senate Bill 04-177. The legislation created the program to support children 0 to 6 years of age with autism, with the goal of allowing them to live in the community rather than in an institution. The program accomplishes this by providing a waiver benefit for behavior therapy. However, no eligible child may receive services with costs in excess of twenty-five thousand dollars annually, pursuant to 25.5-6-804 (2), C.R.S. (2010). The statute requires implementing a federally approved waiver, establishing rules, enrolling providers, determining rates, establishing a payment system and providing oversight. The maximum enrollment for the program is 75 children. The program served 75 children in FY 2009-10 and expects to serve 75 children during FY 2010-11.

A total of \$ 1,042,785 in tobacco settlement monies was transferred to the Colorado Autism Treatment Fund during FY 2009-10.

Additional information about the Children's Autism Program may be obtained through the Colorado Department of Health Care Policy and Financing's Web site at:  
[www.colorado.gov/hcpf](http://www.colorado.gov/hcpf).

*Accomplishments include:*

- In FY 2009-10, an enhancement of the Federal match rate with American Recovery and Reinvestment Act monies resulted in a savings to the Autism Treatment Program of \$168,356
- Within their first year of service, the providers are fully certified by the Department of Public Health and Environment to ensure compliance with the rules
- The program has maintained enrollment of 75 children and a waitlist of 225, down from 240 the year before.

*Areas for development include:*

- Improve access to medical care for children that are diagnosed with autism. For FY 2010-11, the Department will continue to make the program more efficient and effective for clients' families, case managers, and service providers.

- The program administrator will monitor a statistically significant sample of cases across all Community Centered Boards to ensure quality in the patient enrollment and case management process.
- The Department is enrolling new providers and hosting provider training on an ongoing basis and continues to increase availability of providers for families and children in the program.

## Colorado Department of Education **Read to Achieve Grant Program**

The Read to Achieve grant program is authorized by Section 22-7-506 C.R.S. The program is structured to award competitive grants to schools to fund intensive reading programs. Pupils in kindergarten, first-, second-, and third-grade 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; making recommendations to the State Board of Education regarding which schools should receive grants; making recommendations on 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 of each year.

During the second year of the Read to Achieve Program, 8 of the 51 participating schools received both Read to Achieve and Colorado Reading First funds. Forty-eight of the schools in the program also received Title I funding. Schools were able to leverage funds through these programs, allowing them to provide systematic, explicit, scientifically research-based reading instruction and assessments. These funds were used to supplement, not supplant, monies currently used.

Additional information about the Read to Achieve Grant Program may be obtained through the Colorado Department of Education's Web site at:  
<http://www.cde.state.co.us/coloradoliteracy/rta/download/GovernorsReportFinal.pdf>

### *Accomplishments include:*

- During the 2009-10 school year, the Read to Achieve grant program served over 2,500 students in 41 schools.
- 72 percent of students met or exceeded program benchmark goals.

*Areas for development include:*

- Future evaluations using the DIBELS sub-tests should allow for better identification of program success. This will allow program administrators to compare the program structures, processes, and outcomes among schools that are performing at or above the statutory goal. In 2010-11, the Colorado Department of Education will
- Study the correlation between Grade 3 CSAP and Grade 3 DIBELS outcomes.
- Provide differentiated and optional professional development opportunities based on school needs including placing consultants in schools to offer support and professional expertise.
- Monitor the administration, scoring, and reporting of program assessments to determine the validity of the test data.
- Guide educators in the Read to Achieve schools in collecting, recording, and reporting reliable and valid test information.
- Provide technical assistance and support.
- Maintain and update the Read to Achieve Web site as a useful and current means of communicating with Read to Achieve educators.
- Conduct school visits to provide technical assistance and support to ensure that students are receiving supplemental reading time.
- Determine that the scoring and reporting of program assessments are done efficiently and effectively
- Provide schools with summative student achievement data to improve and guide instruction.

#### Colorado Department of Military and Veterans Affairs **State Veterans Trust Fund**

The Colorado State Veterans Trust Fund is designed with the specific goal of assisting all eligible veterans residing in the State of Colorado regardless of race, color, national origin, religion, sexual preference, marital or religious status by providing funds for the following:

- State Veteran's Nursing Homes for capital improvements and needed amenities.
- Costs incurred by the Legislative Oversight Committee and veterans nursing home commission to evaluate quality of care provided at certain state veteran's nursing homes.
- Operation and maintenance of existing or future State Veterans Cemeteries.
- Costs incurred by the Division.
- Non-profit Veterans Service Organizations to assist homeless veterans and their families, providing veteran transportation to and from Veteran Medical Centers and Doctor's appointments; stand-downs; veteran's forums, and programs to assist the veteran in employment or job related services.

