

**Schedule 13
Change Request for FY 2010-11 Budget Request Cycle**

Decision Item FY 2010-11 Base Reduction Item FY 2010-11 Supplemental FY 2009-10 Budget Amendment FY 2010-11

Request Title: Amendment 35 Funding Reduction
 Department: Department of Public Health and Environment
 Priority Number: BR - NP - 5
 Dept. Approval by: *[Signature]* Date: 10/15/09
 OSPB Approval: *[Signature]* Date: 10-19-09

| | Fund | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|--------------|------------------------------|--------------------------|---------------------------------|----------------------------------|-------------------------|-------------------------------------|-------------------------------|-----------------------------|----------------------------------|--|
| | | Prior-Year Actual FY 2008-09 | Appropriation FY 2009-10 | Supplemental Request FY 2009-10 | Total Revised Request FY 2009-10 | Base Request FY 2010-11 | Decision/ Base Reduction FY 2010-11 | November 1 Request FY 2010-11 | Budget Amendment FY 2010-11 | Total Revised Request FY 2010-11 | Change from Base (Column 5) FY 2011-12 |
| Total of All Line Items | Total | 53,171,273 | 59,018,528 | 0 | 59,018,528 | 43,041,418 | (25,691,418) | 17,350,000 | 0 | 17,350,000 | 0 |
| | FTE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | GF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | GFE | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | CF | 26,885,441 | 50,555,109 | 0 | 50,555,109 | 37,550,983 | (21,200,983) | 16,350,000 | 0 | 16,350,000 | 0 |
| | CFE/RF | 26,285,832 | 8,463,419 | 0 | 8,463,419 | 5,490,435 | (4,490,435) | 1,000,000 | 0 | 1,000,000 | 0 |
| | FF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (1) Administration and Support; (8) Special Health Programs, (1) Health Disparities Program, Health Disparities Grants | Total | 2,980,718 | 8,463,419 | 0 | 8,463,419 | 5,490,435 | (4,490,435) | 1,000,000 | 0 | 1,000,000 | 0 |
| | FTE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | GF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | GFE | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | CF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | CFE/RF | 2,980,718 | 8,463,419 | 0 | 8,463,419 | 5,490,435 | (4,490,435) | 1,000,000 | 0 | 1,000,000 | 0 |
| | FF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (10) Prevention Services Division, (1) Programs and Administration, Cancer, Cardiovascular Disease, and Pulmonary Disease Grants | Total | 23,305,114 | 24,271,382 | 0 | 24,271,382 | 13,679,358 | (5,679,358) | 8,000,000 | 0 | 8,000,000 | 0 |
| | FTE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | GF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | GFE | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | CF | 0 | 24,271,382 | 0 | 24,271,382 | 13,679,358 | (5,679,358) | 8,000,000 | 0 | 8,000,000 | 0 |
| | CFE/RF | 23,305,114 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | FF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (10) Prevention Services Division, (5) Tobacco Education, Prevention, and Cessation, Tobacco Education, Prevention, and Cessation Grants | Total | 26,885,441 | 26,283,727 | 0 | 26,283,727 | 23,871,625 | (15,521,625) | 8,350,000 | 0 | 8,350,000 | 0 |
| | FTE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | GF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | GFE | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | CF | 26,885,441 | 26,283,727 | 0 | 26,283,727 | 23,871,625 | (15,521,625) | 8,350,000 | 0 | 8,350,000 | 0 |
| | CFE/RF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | FF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Non-Line Item Request: N/A
 Letternote Revised Text: N/A
 Cash or Federal Fund Name and COFRS Fund Number: Health Disparities Grant Program Fund, Fund 19F, Prevention Detection Treatment Fund, Fund 18N, Tobacco Education Programs Fund, Fund 18M
 Reappropriated Funds Source, by Department and Line Item Name: (10) Prevention Services Division; (A) Prevention Programs; (1) Programs and Administration, Transfer to the Health Disparities Grant Program Fund
 Approval by OIT? Yes: No: N/A:
 Schedule 13s from Affected Departments: Health Care Policy and Financing

