



# DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

*FY 2010-11 Budget Reduction Proposal  
February 15, 2011*

*Martha Rudolph  
Executive Director*

## *Short Term Innovative Health Program Grant Fund Transfer FY 2010-11*

### **Proposal Summary:**

The Short Term Innovative Health Program Grant Fund is comprised of a portion of annual Tobacco Master Settlement Funds, which are appropriated on an annual basis to several programs across the state, as outlined in statute. The Short Term Innovative Health Grant program is required 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 Coloradans.

This request seeks to transfer funds from the Short Term Innovative Health Program Grant Fund (20Q) to the General Fund, to assist with statewide budget balancing in FY 2010-11. This requested \$3,177,902 transfer is in addition to the \$1,600,000 transfer included in HB 10-1323, based on Period 6 close data (January 15, 2011), and an anticipated fund balance of \$4,777,902. This additional fund balance is available as previous transfer estimates did not account for any unexpended and unencumbered funds from FY 2009-10 from the other Tier Two programs.

	<b>FY 2010-11</b>
Fund balance as of Period 6 close	\$4,992,115
Less Projected Mandatory Expenditures	(\$214,213)
Equals Proposed Projected End of Year Balance	\$4,777,902
HB 10-1323 Recommended Transfer as noted in both OSPB and Legislative Council's December Forecast	(\$1,600,000)
Balance After Transfer	\$3,177,902
<b>Recommended Transfer</b>	<b>\$3,177,902</b>
Balance after Transfer	\$0

For FY 2010-11 the mandatory expenditures include \$90,070 to the Primary Care Office at the Department and \$221,717 for the Department of Human Services and Department of Public Safety H.B. 07-1057, Juvenile Justice Family Advocate Program. This is a total of \$311,787. As of January 31, 2011, there has been \$97,574 of the above amounts expended, leaving a balance of \$214,213.

### **Impact of Recommended Reduction:**

There will be no impact because of this increased transfer as such funds were slated to be transferred to the General Fund based on existing statute.

### **Current Statutory Authority or Needed Statutory Change:**

There is no statutory change needed as 24-75-1104.5 (8)(a), C.R.S. already requires any remaining balance in this cash fund to be transferred to the General Fund at the end of FY 2010-11.



# DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

Martha Rudolph  
Executive Director

*FY 2010-11 Balancing Proposal  
February 15, 2011*

## *Medical Marijuana Cash Fund Transfer FY 2010-11*

### **Proposal Summary:**

Amendment 20 authorizes the use of medical marijuana to alleviate certain debilitating medical conditions. The Medical Marijuana Program Cash Fund is used to maintain the medical marijuana registry, accept and evaluate applications for medical marijuana use and for the issuance of identification cards. This proposal revises previously requested transfers from the Medical Marijuana Program Cash Fund (Fund 14V) to the General Fund. Based on revised beginning balance, revenue projections, and expenditures into and from the fund, it is anticipated that \$7,400,000 will be available to transfer, rather than the \$9,000,000 previously requested.

<b>Requested FY 2010-11 Transfer</b>	<b>Aug 23, 2010</b>	<b>Feb 15, 2011</b>
Projected Opening Balance	\$5,000,690	\$9,760,838
Projected Revenues	\$13,500,000	\$9,990,000
Less Projected Mandatory Expenditures	(\$8,479,415)	(\$12,324,563)
Equals Proposed Projected End of Year Balance	\$10,021,275	\$7,426,275
<b>Recommended Transfer</b>	<b>\$9,000,000</b>	<b>\$7,400,000</b>
Balance After Transfer	\$1,021,275	\$26,275

### **Impact of Recommended Reduction:**

It is anticipated that utilizing or redirecting excess fund balance from the Medical Marijuana Cash Fund to the General Fund will not have a direct effect on the Department's operations.

### **Assumptions:**

Revenue into the fund comes from a \$90 application fee paid by patients seeking a medical marijuana identification card. Anticipated revenue for this fund is higher than the projected expenditures, based on the anticipated number of applications for FY 2010-11 reaching 111,000. Utilizing this fund balance is not anticipated to impact program operations. Estimated FY 2010-11 expenditures are as follows:

- Program costs for FY 2010-11 are \$3,971,082 which includes personal services, operating expenses and indirect cost assessment. These figures include funding authorized via the 1331 supplemental S-1 approved by the Joint Budget Committee in June 2010, and S-3, BA-2 "Medical Marijuana Computer System" that was submitted January 3, 2011.
- Figures also include an adjustment of \$4,760,148 for deferred revenue.
- Finally, figures include the impact from three special bills passed during the 2010 session that require transfers of funds to other state agencies:
  - HB 10-1284 allows the Department of Revenue to borrow up to \$1,000,000. These funds are shown as expenditures; the repayment of the funds is included in these calculations.
  - HB 10-1388 included a \$3,000,000 transfer to the General Fund for FY 2010-11.
  - SB 10-109 transfers \$593,333 to the Department of Regulatory Agencies to investigate physicians.