There are approximately 424,000 eligible veterans in the State of Colorado. Not all of them require assistance. Those that do require assistance include nursing home residents; homeless



and indigent veterans; combat disabled veterans; invalids; and under-employed and unemployed veterans.

Additional information about the Veterans Trust Fund may be obtained at:  
[www.dmva.state.co.us](http://www.dmva.state.co.us).

*Accomplishments include:*

- Veterans in the Front Range urban corridor, the Grand Junction area and eleven (11) rural communities were assisted via transportation, employment assistance and homeless programs that provided a means for veterans and dependents to make medical appointments, find jobs and access other needed services.
- Assisted in the operations of six (6) major homeless/incarcerated veteran projects in the front-range urban corridor and Grand Junction.
- Provided funds for the purchase of three (3) vehicles to accommodate transportation programs and nursing home residents.

Colorado Department of Public Health and Environment  
**Nurse Home Visitor Program**

The Nurse Home Visitor Program (NHVP) is authorized by Section 25-31-101 C.R.S. The program makes nurse home visitation services available to all first-time pregnant women whose incomes are under 200 percent of the Federal Poverty Level and who elect to participate in the program. Research shows that short-term and long-term improvements in the health and the life courses of participating mothers and their children result when specially trained nurses provide home visitation services for low-income, first-time mothers, from early in pregnancy through the child's second birthday.

The program addresses a mother's personal health; provides advice for newborn care giving, children's health care, child development, and home safety; and increases access to educational, social and employment resources needed to achieve personal goals and improve the well being of the family.

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 grantees and in monitoring and evaluating the implementation of the program in communities throughout the state. The National Center for Children, Family and Communities, in conjunction with the Nurse-Family Partnership National Service Office and Invest in Kids, has established standards to help Nurse Home Visitor Program sites track their adherence to the program model and to monitor outcomes related to common indicators of maternal, child and family functioning. The standards are intended to provide guidance for quality improvement efforts and long-term targets for sites to achieve over time.

The FY 2009-10 Long Bill appropriated \$14,436,684 of Tobacco Master Settlement Agreement (MSA) funds to the Nurse Home Visitor Program. Senate Bill 09-269 restricted the amount by

\$982,962, and House Bill 10-1311, the supplemental bill, further reduced the amount by \$5,682 resulting in a final appropriation of \$13,448,040.

Additional information about the Nurse Home Visitation Program, also referred to as “Nurse-Family Partnership,” may be obtained at:

<http://www.cdphe.state.co.us/ps/nursehome/nursehomevisithom.asp>.

*Accomplishments include:*

- The grants awarded for FY 2009-10 funded services in 53 of the state’s 64 counties.
- The program maintained the number of families served at 2,590.
- The program provided continuation funding to the 19 local agencies that had received awards in the previous fiscal year.
- All of the Nurse Home Visitor Program grantees provided services in accordance with the training requirements, program protocols, program management information system and program evaluation requirements of the nurse home visitation intervention model (NFP) developed and tested by Dr. David Olds and colleagues.
- The Nurse-Family Partnership National Service Office completed an evaluation of each local program funded in FY 2009-10, noting those that have been successful in implementing the NFP model. Data were analyzed for the 12,479 women enrolled in the program from January 2000 through June 30,2010, with the following results;
  - A statistically significant reduction of 21 percent in smoking during pregnancy for Colorado participants as compared to the national NFP average reduction of 16 percent.
  - A statistically significant reduction of 3.5 in the number of cigarettes smoked per day for Colorado participants who continued to smoke as compared to the national NFP average reduction of 2.6.
  - A statistically significant reduction of 65 percent in marijuana use during pregnancy.
  - A statistically significant reduction of 35 percent in alcohol use during pregnancy.
  - A statistically significant reduction of 47 percent in experience of violence during pregnancy.
  - 8.8 percent preterm birth rate for Colorado participants as compared to the national NFP average of 9.7 percent.
  - 9.1 percent low birth weight rate for Colorado participants as compared to the national NFP average of 9.4 percent.
  - 89 percent of Colorado participants initiated breastfeeding as opposed to the national NFP average of 76 percent.
- Of those who entered the program without a high school diploma or GED, 42 percent of Colorado participants completed their diploma/GED by program completion as opposed to the national NFP average of 42 percent.
- 59 percent of Colorado NFP clients 18 years or older at intake (vs. 56 percent for the national NFP sample) and 46 percent of those 17 years or younger (vs. 42 percent for the national NFP sample) were employed at program completion.