STATE OF COLORADO FY 2010-11 BUDGET REQUEST CYCLE: DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

| Schedule 13 | | | | | | | | | | | |
|--|--|--------------------------------|--|-------------------------|----------------------------|-----------------------------|--------------------------|----------------------------------|------------|---------------|--------------------------|
| Change Request for FY 2010-11 Budget Request Cycle | | | | | | | | | | | |
| Decision Item FY 2010-11 | <input type="checkbox"/> | Base Reduction Item FY 2010-11 | <input checked="" type="checkbox"/> | Supplemental FY 2009-10 | <input type="checkbox"/> | Budget Amendment FY 2010-11 | <input type="checkbox"/> | | | | |
| Request Title: | DPHE - Amendment 35 Funding Reduction | | | | | | | | | | |
| Department: | Health Care Policy and Financing | | | Dept. Approval by: | John Bartholomew <i>JB</i> | | Date: | November 2, 2009 <i>10/15/09</i> | | | |
| Priority Number: | NP-4 (See DPHE BR - NP - 5) | | | OSP Approval: | <i>SM 2/6</i> | | Date: | <i>10-19-09</i> | | | |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | | Prior-Year | | Supplemental | Total | Base | Decision/ | November 1 | Budget | Total | Change |
| | | Actual | Appropriation | Request | Revised | Request | Base | Request | Amendment | Revised | from Base |
| | Fund | FY 2008-09 | FY 2009-10 | FY 2009-10 | FY 2009-10 | FY 2010-11 | FY 2010-11 | FY 2010-11 | FY 2010-11 | FY 2010-11 | (Column 5) FY 2011-12 |
| Total of All Line Items | Total | 2,526,991,443 | 2,542,923,842 | 0 | 2,542,923,842 | 3,000,913,062 | 0 | 3,000,913,062 | 0 | 3,000,913,062 | 0 |
| | FTE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | GF | 919,709,968 | 1,037,363,033 | 0 | 1,037,363,033 | 1,140,610,868 | (25,691,418) | 1,114,919,440 | 0 | 1,114,919,440 | 0 |
| | GFE | 39,251,792 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | CF | 109,633,539 | 226,708,414 | 0 | 226,708,414 | 352,549,563 | 25,691,418 | 378,240,981 | 0 | 378,240,981 | 0 |
| | CFE/RF | 2,631,068 | 2,739,519 | 0 | 2,739,519 | 2,736,160 | 0 | 2,736,160 | 0 | 2,736,160 | 0 |
| | FF | 1,455,765,066 | 1,276,112,876 | 0 | 1,276,112,876 | 1,505,016,481 | 0 | 1,505,016,481 | 0 | 1,505,016,481 | 0 |
| (2) Medical Services Premiums ² | Total | 2,526,991,443 | 2,542,923,842 | 0 | 2,542,923,842 | 3,000,913,062 | 0 | 3,000,913,062 | 0 | 3,000,913,062 | 0 |
| | FTE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | GF | 919,709,968 | 1,037,363,033 | 0 | 1,037,363,033 | 1,140,610,868 | (25,691,418) | 1,114,919,440 | 0 | 1,114,919,440 | 0 |
| | GFE | 39,251,792 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | CF | 109,633,539 | 226,708,414 | 0 | 226,708,414 | 352,549,563 | 25,691,418 | 378,240,981 | 0 | 378,240,981 | 0 |
| | CFE/RF | 2,631,068 | 2,739,519 | 0 | 2,739,519 | 2,736,160 | 0 | 2,736,160 | 0 | 2,736,160 | 0 |
| | FF | 1,455,765,066 | 1,276,112,876 | 0 | 1,276,112,876 | 1,505,016,481 | 0 | 1,505,016,481 | 0 | 1,505,016,481 | 0 |
| Non-Line Item Request: | None. | | | | | | | | | | |
| Letternote Revised Text: | ² Of this amount, \$95,416,768 shall be from the Health Care Expansion Fund; \$784,875 shall be from the Colorado Autism Treatment Fund; \$250,000 shall be from the Coordinated Care for People with Disabilities Fund; \$3,026,893 shall be from the Comprehensive Primary and Preventive Care Fund; \$1,725,479 shall be from the Breast and Cervical Cancer Prevention and Treatment Fund; \$27,040,954 shall be from the Nursing Facility Cash Fund; \$212,806,547 shall be from the Hospital Provider Fee; \$21,498,147 shall be certified public expenditures; \$4,490,435 shall be from the Health Disparities Cash Fund administered by the Department of Public Health and Environment; \$15,521,625 shall be from the Tobacco Education Cash Fund administered by the Department of Public Health and Environment; and \$5,679,368 shall be from the Prevention, Early Detection and Treatment Fund administered by the Department of Public Health and Environment. | | | | | | | | | | |
| Cash or Federal Fund Name and COFRS Fund Number: | CF: Health Disparities Cash Fund (19F), Tobacco Education Cash Fund (18M), Prevention, Early Detection and Treatment Fund (18N) | | | | | | | | | | |
| Reappropriated Funds Source, by Department and Line Item Name: | None. | | | | | | | | | | |
| Approval by OIT? | Yes: <input type="checkbox"/> | No: <input type="checkbox"/> | N/A: <input checked="" type="checkbox"/> | | | | | | | | |
| Schedule 13s from Affected Departments: | Department of Public Health and Environment | | | | | | | | | | |

