

# 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) 2010-11, which spans from July 1, 2010, to June 30, 2011, 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 eleventh 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:

- The amount of tobacco settlement monies received by the program for the preceding fiscal year;
- 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.
- Information evaluating the operation of the program, including effectiveness of the program in achieving its stated goals; and
- 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 Treasurer's annual fund distribution report;

### 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.

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 the Short-term Innovative Health Program.

### Key legislation

(A) 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.

**(B) Two bills were passed in the 2011 session that impacted Tobacco Settlement funding.**

**SB11-216 Children's Basic Health Plan General Fund Appropriation (Hodge—Ferrandino)** For the 2011-12 fiscal year and each fiscal year thereafter, the act changes the distribution of tobacco master settlement moneys to decrease moneys provided to various cash-funded programs and redirects those moneys to offset the general fund costs of the children's basic health plan program. The most notable changes are:

- Reallocates an additional 3% of the Tier 1 distribution of master tobacco settlement moneys to the children's basic health plan program instead of to the comprehensive primary and preventative care grant program;
- Reallocates an additional 1% of the Tier 2 distribution of master tobacco settlement moneys to the children's basic health plan program instead of to the pediatric specialty hospital fund.
- Transfers the balance of moneys in the pediatric specialty hospital fund on August 1, 2011, to the general fund and abolishes the pediatric specialty hospital fund, effective September 1, 2011.



- Transfers the balance of moneys in the comprehensive primary and preventive care fund on August 1, 2011, to the general fund and abolishes the comprehensive primary and preventive care grant fund, effective September 1, 2011.
- The comprehensive primary and preventive care grant program is repealed, effective September 15, 2011.
- Appropriation for the Short Term Innovative Health Program is transferred to the general fund for FY 2010-11.

SB11-225 Investment Earnings on Tier 2 Tobacco Litigation Settlement Moneys (Hodge—Gerou) This bill redirects certain transfers of tobacco-settlement moneys from the Short-term Innovative Health Program Grant Fund to the General Fund and transfers the balance of the Short-term Innovative Health Program Grant Fund to the General Fund at the end of FY 2011-12 in order to augment FY 2011-12 General Fund revenues. Under prior law, at the end of each fiscal year most "Tier Two" tobacco-settlement programs transferred unspent settlement dollars and interest to the Short-term Innovative Health Program Grant Fund. At year's end, the State Treasury also transferred certain other unspent tobacco settlement dollars to the Short-term Innovative Health Program Grant Fund. For FY 2011-12 and subsequent years, this bill directs these transfers to the General Fund.

#### **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 2010-2011, 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. Beginning in FY11-12, 27 percent, not to exceed \$33 million each year.
- Comprehensive Primary and Preventive Care Grant Program, 3 percent, not to exceed \$5 million; except in 2009-10 and 2010-11 the annual appropriation was transferred to the General Fund. Per SB11-216, program and annual appropriation is eliminated for FY 2011-12 and subsequent out years.
- 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.
- Dental Loan Repayment Program, \$200,000 maximum;
- Tony Grampsas 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%, 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 General Fund.

#### Tier 2 Programs

- University of Colorado at Denver Health Sciences Center shall receive 49 percent 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 percent of the remaining moneys after Tier 1 has been funded, except in 2009-10 and 2010-11 the annual appropriation was transferred to the General Fund
- The Pediatric Specialty Hospital Fund (Medicaid Shortfalls at Children’s Hospital) shall receive 1 percent of the remaining moneys after Tier 1 has been funded. Per SB11-216, program and annual appropriation is eliminated for FY 2011-12 and subsequent out years.
- Children's Basic Health Plan Trust shall receive 5 percent of the remaining moneys after Tier 1 has been funded. Beginning in FY11-12, the program is allocated 6 percent of the remaining moneys after Tier 1 has been funded.
- Public Health Services Support Fund (Local Public Health Planning and Support) shall receive 7 percent of the remaining moneys after Tier 1 has been funded.
- Colorado Immunization Fund shall receive 4 percent of the remaining moneys after Tier 1 has been funded.
- The Short Term Innovative Health Program Fund shall receive 6 percent of the remaining moneys after Tier 1 has been funded, except in 2008-2009, 2009-10, 2010-11 and 2011-12 the annual appropriation was transferred to the General Fund.
- Offender Mental Health Treatment shall receive 12 percent of the remaining moneys after Tier 1 has been funded.
- Division of Alcohol and Drug Abuse shall receive 3 percent of the remaining moneys after Tier 1 has been funded.