*Areas for development include:*

- The Nurse Home Visitor Program received level funding from The Nurse-Family Partnership National Service Office for FY 2008-09 to FY 2009-10. In addition, Medicaid reimbursement rates for the program were significantly reduced effective June 26, 2009. These factors led to the decision to only provide continuation funding for the 19 current grantees, with no dollars awarded for program expansion or new sites.
- A planning and development process is underway to roll out a new and improved data management system
- The Nurse-Family Partnership National Service Office Nursing Practice Team will continue to assess delivery methods and curricula to provide the best education possible to home visiting nurses and supervisors.

Colorado Department of Public Health and Environment  
**Dental Loan Repayment Program**

The Dental Loan Repayment Program was authorized by the Colorado General Assembly in the 2001 legislative session as Senate Bill 01-164. The purpose of the legislation was to create a “loan repayment program as an incentive to dental professionals to provide dental services to underserved populations.” The program pays all or part of the principal, interest and related expenses of the educational loan of each eligible dental professional. The program is open to both dentists and dental hygienists.

A total of \$199,591 was appropriated for implementation of the Dental Loan Repayment Program from the tobacco settlement monies in FY 2009-10. \$200,000 is allocated from tobacco settlement monies, but the amount was decreased by \$409 due to the state furlough reduction. Of this amount, \$173,504 was expended with \$158,500 awarded in loan repayments and \$15,004 spent on administrative costs. \$26,087 was not expended in FY 2009-10, \$25,000 was due to a processing error that utilized spending authority from FY 2010-11.

Additional information about the Dental Loan Repayment Program may be obtained at the Colorado Department of Public Health and Environment’s website at:  
<http://www.cdphe.state.co.us/pp/oralhealth/DentLoan.html>

*Accomplishments include:*

- Fifteen new providers participated in the program during the FY 2009-10 fiscal year, bringing the total number of awards given since the program’s inception to 94.
- Since inception, providers have been located in eleven counties with all or part of each county currently designated as a Dental Health Providers Shortage Area (HPSA) and in 12 counties with extensive underserved populations.
- The total number of underserved patients served by the providers participating in the Dental Loan Repayment Program to date (including those awarded funds from the federal Bureau of Health Professions grant) is 262,347, with 47,796 served in FY 2009-10.

- The FY 2009-10 total served includes 18,503 Medicaid-eligible children; 2,831 Child Health Plan Plus children; 20,793 uninsured adults and children; and 42 Old Age Pension recipients.
- In FY 2009-10, providers include 18 Level I dentists (minimum of 40 patients/month), two Level II dentist (20 patients/month), five Level III dentists (10 patients/month), five Level I hygienists (20 patients/month), and one Level II hygienist (10 patients/month).
- The Colorado Health Institute continued to work with the Oral Health Unit this past year in compiling the data from the rural dentist survey with results from previous surveys of Colorado's dentist and dental hygienist workforce. This information will help identify the characteristics and background experiences of successful providers to better understand how to find and prepare future providers to serve rural and underserved communities in Colorado.

*Areas for development include:*

- In accordance with CRS 25-23-103(6), the Oral Health Unit is working with the Primary Care Office to leverage additional funds for loan repayment awards to dental providers through the Colorado Health Service Corps. The two programs are in the process of merging application forms, so oral health providers will only need to submit a single application. Program staff will then identify which program the applicant is eligible for.
- The Dental Loan Repayment Program will continue to seek new venues for marketing the program to ensure participation and a competitive application process.

Colorado Department of Public Health and Environment  
**Tony Grampsas Youth Services Program**

The Tony Grampsas Youth Services (TGYS) Program is authorized by §25-20.5-201 through 204, C.R.S. the program makes grants to community-based organizations that provide services to youth and their families with the goal of reducing youth crime and violence and preventing child abuse and neglect. The TGYS Program supports six funding areas including early childhood, student dropout prevention, youth mentoring, before and after-school, restorative justice, and violence prevention programs. An 11-member statutory board oversees and provides leadership for the program.