CHANGE REQUEST for FY 2010-11 BUDGET REQUEST CYCLE

| | |
|-----------------------|--------------------------------|
| Department: | Public Health and Environment |
| Priority Number: | BR - NP - 5 |
| Change Request Title: | Amendment 35 Funding Reduction |

SELECT ONE (click on box):

- Decision Item FY 2010-11
- Base Reduction Item FY 2010-11
- Supplemental Request FY 2009-10
- Budget Request Amendment FY 2010-11

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

- Not a Supplemental or Budget Request Amendment
- An emergency
- A technical error which has a substantial effect on the operation of the program
- New data resulting in substantial changes in funding needs
- Unforeseen contingency such as a significant workload change

Short Summary of Request:

The Colorado Department of Public Health and Environment (CDPHE) requests the transfer of \$25,691,418 cash funds in the Department's three Amendment 35 (Tobacco Tax) funds for FY 2010-11 to the Department of Health Care Policy and Financing, as a method to balance the Colorado State budget. This funding will be used by the Department of Health Care Policy and Financing for health care related activities that would otherwise require General Fund. This is a one time transfer for FY 2010-11 only.

Background and Appropriation History:

Under Amendment 35, tobacco tax funds can be used to offset General Fund which is appropriated for health-related purposes upon declaration of a fiscal emergency as deemed by a 2/3 vote of the General Assembly. Senate Joint Resolution 09-035 (Declare Fiscal Emergency Tobacco Tax) passed in April 2009 and declared the fiscal emergency for FY 2009-10. If approved, the transfer requested in this decision item will require a new declaration of a fiscal emergency for FY 2010-11.

Senate Bill 09-271 (Emergency Use Tobacco Tax Revenues) is very specific to the Amendment 35 funds and amounts that were used for Medicaid expenses to thereby

offset General Fund. Together, these two actions (the bill and the resolution) transferred \$20,000,000 of Amendment 35 funds from the Department of Public Health and Environment to the Department of Health Care Policy and Financing in FY 2009-10. The Department anticipates that a similar bill and resolution will be passed in the 2010 legislative session to implement this request.

Amendment 35 tobacco tax funds are bringing in approximately \$180 Million annually. 46% of the total goes to HCPF Health Care Expansion Fund, 19% to the Health Care Policy and Financing Primary Care Fund, 16% to Department of Public Health and Environment Tobacco Education, 16% to the Department of Public Health and Environment's Prevention, Early Detection, and Treatment Fund, and 3% to the General Fund for purposes as specified in the Constitution Section 21. (5) (e) and further defined in statute C.R.S. 24-22-117 (1) (c) (I) (b).

Three funds will be impacted by this request:

| Name of Fund | Purpose of Fund |
|--|---|
| Prevention, Early Detection and Treatment Fund (18N) | This fund is used to provide grants to local entities/agencies for prevention related activities including funds for breast and cervical cancer screenings. Grants typically run in three year cycles. 16% of Amendment 35 tobacco tax revenues go to this fund on an annual basis. |
| Tobacco Education Program Fund (18M) | This fund is used to reduce the initiation of tobacco use by children, promote cessation and reduce exposure to second hand smoke. The funds are to be used for evidence based grant programs only. 16% of the annual Amendment 35 tobacco tax revenue is currently deposited into this fund. |
| Health Disparities Grant Program Fund (19F) | This fund is used to provide grants to local communities to improve the health status of minority and ethnic populations impacted by health disparities. For example, certain ethnic groups are more prone to diabetes or high blood pressure than other populations. These funds are used to target those disparities and reduce the health impacts to the citizens. The funds are to be used for evidence based grant programs only. 15 % of the 16% of the annual Amendment 35 tobacco tax revenue that is deposited to the Prevention, Early Detection and Treatment Fund is deposited into this fund (2.4% of the total Amendment 35 revenue is deposited into the Health Disparities Grant Program Fund). |