- Supplemental State Contribution Fund (Supplemental State Health and Dental Contribution) shall receive 4.5 percent 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 Program.

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 General Fund.

**Table 1: FY 2010-11 and FY 2011-12 appropriations**

	<b>FY 2010-11 Long Bill Appropriation</b>	<b>FY 2010-11 Revised Appropriation (Long bill, special bills and supplementals)</b>	<b>FY 2011-12 Appropriation</b>
<b>Tier 1 Programs</b>			
<b>Department of Health Care Policy and Financing</b>			
Children's Basic Health Plan	\$29,547,271	\$26,910,570	\$28,727,097
Comprehensive Primary & Preventive Care Grants*	\$0	\$0	\$0
Children with Autism	\$1,000,000	\$1,000,000	\$1,000,000
<b>Department of Education</b>			
Read to Achieve	\$6,500,000	\$6,290,713	\$4,391,241
<b>Department of Military and Veteran's Affairs</b>			
Veteran's Trust Fund	\$1,082,784	\$1,082,784	\$865,298
<b>Department of Public Health and Environment</b>			
Nurse Home Visitor	\$13,444,464	\$13,444,464	\$13,541,949
Dental Loan Repayment**	\$199,667	\$224,667	\$203,225
Tony Gramscas Youth Services	\$3,841,275	\$3,841,275	\$3,613,049
ADAP-Ryan White	\$3,622,156	\$3,303,557	\$3,158,161
HIV and Aids Prevention	\$2,938,197	\$2,395,589	\$1,776,335
<b>Department of Human Services</b>			
Child Mental Health Treatment Program	\$300,000	\$300,000	\$300,000
<b>Tier 2 Programs</b>	<b>FY 2010-11 Long Bill Appropriation</b>	<b>FY 2010-11 Revised Appropriation</b>	<b>FY 2011-12 Appropriation</b>
<b>Department of Health Care Policy and Financing</b>			
Colorado Indigent Care Program	\$0	\$0	\$0
Medicaid Shortfalls at Children's Hospital-Pediatric Specialty Hospital fund*	\$307,000	\$307,000	\$296,872
<b>Department of Public Health and Environment</b>			
Local Public Health Planning and Support	\$2,286,355	2,142,859	\$2,078,104
Colorado Immunization Program	\$844,789	\$1,283,136	\$725,788
Short-term Innovative Health Program Grants	\$0	\$0	\$0
<b>Department of Human Services</b>			
Offender Mental Health Services	\$3,919,466	\$3,903,903	\$3,560,930
Division of Alcohol and Drug Abuse	\$979,866	\$962,077	\$889,725
<b>Department of Personnel And Administration</b>			
Supplemental State Health and Dental Contribution	\$1,469,800	\$1,469,800	\$1,335,924

*Please note that the Short Term Innovative Health and Colorado Indigent care programs did not receive funding in FY 2009-10, FY 2010-11 or FY 2011-12. The funding for these programs has been transferred to support other programs during the financial crisis.*

*\*Per SB11-216, program and annual appropriation is eliminated for FY 2011-12 and subsequent out years.*

*\*\* For FY 2011-12, a budget amendment was approved to utilize the balance of earned interest in the fund.*

Tables 2, 3 and 4 (state fiscal years 2008-09, 2009-10 and 2010-11) 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 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 Gramscas	\$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 Program	\$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 3: 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 Grampas 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 Program	\$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 actual transfer than available allocation had fund balance available for use.