For fiscal year 2009-10, the TGYS Program was appropriated \$4,124,767 in Master Settlement Agreement Tobacco funds and \$1,000,000 in General Funds. Senate Bill 09-269 adjusted the MSA amount down by \$132,237. Due to 2009-10 General Fund reductions in the state budget the \$1,000,000 General Fund appropriation was eliminated. Allocations were also reduced by \$5,002 due to the state furloughs resulting in a final appropriation of \$3,987,528.

In partnership with the Colorado Children's Trust Fund and the Colorado Youth Development Program, the TGYS Board allocated \$4,075,975 to 94 grantees representing 145 local TGYS providers.

According to statute, at least 20 percent of the appropriated grantee funds must support early childhood programs and at least 20 percent must support student dropout prevention programs. In fiscal year 2009-10, 26 percent of TGYS funds supported early childhood programs, and 22 percent supported student dropout prevention programs.

Additional information about the Tony Grampas Youth Services Program may be obtained at the Colorado Department of Public Health and Environment's website at:

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

*Accomplishments include:*

- In fiscal year 2009-10, TGYS-funded programs served 52,161 children, youth and adults, in 57 out of 64 Colorado counties. Of this total, 11,008 were children (ages 0-8), 30,563 were youth (ages 9-18), 1,928 were young adults (ages 19-24), and 8,662 were parents.
- The TGYS Board allocated \$4,075,975 to 94 grantees representing 145 local TGYS providers.
- Results from Fiscal Year 2009-10 evaluations show positive statistically significant change on 12 of the 15 relevant measures e.g., increases for school performance measures and parenting measures; and decreases for bullying and substance use.
- The high-risk participants showed positive changes in School Bonding, Conflict Resolution/Self-Control, and Social Competence instruments.
- The TGYS Program submitted a collaborative application to the Department of Human Service's Statewide Strategic Use Fund (SSUF). The application was funded for one year at \$1,000,000. Of this amount, \$477,602 was allocated to the TGYS Program. The TGYS Program granted \$473,692 to 13 TGYS grantees that serve children and youth outside of the metro area and the remaining \$3,910 was allocated for travel for site visits to those organizations.

*Areas for development include:*

- Given the \$1,000,000 General fund budget reduction which has resulted from the State's fiscal crisis, the TGYS program will be working to make necessary adjustments in response to the funding reduction while minimizing impacts to the program's mission as much as possible.
- Work with grantees as they move into the third year of the three-year grant cycle.
- Continue to work with partners and grantees who received funding from The Statewide Strategic Use Fund.

Colorado Department of Public Health and Environment  
**Colorado AIDS Drug Assistance Program-Ryan White**

The AIDS Drug Assistance-Ryan White Program (ADAP) provides formulary medications on an outpatient basis, free of charge to Colorado residents who have HIV disease and who meet the financial eligibility criteria. The program is funded with federal and state dollars. Federal dollars are allocated from the Health Resources and Services Administration through the Ryan White Comprehensive AIDS Resources Emergency Act. State dollars are received from allocations from the State General Fund and Tobacco Settlement Fund. The medications provided through the ADAP reduce the occurrence of expensive, long-term hospital stays; keep people out of emergency rooms due to complications from opportunistic infections associated with the disease; allow people to keep working and be productive members of society; and improve the quality of life for those affected by the epidemic.

Colorado provides two mechanisms in support of improved access to formulary medications. Some people living with HIV or AIDS are so severely disabled by their condition that they qualify for Medicare, including Medicare Part D prescription drug plans. For these individuals, Colorado ADAP offers “wrap around” assistance paying for premiums, co-payments, and other out-of-pocket costs. Other people living with HIV have no access to Medicare or other insurance coverage; they receive their medications directly, at either an ADAP-affiliated pharmacy or through mail order from The Apothecary, a retail pharmacy associated with the University Of Colorado- School Of Pharmacy.

The program provides formulary medications on an outpatient basis, free of charge to Colorado residents who have HIV disease and who meet the financial eligibility criteria. The formulary currently includes all of the FDA approved antiretroviral medications (29), and most of the medications to treat opportunistic infections and other medical complications associated with HIV disease. The formulary includes a total of 56 medications.

In fiscal year 2009-10, \$3,493,464 from the Tobacco Settlement Fund was expended for the Colorado AIDS Drug Assistance Program (ADAP). As provided in the enabling legislation, 0.02 percent or \$858 was retained by the Division for administrative costs and \$3,492,606 was expended directly for medications and for insurance support for medication.