Based on these expenditures, the program anticipates spending approximately \$12,324,563 in FY 2010-11 (including the deferred revenue adjustment). With \$9,990,000 in projected revenue along with the projected starting fund balance of \$9,760,838, the Department anticipates a fund balance of \$26,275 after the requested transfer to the General Fund.

**Current Statutory Authority or Needed Statutory Change:**

The Medical Marijuana Program is established in the State Constitution, Section 14 of Article XVIII. The Program is required via the constitution, and is placed at the Department of Public Health and Environment via Colorado State Statute. According to the State Constitution, section 14, Article XVIII, (i) the state health agency may determine and levy reasonable fees to pay for any direct or indirect administrative costs associated with its role in this program.

Statutory change will be needed to utilize the balance of the cash funds. According to statute, C.R.S., 25-1.5-106 (3) (a) (2010), all remaining funds not expended during the fiscal year shall remain in the fund and shall not be credited or transferred to the General Fund. Redirecting the cash fund balance from these fees would not immediately have an effect on the program.



# DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

Martha Rudolph  
Executive Director

*FY 2011-12 Balancing Proposal  
February 15, 2011*

## *Amendment 35 Cash Fund Transfer to Health Care Policy and Financing*

### **Proposal Summary:**

This request proposes to transfer \$12,000,000 from the Amendment 35 programs at the Department of Public Health and Environment (CDPHE) to the Medical Premiums line at The Department of Health Care Policy and Financing (HCPF), to help balance the General Fund budget for FY 2011-12 only. This transfer will allow for the continued care of Colorado's citizens by funding the HCPF Medical Services Premium line. This request is in addition to the \$21,000,000 transfer that was presented in the November 1, 2010 budget request for FY 2011-12.

Summary of Proposal FY 2011-12	Total Funds	Cash Funds	Reappropriated Funds	FTE
<b>DPHE – All Lines</b>	<b>(\$12,000,000)</b>	<b>(\$11,400,000)</b>	<b>(\$600,000)</b>	<b>(5.0)</b>
Personal Services and Operating	(\$788,110)	(\$570,000)	(\$218,110)	(5.0)
Grant Lines	(\$11,211,890)	(\$10,830,000)	(\$381,890)	0.0

*\* See Department's corresponding Schedule 13 for detail regarding specific line items*

Summary of Proposal FY 2011-12	Total Funds	Cash Funds	Reappropriated Funds	FTE
<b>HCPF – All Lines</b>	<b>(\$12,000,000)</b>	<b>(\$11,400,000)</b>	<b>(\$600,000)</b>	0.0
Medical Services Premiums	(\$12,000,000)	(\$11,400,000)	(\$600,000)	0.0

*\* See Department's corresponding Schedule 13 for detail regarding specific line items*

### **Impact of Recommended Reduction:**

The transfer will further reduce funding for health promotion and disease prevention grants; health disparities grants; and tobacco cessation and education grants at the statewide level; beyond what was submitted on November 1, 2010. However, the critical need to provide medical services (through HCPF) is an essential component of the State's budget.

This request will reduce CDPHE's personal services and operating expenses lines of each of the programs by \$788,110 and 5.0 FTE, and will reduce individual grant lines by \$11,211,890. The Department will work with advisory committees for each of the grant programs to ensure that the remaining funds are allocated to grants that will maximize the effective and efficient use of the moneys. Information regarding the individual grants and their respective purposes, along with a summary of the final requested funding for individual grant lines is shown below:

<b>Name of Fund/Program</b>	<b>Table 1 - Purpose of Fund/Program</b>
Prevention, Early Detection and Treatment Fund (18N)	Money in the fund, after the required transfers for Breast and Cervical Cancer Screenings and Treatment, for Medicaid Disease Management and to the Office of Health Disparities, is used to provide grants for screening and early detection of cancer, heart and pulmonary disease. 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 among all ages 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.
Breast and Cervical Cancer Screening	The money comes from the Prevention, Early Detection and Treatment Fund. The funding is used to provide breast and cervical cancer screenings (i.e. mammograms, pap smears) for eligible women. To be eligible for screenings under this program, women must be 40-64 years of age, at or below 250% of the Federal Poverty Level, uninsured or underinsured and lawfully present in the United States. 20% of the 16% of the annual Amendment 35 tobacco tax revenue that is deposited to the Prevention, Early Detection and Treatment Fund is appropriated for Breast and Cervical Cancer screenings and treatment. There is a limit of \$5 million per year on the appropriation.
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. 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).