**Table 4: State fiscal year 2010-2011 Treasury disbursements and reversion of funds**

<b>TIER 1 PROGRAMS</b>	<b>2010-2011 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*	\$26,910,570	\$26,910,570	\$0	\$0
Comprehensive Primary and Preventive Care	\$2,824,017	\$0	\$0	\$0
Children with Autism*	\$1,000,000	\$1,000,000	\$0	\$0
Read to Achieve*,**	\$4,706,694	\$4,706,694	\$0	\$0
Veterans Trust Fund*	\$941,339	\$941,339	\$0	\$0
Nurse Home Visitor	\$13,178,744	\$13,152,160	\$0	\$26,584
Dental Loan Repayment*, **	\$200,000	\$200,000	\$0	\$0
Tony Gramscas Youth Services	\$3,765,355	\$3,765,294	\$0	\$61
ADAP-Ryan White	\$3,294,685	\$3,294,685	\$0	\$0
HIV Aids Prevention*, **	\$1,882,678	\$1,882,678	\$0	\$0
Child Mental Health Treatment Program	\$300,000	\$300,000	\$0	\$0
<b>TIER 2 PROGRAMS</b>				
Colorado Indigent Care Program	\$0	\$0	\$0	\$0
Medicaid Shortfalls at Children's Hospital	\$307,000	\$307,000	\$0	\$0
Local Public Health Planning and Support	\$2,239,190	\$2,239,190	\$0	\$0
Colorado Immunization Program	\$1,279,537	\$1,279,537	\$0	\$0
Short-term Innovative Health Program Grants*	\$0	\$0	\$0	\$0
Offender Mental Health Services	\$3,838,611	\$3,838,611	\$0	\$0
Alcohol and Drug Abuse	\$959,653	\$959,653	\$0	\$0
Supplemental State Health and Dental Contribution.	\$1,439,479	\$1,439,479	\$0	\$0
Totals	\$67,072,304	\$67,032,836	\$0	\$39,468

\*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
- FY 2010-11 \$5,728

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
- FY 2010-11 \$24,987

#### *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 '08-'09</b>	<b>ACTUAL COSTS '08-'09</b>	<b>ALLOWED '09-'10</b>	<b>ACTUAL COSTS '09-'10</b>	<b>ALLOWED '10-'11</b>	<b>ACTUAL COSTS '10-'11</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% = \$28,951	Less than 1% = \$19,688	1.0% = \$38,866	Less than 1% = \$3,889	1.0% = \$0	\$0
Children with Autism Program	Use of admin funds not specified	5.3% = \$40,406	Use of admin funds not specified	3.9% = \$39,589	Use of admin funds not specified	2.6% = \$26,792
Read to Achieve	3.0% = \$196,275	Less than 3.0% = \$113,884	3.0% = \$149,720	1.8% = \$92,930	3.0% = \$188,721	1.9% = \$123,950
Veterans Trust Fund	5.0% = \$48,875	2.8% = \$28,335	5.0% = \$53,946	2.9% = \$31,375	5.0% = \$54,139	2.5% = \$26,616
Nurse Home Visitor	5.0% = \$672,681	4.1% = \$508,968	5.0% = \$672,402	2.9% = \$393,395	5.0% = \$672,223	5.0% = \$675,073
Dental Loan Repayment	10.0% = \$20,000	7.4% = \$14,828	10.0% = \$20,000	7.5% = \$15,004	10.0% = \$22,466	6.6% = \$14,933
Tony Gramscas Youth Services	Use of admin funds not specified	5.0% = \$245,520	Use of admin funds not specified	5.4% = \$225,305	Use of admin funds not specified	6.2% = \$238,946
ADAP-Ryan White Program	Use of admin funds not specified	Less than 1% = \$1,774	Use of admin funds not specified	Less than 1% = \$858	Use of admin funds not specified	Less than 1% = \$949
HIV and AIDS Prevention	5.0% = \$160,855	2.5% = \$81,626	5.0% = \$148,315	6.3% = \$188,018	5.0% = \$146,910	2.2% = \$66,095
Child Mental Health Treatment Program	Use of admin funds not specified	\$0	Use of admin funds not specified	\$0	Use of admin funds not specified	\$0
<b>TIER 2 PROGRAMS</b>	<b>ALLOWED '08-'09</b>	<b>ACTUAL COSTS '08-'09</b>	<b>ALLOWED '09-'10</b>	<b>ACTUAL COSTS '09-'10</b>	<b>ALLOWED '10-'11</b>	<b>ACTUAL COSTS '10-'11</b>
Local Public Health Planning and Support	Use of admin funds not specified	\$0	Use of admin funds not specified	\$0	Use of admin funds not specified	\$0
Colorado Immunization Fund	Use of admin funds not specified	Less than 1% = \$472	Use of admin funds not specified	Less than 1% = \$392	Use of admin funds not specified	Less than 1% = \$370

Short-Term Innovative Health Program**	Use of admin funds not specified	9.8% = \$58,161	Use of admin funds not specified	\$0	Use of admin funds not specified	\$0
Offender Mental Health services	Use of admin funds not specified	\$100,889	Use of admin funds not specified	2.5% = \$105,894	Use of admin funds not specified	2.5% = \$98,921
Alcohol and Substance Abuse Prevention and Treatment	\$73,995	\$0	Use of admin funds not specified	Less than 1% = \$100	Use of admin funds not specified	7.5% = \$73,995
Supplemental State Health and Dental Contribution	Use of admin funds not specified	Less than 1% = \$538	Use of admin funds not specified	Less than 1% = \$442	Use of admin funds not specified	Less than 1% = \$415

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

\*\*Due to the statewide budget emergency settlement funding has been diverted from this program.