Additional information about the Colorado AIDS Drug Assistance Program-Ryan White may be obtained at the Colorado Department of Public Health and Environment’s website at:  
<http://www.cdphe.state.co.us>

*Accomplishments include:*

- During the period July 1, 2009, through June 30, 2010, 2,574 clients accessed the program and 59,481 prescriptions were filled.

*Areas for development include:*

- Creation of an interface between the pharmacy database and the case management database. This interface would allow case managers to track claims and eligibility information and thereby support people living with HIV and AIDS to remain in HIV care and adhere to their treatment regimens.
- As medications for the treatment of HIV are available in generic form in future years, the division will institute incentives to ensure that the least costly medication is prescribed, without sacrificing effectiveness.

Colorado Department of Public Health and Environment

**Colorado HIV and AIDS Prevention Grant program (CHAPP)**

The Colorado HIV and AIDS Prevention Grant Program (CHAPP) provides funding for human immunodeficiency virus (HIV) and acquired immune deficiency syndrome (AIDS) prevention programs statewide. The competitive grants program was created to address local community needs in the areas of medically accurate HIV and AIDS prevention and education. The program is specifically intended to support implementation of programs that are based in behavioral and social science theory and research that will decrease the transmission and acquisition of HIV and AIDS in Colorado.

HIV and AIDS remain a major health concern in Colorado. As of June 30, 2010, a cumulative total of 9,727 cases of AIDS and an additional 6,625 cases of HIV infection have been reported in Colorado. The number of newly diagnosed cases of HIV and AIDS has remained constant over the last five years. It is estimated that more than 25 percent of Americans with HIV infection are unaware of their status, and therefore are at considerable risk for developing AIDS or unknowingly transmitting HIV. There is a substantial opportunity to prevent morbidity and mortality of this disease by implementing comprehensive, medically accurate HIV and AIDS prevention and education programs based in behavioral and social science theory and research.

Additional information about the Colorado HIV and AIDS Prevention Grant Program may be obtained at the Colorado Department of Public Health and Environment's website at:

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

*Accomplishments include:*

- During the period of July 1, 2009, through June 30, 2010, 33 HIV and AIDS prevention projects were funded throughout the state to address the needs of persons at-risk of acquiring or transmitting HIV.
- For the project period of July 1, 2009, through June 30, 2010, CHAPP HIV prevention programs reached 16,600 persons.
- All funded CHAPP grantees have implemented medically accurate HIV and AIDS prevention and education programs based in behavioral and social science theory and research.

- A material review process was developed to ensure that materials used in conjunction with funded projects are medically accurate and appropriate for the populations for whom they are intended.
- End of project period data demonstrated progress towards several outcome goals, including increased early detection, increased knowledge of HIV (testing) status, and increased disclosure of HIV status to partners.
- CHAPP-funded programs were able to deliver at least one unit of service in 54 of Colorado's 64 counties.

*Areas for development include:*

- Enhance the reach of services to high-risk populations.
- Identify opportunities for additional program efficiency, including further streamlining of funding distribution and contract oversight.

Colorado Department of Human Services  
**Child Mental Health Treatment Program**

The Child Mental Health Treatment Act (CMHTA) was enacted through H.B. 99-1116 to help families struggling to access mental health services for their children. Prior to this legislation, families were often subjected to unnecessary legal and system involvement such as relinquishing parental rights in order to obtain mental health services for their children. Contributing factors to this issue included public and private health insurance limitations; inadequate supplies of mental health services; limited availability of services through mental health agencies and schools; attitudes about families of children with serious mental health needs; and difficulties meeting eligibility rules.

The Child Mental Health Treatment Act (CMHTA) pertains to “children at-risk of out of home placement” and children covered under the Medicaid capitation program. A “child at-risk” is one who has a mental illness, is not categorically eligible for Medicaid, requires residential level of care or a community-based equivalent, and qualifies for Supplemental Security Income (SSI) if residential care is needed. Qualifying families access services through one of the 17 Community Mental Health Centers (CMHCs) in the state. The Division of Behavioral Health (DBH), formerly the Division of Mental Health and the Alcohol and Drug Abuse Division, manages the program for at-risk children. Services include, but are not limited to, processing state-level appeals when services are denied; reviewing and approving plans of care submitted by CMHCs; providing reimbursement for services; collecting and reporting data; and providing training and technical assistance to families, service providers, family advocates, and other stakeholders. Behavioral Health Organizations (BHOs) are responsible for financing and providing services for children covered under the Medicaid capitation program, so these Tobacco settlement funds are only used to provide the above services to children who are not categorically eligible for Medicaid.