<b>Summary of Proposal FY 2011-12: CDPHE Grant Line Impacts</b>	<b>November 1 Request</b>	<b>Additional Reduction Requested</b>	<b>February 15 Request</b>
(1) Administration and Support, (B) Special Health Programs, Health Disparities Grants	\$905,305	(\$381,890)	\$523,415
(9) Prevention Services Division, (A) Prevention Programs, (1) Programs and Administration, Cancer, Cardiovascular Disease, and Pulmonary Disease Grants	\$8,734,104	(\$5,956,000)	\$2,778,104
(9) Prevention Services Division, (A) Prevention Programs, (3) Chronic Disease and Cancer Prevention Grants Program, Breast and Cervical Cancer Screening	\$3,661,660	(\$1,625,000)	\$2,036,660
(9) Prevention Services Division, (A) Prevention Programs, (5) Tobacco Education, Prevention, and Cessation, Tobacco Education, Prevention, and Cessation Grants	\$8,795,358	(\$3,249,000)	\$5,546,358

**Assumptions:**

The following charts summarize individual cash fund balances for each of the funds potentially affected by this proposal.

Cash Fund Name	FY 2009-10 Expenditures	FY 2009-10 End of Year Cash Balance	FY 2010-11 End of Year Cash Balance Estimate*	FY 2011-12 End of Year Cash Balance Estimate	FY 2012-13 End of Year Cash Balance Estimate
Health Disparities Cash Fund (19F)	\$5,722,020	\$3,665,430	\$535,427	\$0	\$0
Tobacco Education Cash Fund (18M)	\$27,207,592	\$2,625,483	\$1,167,266	\$190,375	\$0
Prevention, Early Detection and Treatment Fund (18N)	\$44,270,759	\$4,291,879	\$1,608,205	\$299,267	\$0

\*FY 2010-11 End of Year Cash Balance Estimates 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 2010-11.

Fund	FY 10-11 Year End Cash Balance	FY 11-12 Revenue Forecast*	Obligations for FY 11-12	FY 11-12 Funds Available for Transfer	Requested Transfers	FY 11-12 Estimated Fund Balance
Columns	A	B	C	D		
Calculation	= C + D - E			= A + B - C		
19F	\$535,427	\$3,576,000	\$825,076	\$3,286,351	\$3,286,351	\$0
18M	\$1,167,266	\$23,400,000	\$6,618,297	\$17,948,969	\$17,758,594	\$190,375
18N	\$1,608,205	\$23,400,000	\$12,753,883	\$12,254,322	\$11,955,055	\$299,267
<b>Total</b>	<b>\$3,310,898</b>	<b>\$50,376,000</b>	<b>\$20,197,256</b>	<b>\$33,489,642</b>	<b>\$33,000,000</b>	<b>\$489,642</b>

\*All revenue forecast assumptions are per the June 2010 Legislative Council Revenue Forecast.

1. Projected expenditures of \$12,753,883 from the Prevention, Early Detection and Treatment Fund (18N) include:

- a. Transfer to HCPF for Disease Management, \$2,000,000
- b. Transfer to the Health Disparities Fund \$3,576,000
- c. Transfer to Health Care Policy and Financing for Breast and Cervical Cancer Treatment \$1,215,340
- d. Breast and Cervical Cancer Screening \$2,036,660
- e. Personal Services, Operating, and Indirect \$1,147,779
- f. Grants to continue a baseline program and maintain community infrastructure \$2,778,104.

2. Projected expenditures of \$6,618,297 from the Tobacco Education Fund (18M) include:

- a. Personal Services, Operating and Indirect \$1,071,939
- b. Grants to continue a baseline program and maintain community infrastructure \$5,546,358. These grants include potential funding of the Quitline. Specific funding for the Quitline will be determined by the review committee and recommended to the Board of Health for approval.

3. Projected expenditures of \$825,076 from the Health Disparities Fund (19F) include:

- a. Personal Services, Operating and Indirect \$301,661.
- b. Grants to continue a baseline program and maintain community infrastructure \$523,415.

**Current Statutory Authority or Needed Statutory Change:**

Statutory changes to 24-22-117 will be necessary to divert the revenues from the funds in FY 2011-12. Furthermore, a fiscal emergency will need to be declared in order for the funding to be transferred.

**Schedule 13**  
**Change Request for FY 2011-12 Budget Request Cycle**

Decision Item FY 2011-12	Base Reduction Item FY 2011-12 <input checked="" type="checkbox"/>	Supplemental FY 2010-11 <input type="checkbox"/>	Budget Amendment FY 2011-12 <input type="checkbox"/>
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Request Title: Amendment 35 Cash Fund Transfer to Health Care Policy and Financing  
 Department: Department of Public Health and Environment Dept. Approval by: *[Signature]* Date: 1/25/2011  
 Priority Number: NP - 14 OSPB Approval: *[Signature]* Date: 2/14/2011