**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 Medicaid 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 Coloradoans.
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 does 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>'08-'09 Persons served</b>	<b>'09-'10 Persons served</b>	<b>'10-'11 Persons served</b>
<b>Tier 1</b>			
Children's Basic Health Plan (CBHP)	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.	Average monthly enrollment for children, 67,267, and average monthly enrollment for pregnant women, 1,742.
Comp. Primary and Preventive Care	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.	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>'08-'09 Persons served</b>	<b>'09-'10 Persons served</b>	<b>'10-'11 Persons served</b>
Children with Autism	Children with Autism program served 75 children in FY 2008-09.	Children with Autism program served 75 children in FY 2009-10.	Children with Autism program served 75 children in FY 2010-11.
Read to Achieve	51 schools, over 3,200 students.	41 schools, over 2,500 students.	47 schools, over 1,900 students
Veterans Trust Fund	29 grantees, 10,116 veterans received either direct or indirect services.	35 grantees, 10,645 veterans received either direct or indirect services.	42 grantees, 9,776 veterans received either direct or indirect services.
Nurse Home Visitor	19 sites, 2,590 families.	19 sites, 2,590 families	19 sites, 2,590 families
Dental Loan Repayment	15 new dental providers participated in the program, in addition to 14 continuing providers.	15 new providers participated in the program, bringing the total number of awards given since the program's inception to 94.	12 new providers participated in the program, bringing the total number of awards given since the program's inception to 106.
Tony Grampsas Youth Services	Tony Grampsas Youth Services Programs served 45,996 children, youth, and parents.	Tony Grampsas Youth Services Programs served 52,161 children, youth, and parents.	Tony Grampsas Youth Services Programs served 49,959 children, youth, and parents.
ADAP-Ryan White AIDS Drug Assistance	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	Total clients served by all funding sources were 2,912, with 64,942 prescriptions filled.
HIV and AIDS Prevention	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.	21 HIV and AIDS prevention projects were funded throughout the state. The programs reached nearly 12,700 persons.
Child Mental Health Treatment Program	CMHTA assessed 44 youth, and placed 44 in either residential or community-based treatment during FY 08-09, including those admitted in previous fiscal years.	CMHTA assessed 55 youth, and placed 36 in either residential or community-based treatment during FY09-10, including those admitted in previous fiscal years.	CMHTA served 62 youth. 28 received residential services, 52 received community-based transition services and 27 received community alternative services.

<b>PROGRAM</b>	<b>'08-'09 Persons served</b>	<b>'09-'10 Persons served</b>	<b>'10-'11 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	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.	The Immunization Fund provided funds to 17 local public health and non-profit agencies to provide immunization services and infrastructure improvement to local providers and citizens of their communities
Short Term Innovative Health	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	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	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).	During FY 2010-11, the Offender Mental Health Services Initiative Program served 1,280 individuals. (1,076 adults and 204 juveniles).

<b>PROGRAM</b>	<b>'08-'09 Persons served</b>	<b>'09-'10 Persons served</b>	<b>'10-'11 Persons served</b>
Substance Abuse Prevention and Treatment	The Program has served 675,458 clients since program inception. 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 Program served a total of 798,327 clients since program inception. 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	The Program served 54,221 clients in FY 2010-11. Direct services were provided to 52,695 clients, and 1,679 clients received Indirect services. Substance Abuse Treatment services were provided to 25,188 persons, of which 21,971 were unique clients.
Supplemental State Health and Dental Contribution	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 level 1 & 2; Level 3 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.	362 state employees received the supplement under Level 1 qualification. Level 2 & 3 applicants were declined due to lack of funds. 13 were new enrollments by employees who had previously waived coverage. An additional 8 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 2010-11, the program was appropriated a total of \$26,910,570 in Master Settlement funding by the General Assembly to serve an average monthly enrollment of 67,267 children and 1,742 adult pregnant women.