Additional information about the Child Mental Health Treatment Program may be obtained through the Colorado Department of Human Service's Web site at: [www.cdhs.state.co.us/](http://www.cdhs.state.co.us/)



*Accomplishments include:*

- Served a total of 55 youth with 36 new admissions in FY 2009-10. 48 received community-based services and 33 received residential services. Some participants received both community-based and residential services.
- Maintained a comprehensive program web site (<http://www.cdhs.state.co.us/dmh/CMHTA.htm>) containing pertinent information for families, service providers, and other stakeholders
- Assisted families with costs related to visiting children while in care.
- Provided ongoing education to families on CMHTA program eligibility and service availability.
- Provided ongoing technical assistance to community mental health centers and providers.

*Areas for development include:*

- DBH is developing a data tracking system that will allow for accurate submission and monitoring of data requirements.
- The CMHTA program is exploring increasing the number of children served through the program. One solution that is currently in process is providing continuing education and outreach regarding the program to local child welfare agencies, youth corrections, Department of Education and community mental health centers.
- The program is also working to address utilization barriers for rural counties where access to mental health services is limited.

**Tier 2 Programs**

Colorado Department of Health Care Policy and Financing  
**Colorado Indigent Care Program**

The Colorado Indigent Care Program provides funding to clinics and hospitals so that medical services can be provided at a discount to Colorado residents that meet the eligibility requirements for the Colorado Indigent Care Program. However, the Colorado Indigent Care Program is not a health insurance program. To be eligible for discounted services under the Colorado Indigent Care Program, an applicant must meet the following requirements:

- Must be a Colorado resident or migrant farm worker and a U.S. citizen or legal immigrant;
- Must have income and resources combined at or below 250% of the Federal Poverty Level (FPL); and
- Cannot be eligible for the Medicaid Program or Child Health Plan *Plus* (CHP+) program.

Additional information about the Colorado Indigent Care Program may be obtained through the Colorado Department of Health Care Policy and Financing's Web site at: [www.colorado.gov/hcpf](http://www.colorado.gov/hcpf).

*Accomplishments include:*

- N/A.

*Areas for development include:*

- As a result of the statewide budget emergency, the program has been suspended

Colorado Department of Health Care Policy and Financing

**Medicaid Shortfalls at Children's Hospital- Pediatric Specialty Hospital Fund**

This funding reduces Children's Hospital's uncompensated costs associated with serving Colorado Indigent Care Program (CICP) and Medicaid clients. The intent is that the funding provides an additional incentive for continued participation in the Colorado Indigent Care program. This funding is not for a specific program, but is intended to be used in "offsetting the Medicaid shortfall for the regional pediatric trauma center as defined in sections 25-3.5-703(4) (f), C.R.S. and (24-75-1104.5 (1.5) (a) (X) (A)). Children's Hospital is the regions only pediatric specialty Hospital and is essential to providing Trauma care for children.

Additional information about the Medicaid Shortfalls at Children's Hospital- Pediatric Specialty Hospital Fund may be obtained through the Colorado Department of Health Care Policy and Financing's Web site at: [www.colorado.gov/hcpf](http://www.colorado.gov/hcpf).

*Accomplishments include:*

- N/A.

*Areas for development include:*

- N/A.

Colorado Department of Public Health and Environment

**Local Public Health Planning and Support**

The Local Public Health Planning and Support program provides grant funding to local public health agencies for use in providing population based health services. The Tobacco master Settlement funding is used to supplement the per capita funding provided through state general funds for local public health agencies. The funds are used to provide local public health services.

These funds are distributed to local public health agencies for use in implementing locally determined public health priorities based on community health assessments and local improvement plans. These public health activities could include maternal and child health activities, immunizations, disease control and surveillance, prevention programs, etc.

Additional information about the Local Public Health Planning and Support Program may be obtained at the Colorado Department of Public Health and Environment's website at:  
<http://www.cdphe.state.co.us/>

*Accomplishments include:*

- N/A

*Areas for development include:*

- N/A

## Colorado Department of Public Health and Environment **Colorado Immunization Program**

The Colorado Immunization Fund provides financial resources for immunizations, immunization strategies, and the Cervical Cancer Immunization Program. The Vaccine Advisory Committee (VACC) was established to investigate and make recommendations regarding immunization strategies for improving vaccination rates Statewide. The mission statement of VACC is "Every Colorado parent who wants his or her child fully immunized will experience no financial or structural barriers to this occurring". In order to fulfill this mission, five subcommittees were created with specific charges. These subcommittees are Best Practices, Innovative Health Programs, Public Awareness and Education, Colorado Immunization Information System (CIIS) Registry, and Special Projects.