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2009-10	Appropriation FY 2010-11	Supplemental Request FY 2010-11	Total Revised Request FY 2010-11	Base Request FY 2011-12	Decision/ Base Reduction FY 2011-12	November 1 Request FY 2011-12	Budget Amendment FY 2011-12	Total Revised Request FY 2011-12	Change from Base (Column 5) FY 2012-13
<b>Total of All Line Items</b>	<b>Total</b>	43,959,922	28,800,880	0	28,800,880	53,767,977	(21,000,000)	32,767,977	(12,000,000)	20,767,977	0
	FTE	34.2	39.2	0.0	39.2	39.2	0.0	39.2	(5.0)	34.2	0.0
	GF	222,440	175,589	0	175,589	170,446	0	170,446	0	170,446	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	30,962,214	20,325,430	0	20,325,430	42,386,853	(18,313,649)	24,073,204	(11,400,000)	12,673,204	0
	CFE/RF	4,566,159	1,216,566	0	1,216,566	4,123,642	(2,686,351)	1,437,291	(600,000)	837,291	0
	FF	8,209,109	7,083,295	0	7,083,295	7,087,036	0	7,087,036	0	7,087,036	0
(1) Administration and Support, (A)	<b>Total</b>	481,788	448,913	0	448,913	448,913	0	448,913	(42,716)	406,197	0
Administration, Indirect Cost Assessment	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	196,292	207,941	0	207,941	207,941	0	207,941	0	207,941	0
	CFE/RF	95,759	95,759	0	95,759	95,759	0	95,759	(42,716)	53,043	0
	FF	189,737	145,213	0	145,213	145,213	0	145,213	0	145,213	0
(1) Administration and Support, (B) Special Health Programs, Personal Services	<b>Total</b>	434,498	404,365	0	404,365	402,889	0	402,889	(135,219)	267,670	0
	FTE	6.0	6.3	0.0	6.3	6.3	0.0	6.3	(2.0)	4.3	0.0
	GF	61,917	50,178	0	50,178	49,067	0	49,067	0	49,067	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	372,581	354,187	0	354,187	353,822	0	353,822	(135,219)	218,603	0
	FF	0	0	0	0	0	0	0	0	0	0
(1) Administration and Support, (B) Special Health Programs, Operating Expenses	<b>Total</b>	28,168	35,838	0	35,838	65,838	0	65,838	(40,175)	25,663	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	6,931	6,931	0	6,931	6,931	0	6,931	0	6,931	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	21,237	28,907	0	28,907	58,907	0	58,907	(40,175)	18,732	0
	FF	0	0	0	0	0	0	0	0	0	0

**Schedule 13**  
**Change Request for FY 2011-12 Budget Request Cycle**

Decision Item FY 2011-12	Base Reduction Item FY 2011-12	Supplemental FY 2010-11	Budget Amendment FY 2011-12
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**Request Title:** Amendment 35 Cash Fund Transfer to Health Care Policy and Financing  
**Department:** Department of Public Health and Environment      **Dept. Approval by:**  
**Priority Number:** NP - 14      **OSPB Approval:**      **Date:**

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2009-10	Appropriation FY 2010-11	Supplemental Request FY 2010-11	Total Revised Request FY 2010-11	Base Request FY 2011-12	Decision/Base Reduction FY 2011-12	November 1 Request FY 2011-12	Budget Amendment FY 2011-12	Total Revised Request FY 2011-12	Change from Base (Column 5) FY 2012-13
(1) Administration and Support; (B) Special Health Programs, (1) Health Disparities Program, Health Disparities Grants	Total	4,076,396	712,713	0	712,713	3,591,656	(2,686,351)	905,305	(381,890)	523,415	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	4,076,396	712,713	0	712,713	3,591,656	(2,686,351)	905,305	(381,890)	523,415	0
	FF	0	0	0	0	0	0	0	0	0	0
(2) Center for Health and Environmental Information, (A) Health Statistics and Vital Records, Operating Expenses	Total	316,445	484,566	0	484,566	466,231	0	466,231	(40,000)	426,231	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	153,766	299,750	0	299,750	281,415	0	281,415	(40,000)	241,415	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	162,679	184,816	0	184,816	184,816	0	184,816	0	184,816	0
(9) Prevention Services Division, (A) Prevention Programs, (1) Programs and Administration, Personal Services	Total	1,847,227	1,678,324	0	1,678,324	1,706,818	0	1,706,818	(80,000)	1,626,818	0
	FTE	21.7	22.9	0.0	22.9	22.9	0.0	22.9	(1.5)	21.4	0.0
	GF	153,592	118,480	0	118,480	114,448	0	114,448	0	114,448	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	670,429	643,403	0	643,403	672,188	0	672,188	(80,000)	592,188	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	1,023,206	916,441	0	916,441	920,182	0	920,182	0	920,182	0
(9) Prevention Services Division, (A) Prevention Programs, (1) Programs and Administration, Operating Expenses	Total	1,183,916	1,007,239	0	1,007,239	1,067,239	0	1,067,239	(50,000)	1,017,239	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	117,651	58,440	0	58,440	118,440	0	118,440	(50,000)	68,440	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	1,066,265	948,799	0	948,799	948,799	0	948,799	0	948,799	0
(9) Prevention Services Division, (1) Programs and Administration, Cancer, Cardiovascular Disease, and Pulmonary Disease Grants	Total	13,086,051	6,957,799	0	6,957,799	12,858,159	(4,124,055)	8,734,104	(5,956,000)	2,778,104	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	13,086,051	6,957,799	0	6,957,799	12,858,159	(4,124,055)	8,734,104	(5,956,000)	2,778,104	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0