General Description of Request:

This request will reduce funding to three Public Health and Environment health programs and transfer the funds to the Department of Health Care Policy and Financing in order to

support critical state health programs. The three programs that will be reduced are the Prevention, Early Detection and Treatment Program; the Tobacco Education program; and the Health Disparities Grant program. Reducing funding to these programs will eliminate most grant expenditures from these funds in FY 2010-11. The Department plans to retain sufficient funding to issue grants from all three programs. The chart below summarizes the anticipated grant levels and describes a typical grant in each program. Note however that the granting decisions are made by review committees and the Board of Health, and specific grant numbers will vary. The intent of the Department is to maintain sufficient infrastructure in the community with core grantees so that when grants are returned to full amounts in FY 2011-12 there will not be significant start up costs and time invested in rebuilding infrastructure.

| Fund | Prevention, Early Detection and Treatment Fund (18N) | Tobacco Education Program Fund (18M) | Health Disparities Grant Program Fund (19F) |
|--|---|---|--|
| FY 2009-10 Number of grantees | 35 | 60 | 36 |
| FY 2009-10 Number of people served – all grants | 28,430 | 516,400 | 57,004 |
| FY 2009-10 average grant award | \$402,000 | \$186,000 | \$132,000 |
| FY 2010-11 proposed grant amounts | \$8,000,000 | \$8,000,000 | \$1,000,000 |
| FY 2010-11 Estimated number of grants | 20 | 16 | 7 |
| FY 2010-11 Estimated number of people served based on total grant dollars ¹ | 16,162 | 370,199 | 11,996 |
| Types of grants that are provided | Prevention, Early detection and Treatment grants are primarily direct services for screening, diagnosis, and treatment of cancer, cardiovascular, and chronic pulmonary diseases. | Tobacco Education programs are primarily population based education services focusing on the prevention of tobacco use. The grant categories are to: 1) help people who use tobacco to quit; 2) prevent youth from starting to use tobacco; 3) assist in the reduction of and protection from secondhand smoke; and 4) reduce tobacco use among groups who are disproportionately affected and/or at high risk. | Health disparities programs are targeted to minority and ethnic populations that are at increased risk of diseases (i.e. diabetes, obesity, high blood pressure) than other groups. Grants include (for example) exercise/nutrition classes for diabetes and obesity control in the Latino population, |

STATE OF COLORADO FY 2010-11 BUDGET REQUEST CYCLE: Public Health and Environment

| Fund | Prevention, Early Detection and Treatment Fund (18N) | Tobacco Education Program Fund (18M) | Health Disparities Grant Program Fund (19F) |
|----------|--|--|---|
| Comments | | The Department assumes that \$4 million of this amount will be for the Quitline and \$1 million for media, leaving \$3 million for other grants. However, final grant allocations are based on decisions made by the review committee. | |

1 The estimated number of people served for FY 2010-11 is based on this calculation: FY 2009-10 Number of grantees X FY 2009-10 average grant award = Approximate FY 2009-10 grant awards. Approximate FY 2009-10 grant awards / FY 2009-10 Number of people served – all grants = Cost per person served. FY 2010-11 proposed grant amounts/cost per person served = FY 2010-11 Estimated number of people served based on total grant dollars.

Consequences if Not Funded: Not Applicable.

Calculations for Request:

| Summary of Proposal FY 2010-11 | Total Funds | Cash Fund | Reappropriated Fund |
|---|--------------|--------------|---------------------|
| Total Proposal | \$25,691,418 | \$21,200,983 | \$4,490,435 |
| Transfer of fund balance from the Health Disparities Cash Fund | \$2,082,861 | \$0 | \$2,082,861 |
| Transfer of FY 2010-11 revenue projected A 35 from the Health Disparities Cash Fund to HCPF | \$2,407,574 | \$0 | \$2,407,574 |
| Transfer of FY 2010-11 projected A 35 revenue from the Tobacco Education Cash Fund | \$15,521,625 | \$15,521,625 | \$0 |
| Transfer of FY 2010-11 projected A 35 revenue from the Prevention, Early Detection and Treatment Fund | \$5,679,358 | \$5,679,358 | \$0 |