Additional information about the Colorado Immunization Program may be obtained at the Colorado Department of Public Health and Environment's website at:  
<http://www.cdphe.state.co.us/>

*Accomplishments include:*

- Beginning in November 2009, the Immunization program provided funds to 12 local public health and non-profit agencies to provide immunization services to local providers and citizens of their communities through two pilot project opportunities. Within the variety of project activities completed, a total of 44 immunization education sessions were provided (396 persons in attendance), 128 immunization clinics were held, and over 2,000 clients were vaccinated.
- The Immunization Core Services Enhancement Funding and Infrastructure Funding allowed 9 Local Public Health Agencies and 7 rural Vaccines for Children providers to enhance infrastructure and immunization core services activities, which ultimately served thousands of Colorado citizens and contributed to an increased overall immunization rate in the state.
- The three CIIS Continuation Grants allowed an additional 37 new provider offices to be connected to CIIS and facilitated the entry of over 10,000 new records into the system.

*Areas for development include:*

- Continue to improve immunization rates, which will result in fewer individuals at risk from vaccine-preventable diseases.
- Move forward with the Statewide Immunization Public Awareness Strategic Plan.
- Review and revise funding distribution plans for subsequent years based upon input from the agencies.
- Facilitate the utilization of CIIS by immunization providers across Colorado

Colorado Department of Public Health and Environment

### **Short-term Innovative Health Program**

The short-Term Innovative Health program was established by the legislature to "make short-term grants of no more than one fiscal year in duration to fund innovative health programs designed to improve the health of Coloradoans." Participation in the program is limited to organizations that meet the following criteria: identified priorities that could be advanced in a short period of time, have not been attempted by the Department previously and could not be funded by an alternative funding source. Program authorization can be found at 25-36-101 CRS

Additional information about the short-Term Innovative health program may be obtained at the Colorado Department of Public Health and Environment's website at:

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

*Accomplishments include:*

- N/A: As a result of the statewide budget emergency, funding for this program was withdrawn as of October 2009. The existing grants were completed, and no future grants were made.

*Areas for development include:*

- N/A: There continues to be no funds allocated to this program.

Colorado Department of Human Services

### **Offender Mental Health Services**

The primary goal of the Offender Mental Health Services Initiative Program is to reduce recidivism for juveniles and adults with mental illness involved in the criminal justice system. The program attempts to develop community-based services in collaboration with local and State juvenile and criminal justice agencies.

During FY 2009-10, eleven (11) Community Mental Health Centers (CMHCs) were funded to develop projects tailored to meet the offender mental health needs in their local community. Each CMHC established goals concerning the number and types of juveniles with serious emotional disorders (SED) and/or adults with serious mental illness (SMI) to be served.

Additionally, some CMHCs used project resources to collect necessary data in order to evaluate program effectiveness.

Program goals include

- Increase community capacity to serve juveniles with serious emotional disorders (SED) and adults with serious Mental illness (SMI)
- Provide outcome and recovery oriented services that increase the target population's ability to function independently in the community.
- Promote collaboration among communities and across mental health and criminal justice systems
- Reduce jail and prison recidivism
- Provide for long term, local sustainability
- Provide cost effective services

Services provided include

- Medication management
- Development of Assertive Therapeutic Communities
- Aggression Replacement
- Cognitive Behavioral Therapy (CBT), Solution-focused Treatment
- Wellness Management
- Recovery classes
- Supported Employment Services
- Alcohol Treatment
- Wellness & Recovery Centers
- Jail Diversion
- M-TREM (Male-Trauma Recovery and Empowerment Model)
- Trauma Focused CBT
- Functional Family Therapy
- Dialectic Behavioral Therapy
- Multi Systemic Therapy
- Integrated Dual Disorders Treatment
- Motivational Interviewing
- Benefits acquisition
- Housing assistance
- Pharmacological treatment
- Individual and group psychotherapy

Additional information about the Offender Mental Health Services Program may be obtained at the Colorado Department of Human Services' website at:

**[www.cdhs.state.co.us/](http://www.cdhs.state.co.us/)**

*Accomplishments include:*

- During FY 2009-10, the Offender Mental Health Services Initiative Program served 1,889 individuals (1485 adults and 404 juveniles).