**Schedule 13**  
**Change Request for FY 2011-12 Budget Request Cycle**

Decision Item FY 2011-12	Base Reduction Item FY 2011-12	Supplemental FY 2010-11	Budget Amendment FY 2011-12
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Request Title: Amendment 35 Cash Fund Transfer to Health Care Policy and Financing  
 Department: Department of Public Health and Environment Dept. Approval by: \_\_\_\_\_ Date: \_\_\_\_\_  
 Priority Number: NP - 14 OSPB Approval: \_\_\_\_\_ Date: \_\_\_\_\_

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2009-10	Appropriation FY 2010-11	Supplemental Request FY 2010-11	Total Revised Request FY 2010-11	Base Request FY 2011-12	Decision/ Base Reduction FY 2011-12	November 1 Request FY 2011-12	Budget Amendment FY 2011-12	Total Revised Request FY 2011-12	Change from Base (Column 5) FY 2012-13
(9) Prevention Services Division, (A) Prevention Programs, (1) Programs and Administration, Indirect Cost recoveries	Total	2,980,109	2,912,251	0	2,912,251	2,910,749	0	2,910,749	(180,000)	2,730,749	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	506,877	685,656	0	685,656	685,656	0	685,656	(180,000)	505,656	0
	CFE/RF	186	25,000	0	25,000	23,498	0	23,498	0	23,498	0
	FF	2,473,046	2,201,595	0	2,201,595	2,201,595	0	2,201,595	0	2,201,595	0
(9) Prevention Services Division, (A) Prevention Programs, (3) Chronic Disease and Cancer Prevention Grants Program, Breast and Cervical Cancer	Total	7,625,109	6,348,091	0	6,348,091	6,348,091	0	6,348,091	(1,625,000)	4,723,091	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	4,330,933	3,661,660	0	3,661,660	3,661,660	0	3,661,660	(1,625,000)	2,036,660	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	3,294,176	2,686,431	0	2,686,431	2,686,431	0	2,686,431	0	2,686,431	0
(9) Prevention Services Division, (A) Prevention Programs, (5) Tobacco Education, Prevention, and Cessation, Personal Services	Total	503,344	702,970	0	702,970	741,442	0	741,442	(120,000)	621,442	0
	FTE	6.5	10.0	0.0	10.0	10.0	0.0	10.0	(1.5)	8.5	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	503,344	702,970	0	702,970	741,442	0	741,442	(120,000)	621,442	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(9) Prevention Services Division, (A) Prevention Programs, (5) Tobacco Education, Prevention, and Cessation, Operating Expenses	Total	62,509	100,000	0	100,000	175,000	0	175,000	(100,000)	75,000	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	62,509	100,000	0	100,000	175,000	0	175,000	(100,000)	75,000	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
(9) Prevention Services Division, (5) Tobacco Education, Prevention, and Cessation, Tobacco Education, Prevention, and Cessation Grants	Total	11,334,362	7,007,811	0	7,007,811	22,984,952	(14,189,594)	8,795,358	(3,249,000)	5,546,358	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	11,334,362	7,007,811	0	7,007,811	22,984,952	(14,189,594)	8,795,358	(3,249,000)	5,546,358	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0

**Schedule 13**  
**Change Request for FY 2011-12 Budget Request Cycle**

Decision Item FY 2011-12  Base Reduction Item FY 2011-12  Supplemental FY 2010-11  Budget Amendment FY 2011-12

Request Title: Amendment 35 Cash Fund Transfer to Health Care Policy and Financing  
 Department: Department of Public Health and Environment Dept. Approval by: Date:  
 Priority Number: NP - 14 OSPB Approval: Date:

		1	2	3	4	5	6	7	8	9	10
	Fund	Prior-Year Actual FY 2009-10	Appropriation FY 2010-11	Supplemental Request FY 2010-11	Total Revised Request FY 2010-11	Base Request FY 2011-12	Decision/Base Reduction FY 2011-12	November 1 Request FY 2011-12	Budget Amendment FY 2011-12	Total Revised Request FY 2011-12	Change from Base (Column 5) FY 2012-13