Cash Funds Projections:

| Cash Fund Name | Cash Fund Number | FY 2008-09 Expenditures | FY 2008-09 End of Year Cash Balance | FY 2009-10 End of Year Cash Balance Estimate | FY 2010-11 End of Year Cash Balance Estimate | FY 2011-12 End of Year Cash Balance Estimate |
|--|------------------|-------------------------|-------------------------------------|--|--|--|
| Health Disparities Cash Fund | 19F | \$3,635,226 | \$3,009,379 | \$2,082,861 | \$0 | \$0 |
| Tobacco Education Cash Fund | 18M | \$28,538,711 | \$9,718,033 | \$0 | \$0 | \$661,484 |
| Prevention, Early Detection and Treatment Fund | 18N | \$31,957,590 | \$28,615,963 | \$500,000 | \$0 | \$0 |

Assumptions for Calculations:

- 1). FY 2009-10 End of Year Cash Balance Estimates shown in the table above are actual available cash balances. The Schedule 9 shows liabilities (accounts payable) as part of the cash balance. These numbers differ from the fund balance by the amount of accounts payable that each program is anticipating at the end of FY 2009-10.
- 2). The chart below summarizes the information on the Schedule 9's and the adjustments made for obligations to each fund.

| Fund | FY 2010-11 beginning Balance on Schedule 9 | FY 2008-09 accounts payable (that will reduce available cash for FY 2010-11) | FY 2010-11 available cash balance | Revenue forecast | Obligations (see assumptions below) | Revenue available for transfer |
|--------------|--|--|-----------------------------------|---------------------|-------------------------------------|--------------------------------|
| | Column A | Column B | Column C (A-B) | Column D | Column E | Column C + D - E |
| 19F | \$3,025,379 | \$942,518 | \$2,082,861 | \$3,984,000 | \$1,576,426 | \$4,490,435 |
| 18M | \$2,810,418 | \$2,810,418 | \$0 | \$25,200,000 | \$9,678,375 | \$15,521,625 |
| 18N | \$5,761,590 | \$5,261,590 | \$500,000 | \$25,200,000 | \$20,020,642 | \$5,679,358 |
| Total | \$11,597,387 | \$9,014,526 | \$2,582,861 | \$54,384,000 | \$31,275,443 | \$25,691,418 |

- 3). All programs will retain the funding and spending authority for personal services and operating expenses, as well as associated indirect expenses. These amounts are included in the obligations shown above.

4). The Prevention, Early Detection and Treatment Fund (18N) assumes the following obligations that must be funded for FY 2010-11

- a). Transfer to HCPF for Disease Management, \$2,000,000
- b). Transfer to the Health Disparities Fund \$3,984,000
- c). Transfer to Health Care Policy and Financing for Breast and Cervical Cancer Treatment \$1,215,340
- d). Breast and Cervical Cancer Screening \$3,661,660
- e). Personal Services, Operating, and Indirect \$1,159,642
- f). Grants to continue a baseline program and maintain community infrastructure \$8,000,000.

Total \$20,020,642

5). The Tobacco Education Fund (18M) assumes the following obligations for FY 2010-11

- a). Transfer to Department of Revenue for Tobacco Enforcement \$350,000
- b). Quitline Contract \$4,000,000
- c). Media (advertising) for Quitline \$1,000,000
- d). Personal Services, Operating and Indirect \$1,328,375
- e). Grants to continue a baseline program and maintain community infrastructure \$3,000,000.

Total \$9,678,375

6). The Health Disparities Fund assumes the following obligations for FY 2010-11

- a). Personal Services, Operating and Indirect \$576,425.
- b). Grants to continue a baseline program and maintain community infrastructure \$1,000,000.

Total \$1,576,425.

7). The Department assumes that each fund will be able to issue grants to the full amounts available in FY 2011-12.

8). All revenue forecasts are per the September 2009 Legislative Council Revenue Forecast.

9). The Quitline contract amount depends on the number of callers, which in turn depends on the amount of public information about the Quitline. Approximately \$1,000,000 in public information funding is needed to keep the number of callers to the Quitline at a consistent level. An additional \$4,000,000 will be used to maintain the current Quitline services.