Extensive outreach activities continued in FY 2010-11. 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 Children's Basic Health Plan Plus (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 67,267 children.
- CHP+ provided medical benefits to an average monthly enrollment of 1,742 adult pregnant women, a 12% increase from the previous year.
- 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 January 2011, the Department implemented a change to the Colorado Benefits Management System that allows the Department to remain in compliance with federal regulations, specifically Section 211 of the Children's Health Insurance Program Reauthorization Act of 2009. This section expands Medicaid citizenship documentation requirements in the Deficit Reduction Act of 2005 to CHP+, thus requiring clients who declare to be a U.S. citizen or nation to present satisfactory documentary evidence of this before enrolling or re-enrolling in the program.

*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.
- The Department will continue to work with the Governor's office, stakeholders, the Joint Budget Committee, and the General Assembly to implement a cost-sharing structure that increases personal responsibility of CHP+ families and creates state savings while minimizing any negative impact on CHP+ families.

**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 2010-11.

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 appropriation was \$0.
- SB 11-216 permanently eliminated the Comprehensive Primary and Preventive Care fund in order to increase Tobacco Master Settlement fund support for the Children's Basic Health Program.

#### **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 with 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. 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 2010-11 and expects to serve 75 children during FY 2011-12.

A total of \$ 1,000,000 in tobacco settlement monies was transferred to the Colorado Autism Treatment Fund during FY 2010-11.

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 2010-11 an enhanced ARRA federal match rate resulted in a savings to the Autism Treatment Program of \$110,744.
- The program has maintained enrollment of 75 children with a current waitlist of 239.

*Areas for development include:*

- Improve access to medical care for children that are diagnosed with autism. For FY 2011-12, the Department will continue to make the program more efficient and effective for clients' families, case managers, and service providers.

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 2010-11 school year, the Read to Achieve grant program served over 1,900 students in 47 schools.

- About 95 percent of kindergarten students and 84 percent of first grade students met the program benchmark goals.

*Areas for development include:*

- Study the correlation between Grade 3 CSAP and Grade 3 DIBELS outcomes.
- Provide optional differentiated professional development opportunities based on school needs.
- Provide a Read to Achieve trained consultant in each building for a minimum of 8 days during the school year to offer support and professional expertise.
- Monitor the administration, scoring, and reporting of program assessments to determine the reliability and 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 website 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.
- Provide on-going data webinars throughout the school year to provide timely support in analyzing DIBELS data.

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, marital status or sexual preference, 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 421,300 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;
- Provided the Veterans Memorial Cemetery of Western Colorado with funding for the construction of much needed columbariums.

*Areas for development include:*

- Outreach to all Veterans Service Organizations (VSOs) in the state especially in rural areas to provide the broadest network of VSOs for disbursement of funds throughout the state.
- Work with VSOs to develop a self sustaining program at the roots level.
- Work at the state and national level through Department of Military and Veterans Affairs to provide additional funding to support the Colorado State Veterans Trust Fund.
- Emphasize support of female veterans' issues to help rectify the imbalance in services provided to the male and female veterans' populations.

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 2010-11 Long Bill appropriated \$13,444,464 of Tobacco Master Settlement Agreement (MSA) funds to the Nurse Home Visitor Program although \$230,236 was restricted due to a decrease in the yearly MSA revenue projections. The final FY 2010-11 spending authority was \$13,214,228

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/index.html>

*Accomplishments include:*

- The grants awarded for FY 2010-11 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.
- A second round of applications resulted in Kit Carson County Health and Human Services receiving an award in the amount of \$212,627 to serve Kit Carson, Lincoln, Elbert and Cheyenne counties beginning in January 2011.
- The Nurse-Family Partnership National Service Office identified the following outcomes achieved by local grantees;
  - 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 63 percent in marijuana use during pregnancy.
  - A statistically significant reduction of 37 percent in alcohol use during pregnancy.
  - A statistically significant reduction of 47 percent in experience of violence during pregnancy.
  - 8.4 percent preterm birth rate for Colorado participants as compared to the national NFP average of 9.1 percent.
  - 91 percent of Colorado participants initiated breastfeeding, up from 89 percent in FY 09-10. (National NFP average is 76 percent)
- 44 percent of Colorado NFP clients 18 years or older at intake and 18 percent of those 17 years or younger were employed at program completion Compared to the national NFP sample rate of 41 percent and 16 percent respectively.

*Areas for development include:*

- Investigate additional opportunities for Medicaid reimbursement for home visitation services through collaboration with HCPF, The National Center, Invest in Kids and the Nurse-Family Partnership national service organization.