Non-Line Item Request: None  
 Letternote Revised Text for FY 2010-11: None

Letternote Text Requested for FY 2011-12:  
 (1) Administration and Support, (A) Administration, Indirect Cost Assessment a Of these amounts, \$15,181,218 shall be from indirect cost recoveries, \$25,000 shall be from tobacco-settlement moneys received from tobacco-settlement-supported programs in this and other departments pursuant to Section 25-1-108.5 (5) C.R.S., \$15,475 shall be from Medicaid funds appropriated to the Department of Health Care Policy and Financing, and \$425,084 **\$82,368** shall be from various sources of reappropriated funds.  
 (2) Center for Health and Environmental Information, (A) Health Statistics and Vital Records, Operating Expenses a Of these amounts, \$1,662,113 shall be from the Vital Statistics Records Cash Fund created in Section 25-2-121 (2) (b) (I), C.R.S., \$1,299,353 shall be from the Medical Marijuana Program Cash Fund created in Section 25-1.5-106 (2), C.R.S.,-\$448,673- **\$98,673** shall be from the Tobacco Education Programs Fund created in Section 24-22-117 (2) (c) (I), C.R.S., \$448,673 **\$98,673** shall be from the Prevention, Early Detection, and Treatment Fund created in Section 24-22-117 (2) (d) (I), C.R.S., and \$103,151 shall be from various sources of cash funds. The Tobacco Education Programs Fund and the Prevention, Early Detection and Treatment Fund consist of revenues from additional state cigarette and tobacco taxes imposed pursuant to Section 21 of Article X of the State Constitution; appropriations from this fund do not constitute fiscal year spending for the purposes of Section 20 of Article X of the State Constitution.

Cash or Federal Fund Name and COFRS Fund Number: Prevention Detection Treatment Fund, Fund 18N , Tobacco Education Programs Fund, Fund 18M  
 Reappropriated Funds Source, by Department and Line Item Name: Health Disparities Grant Program Fund, Fund 19F, (9) 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 2011-12 BUDGET REQUEST CYCLE: DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

Schedule 13 Change Request for FY 2011-12 Budget Request Cycle											
Decision Item FY 2011-12		Base Reduction Item FY 2011-12			Supplemental FY 2010-11			Budget Amendment FY 2011-12			
<b>Request Title:</b> DPHE - Amendment 35 Cash Fund Transfer to Health Care Policy and Financing											
<b>Department:</b> Health Care Policy and Financing					<b>Dept. Approval by:</b> John Bartholomey <i>JTB</i>			<b>Date:</b> February 15, 2011 <i>2/7/11</i>			
<b>Priority Number:</b> NP-BA 8 (DPHE NP-14)					<b>OSP/B Approval:</b> <i>Paul N. Schmidt</i>			<b>Date:</b> 2/14/2011			
		1	2	3	4	5	6	7	8	9	10
	Fund	Prior Year Actual FY 2009-10	Appropriation FY 2010-11	Supplemental Request FY 2010-11	Total Revised Request FY 2010-11	Base Request FY 2011-12	Decision/ Base Reduction FY 2011-12	November 1 Request FY 2011-12	Budget Amendment FY 2011-12	Total Revised Request FY 2011-12	Change from Base (Column 5) FY 2012-13
<b>Total of All Line Items</b>	<b>Total</b>	2 877 822 564	3 106 858 127	0	3 106 858 127	3 101 279 542	0	3 101 279 542	0	3 101 279 542	0
	FTE	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0
	GF	762 936 068	700 606 422	0	700 606 422	1 079 820 226	(21 000 000)	1 058 820 226	(12 000 000)	1 046 820 226	0
	GFE	0	161 444 485	0	161 444 485	161 444 485	0	161 444 485	0	161 444 485	0
	CF	343 695 933	339 633 220	0	339 633 220	307 745 803	18 313 649	326 059 452	11 400 000	337 459 452	0
	CFE/RF	3 917 255	7 595 243	0	7 595 243	3 334 253	2 686 351	6 020 604	600 000	6 620 604	0
	FF	1 767 273 308	1 897 578 757	0	1 897 578 757	1 548 934 775	0	1 548 934 775	0	1 548 934 775	0
<b>(2) Medical Services Premiums*</b>	<b>Total</b>	2 877 822 564	3 106 858 127	0	3 106 858 127	3 101 279 542	0	3 101 279 542	0	3 101 279 542	0
	FTE	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0
	GF	762 936 068	700 606 422	0	700 606 422	1 079 820 226	(21 000 000)	1 058 820 226	(12 000 000)	1 046 820 226	0
	GFE	0	161 444 485	0	161 444 485	161 444 485	0	161 444 485	0	161 444 485	0
	CF	343 695 933	339 633 220	0	339 633 220	307 745 803	18 313 649	326 059 452	11 400 000	337 459 452	0
	CFE/RF	3 917 255	7 595 243	0	7 595 243	3 334 253	2 686 351	6 020 604	600 000	6 620 604	0
	FF	1 767 273 308	1 897 578 757	0	1 897 578 757	1 548 934 775	0	1 548 934 775	0	1 548 934 775	0
<b>Non-Line Item Request:</b> None											
<b>Letternote Revised Text:</b>		* \$3 286 351 shall be from the Health Disparities Cash Fund administered by the Department of Public Health and Environment, \$17 758 594 shall be from the Tobacco Education Cash Fund administered by the Department of Public Health and Environment, and \$11 955 055 shall be from the Prevention Early Detection and Treatment Fund administered by the Department of Public Health and Environment									
<b>Cash or Federal Fund Name and COFRS Fund Number:</b>		CF Health Disparities Cash Fund (19F) Tobacco Education Cash Fund (18M) Prevention Early Detection and Treatment Fund (18N) FF Title XIX									
<b>Reappropriated Funds Source, by Department and Line Item Name:</b>											
<b>Approval by OIT?</b> Yes: <input type="checkbox"/> No: <input type="checkbox"/> N/A: <input checked="" type="checkbox"/>											
<b>Schedule 13s from Affected Departments:</b> Department of Public Health and Environment											



# DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

Martha Rudolph  
Executive Director

*FY 2011-12 Balancing Proposal  
February 15, 2011*

## *Medical Marijuana Cash Fund Transfer FY 2011-12*

### **Proposal:**

Amendment 20 authorizes the use of medical marijuana to alleviate certain debilitating medical conditions. The Medical Marijuana Program Cash Fund is used to maintain the medical marijuana registry, accept and evaluate applications for medical marijuana use and for the issuance of identification cards. This proposal revises previously requested transfers from the Medical Marijuana Program Cash Fund (Fund 14V) to the General Fund. Based on revised beginning balance, revenue projections, and expenditures into and from the fund, it is anticipated that \$8,060,000 will be available to transfer, rather than the \$10,000,000 previously requested.

<b>Requested FY 2011-12 Transfer</b>	<b>Nov 1, 2010</b>	<b>Feb 15, 2011</b>
Projected Opening Balance	\$1,021,275	\$26,275
Projected Revenues	\$13,500,000	\$9,990,000
Less Projected Mandatory Expenditures	(\$2,243,957)	(\$1,946,929)
Equals Proposed Projected End of Year Balance	\$12,277,318	\$8,069,346
<b>Recommended Transfer</b>	<b>\$10,000,000</b>	<b>\$8,060,000</b>
Balance After Transfer	\$2,277,318	\$9,346

### **Impact of Recommended Reduction:**

There is sufficient revenue to cover the cost of operating the program. Utilizing or redirecting the fund balance will not have a direct effect on the medical marijuana program.

### **Assumptions:**

Revenue into the fund comes from a \$90 application fee paid by patients seeking a medical marijuana identification card. Anticipated revenue for this fund is higher than projected expenditures, based on the current rate of applications. Utilizing this fund balance is not anticipated to impact program operations. Estimated FY 2011-12 expenditures are as follows:

- Program costs for FY 2011-12 are estimated at \$1,825,163 which includes personal services, operating expenses and indirect cost assessment. The figures for FY 2011-12 include funding requested in:
  - DI-1: Medical Marijuana for November 1, 2010;
  - BA-1a: Medical Marijuana requested on January 3, 2011; and
  - S-3, BA-2: Medical Marijuana Computer System requested on January 3, 2011.
- The Legislature also passed a special bill during the 2010 session that requires transfers of funds to other state agencies:
  - SB 10-109 transfers \$121,766 to Department of Regulatory Agencies to investigate physicians for FY 2011-12.

Based on these expenditures, the program anticipates spending approximately \$1,946,929 in for FY 2011-12; significantly less than the anticipated \$9,990,000 in revenue that will be generated.

**Current Statutory Authority or Needed Statutory Change:**

The Medical Marijuana Program is established in the State Constitution, Section 14 of Article XVIII. The Program is required via the constitution, and is placed at the Department of Public Health and Environment via Colorado State Statute. According to the State Constitution, section 14, Article XVIII, (i) the state health agency may determine and levy reasonable fees to pay for any direct or indirect administrative costs associated with its role in this program.

Statutory change will be needed to utilize the balance of the cash funds. According to statute, C.R.S., 25-1.5-106 (3) (a) (2010), all remaining funds not expended during the fiscal year shall remain in the fund and shall not be credited or transferred to the General Fund. Redirecting the cash fund balance from these fees would not immediately have an effect on the program.



# DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

Martha Rudolph  
Executive Director

*FY 2011-12 Balancing Proposal  
February 15, 2011*

## *Reduction to Tony Grampsas Youth Services, Master Settlement Funding*

### **Proposal Summary:**

The TGYS Program was created by the Legislature in 1994 in response to the “summer of violence” in order to provide State support for local programs to reduce youth crime, violence, child abuse, and other high-risk behaviors. At its peak, the TGYS Program spent \$9.2 million and served 85,000 individuals.

Results from the past five years have shown that Tony Grampsas programs are achieving statistically significant results for the majority of outcomes defined by the program. Highlights from the last two years include: increased school performance, increased life skills, decreased bullying, decreased alcohol/tobacco/marijuana use, improved progress towards achieving developmental milestones, increased positive parenting skills/practices, and increased self-esteem/self-efficacy.

The Department’s November 1, 2010 FY 2011-12 Budget Request included \$3,841,617 for Tony Grampsas Youth Services (TGYS) to serve roughly 27,000 individuals in that fiscal year. This proposal seeks to reduce previously requested funding by \$1,887,747, from Tobacco Master Settlement Agreement funding, and requests this amount to be transferred to the General Fund for FY 2011-12 and ongoing.

<b>Summary of Proposal FY 2011-12</b>	<b>Total Funds</b>	<b>Cash Fund</b>
<b>Department Total</b>	<b>(\$1,887,747)</b>	<b>(\$1,887,747)</b>
(9) Prevention Services Division, (D) Prevention Partnerships, (2) Tony Grampsas Youth Services Program, Prevention Services Programs	(\$1,887,747)	(\$1,887,747)

### **Impact of Recommended Reduction:**

Decreased funding for the TGYS Program would decrease both the number of agencies providing services and the number of individuals who can access services through existing agencies. Assuming an average cost of \$142.28 per participant ( $\$3,841,617 / 27,000$  participants = \$142.28). Reducing the grant program by \$1,887,747, equates to a reduction of 13,268 participants ( $\$1,887,747 / \$142.28 = 13,268$ ).

While demand for TGYS dollars in local communities continually outpaces available funding, the Department recommends this request in order to balance the State’s General Fund budget.

### **Assumptions:**

Considering the Department’s initial FY 2011-12 Budget Request of \$3,841,617 for this program, the proposed reduction of \$1,887,747 will result in a reduced allocation to Tony Grampsas Youth Services Programs of \$1,953,870. Assuming \$142.28 per participant, requested funding would be able to serve 13,733 participants.

### **Current Statutory Authority or Needed Statutory Change:**

Statutory changes to 24-75-1104.5, C.R.S. and 25-20.5-201, C.R.S. will be needed to allow for an ongoing transfer from this cash fund to the General Fund.

**Schedule 13  
Change Request for FY 2011-12 Budget Request Cycle**

Decision Item FY 2011-12  Base Reduction Item FY 2011-12  Supplemental FY 2010-11  Budget Amendment FY 2011-12

Request Title: Reduction to Tony Grampas Youth Services, Master Settlement Funding  
 Department: Department of Public Health and Environment Dept. Approval by: *[Signature]* Date: February 8, 2011  
 Priority Number: NP - 15 OSPB Approval: *[Signature]* Date: 2/14/2011

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 2009-10	Appropriation FY 2010-11	Supplemental Request FY 2010-11	Total Revised Request FY 2010-11	Base Request FY 2011-12	Decision/Base Reduction FY 2011-12	November 1 Request FY 2011-12	Budget Amendment FY 2011-12	Total Revised Request FY 2011-12	Change from Base (Column 5) FY 2012-13
<b>Total of All Line Items</b>	<b>Total</b>	3,986,075	3,841,275	0	3,841,275	3,841,617	0	3,841,617	(1,887,747)	1,953,870	(1,887,747)
	FTE	3.0	3.0	0.0	3.0	3.0	0.0	3.0	0.0	3.0	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	3,986,075	3,841,275	0	3,841,275	3,841,617	0	3,841,617	(1,887,747)	1,953,870	(1,887,747)
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
<b>(9) Prevention Services Division, (D) Prevention Partnerships, (2) Tony Grampas Youth Services Program, Prevention Services Programs</b>	<b>Total</b>	3,986,075	3,841,275	0	3,841,275	3,841,617	0	3,841,617	(1,887,747)	1,953,870	(1,887,747)
	FTE	3.0	3.0	0.0	3.0	3.0	0.0	3.0	0.0	3.0	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	3,986,075	3,841,275	0	3,841,275	3,841,617	0	3,841,617	(1,887,747)	1,953,870	(1,887,747)
	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: None  
 Letternote Revised Text for FY 2010-11: None  
 Letternote Text Requested for FY 2011-12: None  
 Cash or Federal Fund Name and COFRS Fund Number: Fund 100, Tobacco Master Settlement  
 Reappropriated Funds Source, by Department and Line Item Name: NA  
 Approval by OIT? Yes:  No:  N/A:   
 Yes:  
 Schedule 13s from Affected Departments: None