Impact on Other Government Agencies: Department of Health Care Policy and Financing

| Summary of Proposal FY 2010-11 – HCPF Impacts | Total Funds | General Fund | Cash Fund |
|--|--------------------|---------------------|------------------|
| Total | \$0 | (\$25,691,418) | \$25,691,418 |
| (2) Medical Services Premiums | \$0 | (\$25,691,418) | \$25,691,418 |

Cost Benefit Analysis: Not Applicable.

Implementation Schedule:

| Task | Month/Year |
|-------------------|-------------------|
| Program Reduction | July 2010 |

Statutory and Federal Authority: 24-22-117. Tobacco tax cash fund - accounts - creation - legislative declaration - repeal.

(1) (a) There is hereby created in the state treasury the tobacco tax cash fund, which fund is referred to in this section as the "cash fund". The cash fund shall consist of moneys collected from the cigarette and tobacco taxes imposed pursuant to section 21 of article X of the state constitution. All interest and income derived from the deposit and investment of moneys in the cash fund shall be credited to the cash fund; except that all interest and income derived from the deposit and investment of moneys in the cash fund during the 2008-09, 2009-10, 2010-11, and 2011-12 fiscal years shall be credited to the general fund. Any unexpended and unencumbered moneys remaining in the cash fund at the end of a fiscal year shall remain in the cash fund and shall not be credited or transferred to the general fund or any other fund, except as otherwise provided in this section.

(c) For each fiscal year from the 2004-05 fiscal year through the 2007-08 fiscal year and for the 2012-13 fiscal year and each fiscal year thereafter, the general assembly shall annually appropriate three percent of the moneys estimated to be deposited in that fiscal year into the cash fund, plus three percent of the interest and income earned on the deposit and investment of moneys in the cash fund, and, for the 2008-09, 2009-10, 2010-11, and 2011-12 fiscal years, the general assembly shall annually appropriate three percent of the moneys estimated to be deposited in that fiscal year into the cash fund, for health-related purposes to provide revenue for the state's general fund and old age pension fund and for municipal and county governments to compensate proportionately for tax revenue reductions attributable to lower cigarette and tobacco sales resulting from the implementation of the tax imposed pursuant to section 21 of article X of the state constitution, as follows:

(I) (A) Twenty percent of the moneys specified in this paragraph (c) to the state's general fund for health-related purposes.

(B) Beginning in fiscal year 2006-07 and for each fiscal year thereafter, of the moneys specified in sub-subparagraph (A) of this subparagraph (I), fifty percent shall be appropriated for the purposes of providing immunizations performed by county or district public health agencies in areas that were served by county public health nursing services prior to July 1, 2008, and fifty percent shall be appropriated to the pediatric specialty hospital fund, created in paragraph (e) of subsection (2) of this section, for the purposes of augmenting hospital reimbursement rates for regional pediatric trauma centers as defined in section 25-3.5-703 (4) (f), C.R.S., under the "Colorado Medical Assistance Act", articles 4, 5, and 6 of title 25.5, C.R.S.

(II) Fifty percent of the moneys specified in this paragraph (c) to the supplemental old age pension health and medical care fund to provide services under the supplemental health and medical care program, section 25.5-2-101 (3), C.R.S., for persons who qualify to receive old age pensions; and

(III) Thirty percent of the moneys specified in this paragraph (c) to the department of revenue to be apportioned to municipal and county governments in amounts consistent with the provisions of section 39-22-623, C.R.S.

(c) (I) The tobacco education programs fund to be administered by the department of public health and environment. The state treasurer and the controller shall transfer an amount equal to sixteen percent of the moneys deposited into the cash fund, plus sixteen percent of the interest and income earned on the deposit and investment of those moneys, to the tobacco education programs fund; except that, for the 2008-09, 2009-10, 2010-11, and 2011-12 fiscal years, the state treasurer and the controller shall transfer to the tobacco education programs fund only an amount equal to sixteen percent of the moneys deposited into the cash fund. All interest and income derived from the deposit and investment of moneys in the tobacco education programs fund shall be credited to the tobacco education programs fund; except that all interest and income derived from the deposit and investment of moneys in the tobacco education programs fund during the 2008-09, 2009-10, 2010-11, and 2011-12 fiscal years shall be credited to the general fund. Any unexpended and unencumbered moneys remaining in the tobacco education programs fund at the end of a fiscal year shall remain in the fund and shall not be credited or transferred to the general fund or any other fund.