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.

On July 1, 2011, and effective for FY 11-12, all administrative functions of the Dental Loan Repayment Program were transferred from the Oral Health Unit located in the Prevention Services Division of the Colorado Department of Public Health and Environment (CDPHE) to the Primary Care Office also located in the Prevention Services Division of CDPHE. The program continues to operate under the auspices of the Colorado Health Service Corps and is now known as the Expanded Dental Loan Option of the Colorado Health Service Corps. All operational functions necessary to execute dental loan repayment to qualified dental professionals, and as expressly articulated in State Statute and Colorado State Board of Health rule were retained.

A total of \$224,667 was appropriated for the implementation of the Dental Loan Repayment Program in FY 2010-11. This amount includes a one-time supplemental of \$25,000. Of this amount \$207,145 was expended as loan repayment; \$14,933 was spent on administrative costs, and \$2,589 remained unspent.

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:*

- Twelve new providers participated in the program during the FY 2010-11 fiscal year, bringing the total number of awards given since the program’s inception to 106.
- 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 295,111, with 32,391 served in FY 2010-11.
- The FY 2010-11 total served includes 16,684 Medicaid-eligible children; 1,333 Child Health Plan Plus children; and 14,374 uninsured adults and children.
- In FY 2010-11, providers include;
  - 17 Level I dentists (minimum of 40 patients/month)
  - 2 Level II dentists (20 patients/month)
  - 2 Level III dentists (10 patients/month)
  - 4 Level I hygienists (20 patients/month)
  - 1 Level II hygienist (10 patients/month)

*Areas for development include:*

- Enhance program promotion vis-à-vis the Colorado Health Service Corps as part of the Corps FY 2011-12 rebranding efforts

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 2010-11, the TGYS Program was appropriated \$3,841,275 in Master Settlement Agreement Tobacco funds. The ongoing statewide budget emergency resulted in the elimination of a \$1,000,000 General fund allocation for FY 2010-11. Funding allocations were further reduced by \$65,781 due to a reduction in MSA revenue. Final TGYS program funding for FY 2010-11 was \$3,775,494.

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 2010-11, 26 percent of TGYS funds supported early childhood programs, and 25 percent supported student dropout prevention programs.

Additional information about the Tony Grampsas 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 2010-11, TGYS-funded programs served 49,959 children, youth and adults, in 55 out of 64 Colorado counties. Of this total, 13,321 were children (ages 0-8), 28,512 were youth (ages 9-18), 1,891 were young adults (ages 19-24), and 6,325 were parents.
- In fiscal year 2010-11, the TGYS Program funded 148 programs, through 89 contracts, for a total of \$3,357,260
- The high-risk participants showed positive changes in School Bonding, Conflict Resolution/Self-Control, and Social Competence instruments.

*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 continue to work to make necessary adjustments in response to the funding reduction while minimizing impacts to the program's mission as much as possible.

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

The AIDS Drug Assistance 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 (HRSA) through The Ryan White HIV/AIDS Treatment Extension Act of 2009. State dollars are received from allocations from the General Fund and Tobacco Settlement fund.

The ADAP formulary currently includes all of the FDA approved antiretroviral medications and most of the medications to treat opportunistic infections associated with HIV disease. These life saving medications reduce the occurrence of expensive and 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 our society, and improve the quality and length of life for those affected by the epidemic.

Colorado supports three mechanisms in support of improved access to formulary medications.

- 1) Some People Living With HIV or AIDS (PLWHA) are sufficiently disabled by their condition to 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.
- 2) A second group of PLWHA is able to access insurance through their employer, or through COBRA (Consolidated Budget Reconciliation Act) – related insurance extension after they have left a former employer. For these individuals, Colorado ADAP offers varying levels of assistance in maintaining this insurance, be it through premium, co-insurance, deductibles, or co-payments.
- 3) Other people living with HIV who have no access to Medicare or other insurance coverage receive their medications directly, at either an ADAP-affiliated pharmacy or through mail order from Walgreens at Rose Hospital in Denver.

Nearly 3,000 Coloradoans benefited from Colorado ADAP from July 1, 2010 through June 30, 2011 through a combination of State and Federal funding. These individuals filled approximately 65,000 prescriptions

In fiscal year 2010-2011, \$3,578,496 from the Tobacco Settlement Fund was expended for the Colorado AIDS Drug Assistance Program (ADAP) 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 FY 2010-11, 2,912 clients accessed the program and 64,942 prescriptions were filled (up from 2,574 clients and 59,481 prescriptions in FY 2009-10).