*Areas for development include:*

N/A

Colorado Department of Human Services

**Alcohol and Drug Abuse Program--Community Prevention and Treatment Program**

The Division of Behavioral Health allocates 25% of the appropriation for community prevention services/programs and 75% for treatment services. This is consistent with the legislative intent established in SB07-097.

The 25% (\$266,286) allocated for Prevention Services and Programs, enhances existing programs that the Division of Behavioral Health has established in communities throughout Colorado. The monies are distributed equitably through provider contracts. Prevention programs provide young people, families and communities with the resources and skills to increase protective factors and decrease risk factors linked to substance abuse. These programs provide a range of services that include education, training, problem identification and referral, community and school-based strategies, information dissemination and environmental programs. Services are delivered in multiple ways. Direct Services are more intensive and focus on individuals and families who are indicated to be at high risk for substance abuse (i.e. mentoring or parenting classes), while Indirect Services focus on community based processes such as developing coalitions, changing local policies, and environmental strategies such as social marketing campaigns and health curricula in schools.

The 75% (\$798,858) allocated for treatment services was prioritized for enhancing / expanding substance use disorder treatment services statewide. The Division of Behavioral Health achieves this by equitably increasing funds available for services in each of the seven sub-state planning areas. Substance use disorder treatment funded by the tobacco settlement dollars is used for group, individual, and/or family counseling aimed at reducing substance use, increasing abstinence, improving housing situations, gaining employment, and reducing involvement with the juvenile or criminal justice systems.

The required basic treatment services in the treatment contracts are as follows:

- detoxification,
- outpatient opioid replacement treatment,
- individual, group and family outpatient therapy,
- Intensive outpatient therapy,
- transitional residential treatment,
- Therapeutic community and intensive residential treatment.

These services are delivered through statewide contracts with four managed service organizations, which subcontract with providers in six geographic regions. Populations primarily served are persons involuntarily committed for treatment due to the perceived danger to themselves or to others caused by alcohol or drug dependence, pregnant substance-abusing women, injecting drug users, substance abusing women with dependent children, and adolescents with substance use disorders, including binge drinking.

Additional information about the Alcohol and Drug Abuse Program--Community Prevention and Treatment Program may be obtained at the Colorado Department of Human Services' website at: [http://www.cdhs.state.co.us/adad/PDFs/HHS%20Report%202010\\_Final.PDF](http://www.cdhs.state.co.us/adad/PDFs/HHS%20Report%202010_Final.PDF)

*Accomplishments include:*

- For FY 2009-10, there were 24,415 discharges from substance use disorder treatment (excluding detox and DUI services), 20,799 were unique clients.
- A decline from 49% to 20% (admission to discharge) in the proportion of all treatment clients reporting any substance use in the previous 30 days.

*Areas for development include:*

- N/A

Department of Personnel and Administration

### **Supplemental State Health and Dental Contribution**

The Supplement of Low-Income State Employee Benefits Program was established pursuant to HB07-1335. The legislation was intended to encourage lower-income employees with dependent children to enroll in health insurance offered by the state by supplementing plan premiums. The program also promotes the use of disease management programs to reduce the costs of health care. This disease management program includes a childhood asthma program, with funding used to make copayments for appropriate asthma drugs and specialty pulmonary supervision.

Eligibility criteria includes an employee as defined in Section 24-50-603 (7) who is eligible by virtue of their employment to enroll in a group benefit plan; has an annual household income of less than three hundred percent of the Federal Poverty Level; and has at least one dependent other than their legal spouse.

Additional information about the Supplemental State Health and Dental Contribution Program may be obtained at the Colorado Department of Personnel and Administration's website at: [www.colorado.gov/dpa](http://www.colorado.gov/dpa)

*Accomplishments include:*

- The Department received and reviewed 964 applications of which 623 were approved. Two hundred ninety-nine (299) applications were declined (144 Tier C applicants due to lack of funds; and 155 due to not meeting eligibility requirements)

- One special open enrollment period was offered to allow those who qualified for the supplement to enroll or add dependents
- Nine new enrollments were made by employees who had previously waived coverage and an additional 22 employees enrolled uninsured dependents during the special enrollment period.
- Coverage of children increased to 1,546 for FY 09-10 (from 1,100).

*Areas for development include:*

- Employee contributions for insurance premiums were reduced to zero for all Tier a employees including their refunds for July – October 2009. Tier B employees' future contributions were reduced to zero but refunds were made at 50% of their contributions for July – October 2009. Again, there were no funds for Tier C applicants.
- There was insufficient funding to supplement dental coverage