(III) For fiscal year 2005-06 and each fiscal year thereafter, moneys in the tobacco education programs fund shall be annually appropriated by the general assembly as follows:

(A) To the prevention services division of the department of public health and environment for the tobacco education, prevention, and cessation programs specified in part 8 of article 3.5 of title 25, C.R.S.; and

(B) Up to three hundred fifty thousand dollars to the division of liquor enforcement in the department of revenue for the purpose of enforcing laws relating to the sale of tobacco to minors.

(IV) (A) Notwithstanding the provisions of subparagraph (III) of this paragraph (c), and pursuant to the declaration of a state fiscal emergency as described in paragraph (b) of subsection (6) of this section, for the 2009-10 fiscal year, in addition to the purposes described in sub-subparagraphs (A) and (B) of subparagraph (III) of this paragraph (c), the moneys in the tobacco education programs fund may be appropriated for any health-related purpose and to serve populations enrolled in the children's basic health plan and the Colorado medical assistance program at the programs' respective levels of enrollment as of January 1, 2005.

(d) (I) The prevention, early detection and treatment fund to be administered by the department of public health and environment. The state treasurer and the controller shall transfer an amount equal to sixteen percent of the moneys deposited into the cash fund, plus sixteen percent of the interest and income earned on the deposit and investment of those moneys, to the prevention, early detection, and treatment fund; except that, for the 2008-09, 2009-10, 2010-11, and 2011-12 fiscal years, the state treasurer and the controller shall transfer to the prevention, early detection, and treatment fund only an amount equal to sixteen percent of the moneys deposited into the cash fund. All interest and income derived from the deposit and investment of moneys in the prevention, early detection, and treatment fund shall be credited to the prevention, early detection, and treatment fund; except that all interest and income derived from the deposit and investment of moneys in the prevention, early detection, and treatment fund during the 2008-09, 2009-10, 2010-11, and 2011-12 fiscal years shall be credited to the general fund. Any unexpended and unencumbered moneys remaining in the prevention, early detection, and treatment fund at the end of a fiscal year shall remain in the fund and shall not be credited or transferred to the general fund or any other fund. The moneys in the prevention, early detection, and treatment fund shall be annually appropriated by the general assembly to the department of public health and environment for allocation by the department consistent with the provisions of this paragraph (d).

(III) For fiscal year 2005-06, and each fiscal year thereafter, fifteen percent of the moneys transferred to the prevention, early detection, and treatment fund shall be transferred to the health disparities grant program fund created in paragraph (f) of this

subsection (2) for the health disparities grant program in part 22 of article 4 of title 25, C.R.S.

(IV.5) For fiscal year 2008-09, and each fiscal year thereafter until and including fiscal year 2012-13, after the allocation and transfer required by subparagraphs (II) and (III) of this paragraph (d), of the moneys in the prevention, early detection, and treatment fund, two million dollars shall be transferred to the department of health care policy and financing for medicaid disease management and treatment programs, authorized by section 25.5-5-316, C.R.S., that address cancer, heart disease, and lung disease or the risk factors associated with such diseases.

(V) (A) For fiscal year 2008-09 and each fiscal year thereafter, after the allocation of the moneys pursuant to subparagraphs (II), (III), and (IV.5) of this paragraph (d), moneys in the prevention, early detection, and treatment fund shall be annually appropriated by the general assembly to the prevention services division of the department of public health and environment for the cancer, cardiovascular disease, and chronic pulmonary disease prevention, early detection, and treatment program established in part 3 of article 20.5 of title 25, C.R.S.

(f) The health disparities grant program fund to be administered by the department of public health and environment. Moneys shall be transferred to the health disparities grant program fund as described in subparagraph (III) of paragraph (d) of this subsection (2). All interest and income derived from the deposit and investment of moneys in the health disparities grant program fund shall be credited to the health disparities grant program fund; except that all interest and income derived from the deposit and investment of moneys in the health disparities grant program fund during the 2008-09, 2009-10, 2010-11, and 2011-12 fiscal years shall be credited to the general fund. Any unexpended or unencumbered moneys remaining in the health disparities grant program fund at the end of the fiscal year shall remain in the fund and shall not be credited to the general fund or any other fund. The moneys in the health disparities grant program fund shall be annually appropriated by the general assembly to the department of public

health and environment for allocation by the department of public health and environment consistent with the provisions of paragraph (d) of this subsection (2).

As noted above, statutes will need to be changed/amended by a bill to divert the revenues from the funds in FY 2010-11.

Performance Measures:

Not Applicable