*Areas for development include:*

- Program staff are preparing for health care reform and an expansion of Medicaid in 2012 and planning out its potential impact on low income people living with HIV or AIDS.
- Program staff are also planning for the implementation of the Health Insurance Exchange in 2013.
- All existing ADAP enrollees will be evaluated for potential eligibility for other pharmacy benefits (Medicaid or private insurance) in 2012 and, when appropriate, transitioned in a way that minimizes any interruption in care.

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 December 31, 2010, a cumulative total of 4,881 living cases of AIDS and an additional 6,234 living 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. In addition, the Centers for Disease Control and Prevention (CDC) estimates that approximately 21 percent of Americans with HIV infection are unaware of their status, and therefore are at considerable risk for developing AIDS or unknowingly transmitting HIV. CHAPP provides 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.

A total amount of \$2,395,585 of CHAPP funds were expended, during the period of July 1, 2010, through June 30, 2011, to support 21 HIV and AIDS education and prevention projects and two evaluation projects to measure the outcomes of program interventions. The funds were awarded through contracts to address the needs of persons at-risk of acquiring or transmitting HIV throughout the state. \$200,000 of CHAPP funding was awarded to support a third year of a statewide evaluation project during the same time period.

The evaluation conducted at the end of the project period demonstrated progress toward several goals, including increased early detection, increased knowledge of HIV status (testing), and increased disclosure of HIV status to partners. Using a pre-test and post-test assessment method, CHAPP participants' knowledge increased significantly from 13 percent to 95.7 percent. The proportion of CHAPP participants aware of access to health professionals also increased from

88.2 percent to 98.6 percent. Moreover, the proportion of individuals tested for HIV increased substantially from 46 percent to 93 percent.

The overall aggregate evaluation results demonstrated that the HIV prevention projects funded by CHAPP have positively impacted HIV/AIDS knowledge, attitudes and beliefs in adult populations reached, and that the CHAPP program enhanced self-efficacy skills for young adults across the state.

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:*

- For FY 2010-11, CHAPP HIV prevention programs reached nearly 12,700 persons;
- 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;
- Program recipients included 3,475 adults, 1,047 youth, and 311 clients for whom demographic data is limited;
- CHAPP funded agencies reached an additional 7,867 persons through outreach services, primarily serving those who report being MSM (men who have sex with men), and high risk heterosexuals;
- 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:*

- 62 youth received treatment under CMHTA-funded services, including those admitted in previous fiscal years
- Assessed 55 youth, and placed 46 in either residential or community-based treatment during FY 2010-11.
- 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 difficult.



## **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 Program. 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 is used to reduce 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:*

- SB 11-216 permanently eliminated the Medicaid Shortfalls at Children's Hospital-Pediatric Specialty Hospital fund in order to increase Tobacco Master Settlement fund support for the Children's basic Health Program.

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:*

- All 54 Local Public Health Agencies in Colorado received funding from the Local Public Health Planning and Support program;
- The Department conducted a review of each local public health agency's current delivery of core public health services;
- Eight local public health agencies covering 16 counties began piloting the new statewide system for conducting community health assessments and developing local public health plans based on priority needs;
- A number of the action steps outlined in the 2009 Colorado Public Health Improvement Plan were completed to strengthen Colorado's public health system, improving the ability for state and local public health agencies to work collectively to address Colorado's health issues and to identify and implement systems and processes that use resources more efficiently.

*Areas for development include:*

- Additional agencies are beginning their community health assessment and planning efforts;
- Integration of county and district public health plans into CDPHE strategic planning to better inform state level decisions and policy development;
- Continue building state and local partnerships to strengthen Colorado's public health system and provide more effective and efficient public health services;

- Identify areas in the state system that need improvement to better support county and district agencies through the state system functions of:
  - Planning and Implementation;
  - Technical Assistance and Support;
  - Evaluation and Quality Improvement and;
  - Resources.

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 July 2010, the Immunization Fund provided funds to two non-profit agencies and one for-profit agency to provide technical immunization services to local providers and citizens. Within the variety of project activities completed, more than 317,000 visits were made to project websites, Facebook fans grew by 1,690%, 22 VACC meetings were facilitated and managed, at least 1900 Colorado Academy of Family Physicians (CAFP) members were provided relevant immunization information, and at least 150 persons attended immunization webinars.
- The Immunization Core Services Enhancement Funding allowed 14 local public health agencies to enhance immunization core services activities which served thousands of Colorado citizens and contributed to an increased overall immunization rate in the state of Colorado.
- The purchase of a pharmaceutical grade refrigerator/freezer unit for a rural immunization provider, to ensure proper storage of vaccine, enabled the provider to increase the number of vaccine doses he could store from an average of 255 doses in 2010 to 670 doses in 2011. Considering the average of 3 doses per client, he was able to serve an average of 223 clients; or an increase of 262%.
- 16,000 doses of Menactra vaccine were re-distributed to over 12 colleges and universities and six public immunization providers for use in college-bound and high-risk populations.

*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 2010-11, 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

The program services provided through the Offender Mental Health Services Initiative include:

- Assertive Community Treatment
- Aggression Replacement Training
- Integrated Dual Diagnosis Treatment
- Intensive Case Management
- Cognitive Behavioral Therapy
- Functional Family Therapy
- Medication Management
- Dialectical Behavioral Therapy
- Multi-Systemic Therapy
- Wraparound Services
- Supportive Housing
- Trauma Recovery and Empowerment
- Supportive Employment Services
- Individual Psychotherapy
- Case Management
- Crisis Intervention Training

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 2010-11, the Offender Mental Health Services Initiative Program served 1,280 individuals. Although this total is less than the previous year (down by 16.2% from FY 2009-10), the Division is confident that the outcomes and number of consumers who receive services will continue to benefit from this innovative service model.
- It should be noted that the program achieved this respectable amount of consumers served with a decrease of \$343,083 in program funding due to the reduction in revenue generated the previous year

*Areas for development include:*

**N/A**

Colorado Department of Human Services

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

The Community Prevention and Treatment Program was created by the General Assembly in FY 2007-08 through SB07-097. This Bill created the Alcohol and Drug Abuse Community Prevention and Treatment Fund with the requirement that 3% of the Tier II tobacco settlement funds to be appropriated annually by the General Assembly to “provide additional state funding to provide or purchase community prevention and treatment services in accordance with section 27-80-106, C.R.S.”

The funds are appropriated to the Department of Human Services and administered by the Division of Behavioral Health (DBH). DBH allocates 25% of the appropriation for the provision of statewide community prevention services/programs and 75% for the provision of statewide community treatment services.

In FY 2010-11, \$979,866 was appropriated to DBH for the implementation of the Community Prevention and Treatment program. However, a reduction in anticipated MSA revenues resulted in a final program funding of \$962,077. Of this amount, \$222,021 was allocated for prevention programs, and \$666,061 was allocated for treatment services.

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.

Treatment services include 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 2010-11, there were 25,188 discharges from substance abuse treatment (excluding detoxification and DUI services), 21,971 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 Supplemental State Health and Dental Contributions for 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. Currently, the dependent children of state employees are presently ineligible for Children's Basic Health Plan (CHP) assistance. The Supplemental State Health and Dental Contribution 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) C.R.S. 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 (300%) of the Federal Poverty Level; and has at least one dependent other than their legal spouse.

Eligible employees are assessed into three groups:

- Level 1 - less than 200% of the federal poverty level;
- Level 2 - 200% to 249% of the federal poverty level;
- Level 3 - 250% to 299% of the federal poverty level.

The available funds will first be used to provide supplemental aid to Level 1 recipients in an amount that uses the entire available principal of the fund or reduces the employee's medical

premium to \$0. Any remaining principal shall then be used for Level 2 recipients before supplementing Level 3 eligible employees, applying the same process outlined for level 1. If additional principal remains after supplementing all three levels medical premiums at 100%, the remaining funds will be used to supplement dental premiums first for Level 1, then Level 2 and finally Level 3 applying the same process as outlined above.

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 736 applications, of which 362 were approved.
- 362 applications were approved for Level 1 aid. Level 2 and 3 initially accepted 235 additional applications; however they were not approved due to a funding shortfall for the fiscal year.
- 13 new enrollments were made by employees who had previously waived coverage and an additional 8 employees enrolled uninsured dependents during the special enrollment period.
- 911 Children were covered under the program in FY 2010-11 (down from 1,546 in FY 09-10).

*Areas for development include:*

- The department would like to be able to supplement all levels of eligible employees at 100% of their medical premiums.