Public Health and Environment (Health Divisions Only)

FY 2026-27 Joint Budget Committee Hearing Agenda

Monday, December 1, 2025

1:30 pm – 4:00 pm

1:30 – 1:35 Introductions and Opening Comments

Presenter: Jill Hunsaker Ryan, Executive Director

1:35 – 1:55 Department Slideshow - Overview of Budget Request

Main Presenters:

- Jill Hunsaker Ryan, Executive Director
- Erick Scheminske, Chief Operating Officer
- Dr. Ned Calonge, Chief Medical Officer

1:55 – 2:40 State Laboratory (1331 and R1 request)

Main Presenters:

- Jill Hunsaker Ryan, Executive Director
- Erick Scheminske, Chief Operating Officer
- Dr. Ned Calonge, Chief Medical Officer

Supporting Presenters:

- Veronica Cepak, Deputy Director of Environmental Testing, Laboratory Services
- Heather Krug, Regulatory Programs Branch Chief, Laboratory Services

Topics:

- Big Picture: Pages 1-18, Questions 1-3 in the packet
- 1331 Request Specifics: Pages 18-22, Questions 4-7 in the packet
- R1 Request Specifics: Pages 22-24, Questions 8-9 in the packet

2:40 – 3:25 Public Health Budget Reductions

Main Presenters:

- Jill Hunsaker Ryan, Executive Director
- Erick Scheminske, Chief Operating Officer
- Dr. Ned Calonge, Chief Medical Officer

Supporting Presenters:

- Tracy Miller, Deputy Division Director, Prevention Services Division
- Alicia Haywood, Deputy Division Director, Prevention Services Division
- Arlen Zamula, Director, Office of Health Equity

Topics:

- Budget reduction process and federal funds: Pages 24-29, Questions 10-12 in the packet
- R4 Eliminate Comprehensive Sexual Education Program: Pages 29-32, Questions 13-17 in the packet
- R6 Eliminate Community Behavioral Health Disaster Program: Pages 33-36, Questions 18-20 in the packet
- R7 CARE Network: Page 36-38, Questions 21-25 in the packet
- R8/S2 Reduce Health Disparities Grant: Pages 38-39, Questions 26 in the packet
- R9/S3 Reduce LPHA Distributions: Pages 39-43, Questions 27-30 in the packet

3:25 – 3:45 Staff-proposed Budget Reduction Options

Main Presenters:

- Jill Hunsaker Ryan, Executive Director
- Erick Scheminske, Chief Operating Officer
- Dr. Ned Calonge, Chief Medical Officer

Supporting Presenters:

- Jessica Forsyth, Director, Division of STI/HIV/Viral Hepatitis
- Diana Herrero, Deputy Director, Division of Disease Control and Public Health Response
- Elaine McManis, Director, Health Facilities and Emergency Medical Services Division

Topics:

- EMS and Office of Cardiac Arrest: Pages 43-44, Questions 31-33 in the packet
- State Drug Assistance Program (SDAP): Pages 44-45, Questions 34 in the packet
- Immunizations: Pages 45-50, Questions 35-38 in the packet

3:45 – 4:00 Cross-divisional: Public Health Context Questions

Main Presenters:

- Jill Hunsaker Ryan, Executive Director
- Erick Scheminske, Chief Operating Officer
- Dr. Ned Calonge, Chief Medical Officer

Supporting Presenters:

- Elaine McManis, Director, Health Facilities and Emergency Medical Services Division
- Diana Herrero, Deputy Director, Division of Disease Control and Public Health Response

Topics:

- Programmatic specifics: Pages 50-56, Questions 39-44 in the packet

Public Health and Environment (Health Divisions Only)

FY 2026-27 Joint Budget Committee Hearing Responses

Monday, December 1, 2025

1:30 pm – 4:00 pm

State Lab: 1331 and R1 request

Big Picture

1. *[Rep. Brown] How exactly does the Department plan to increase/improve oversight and controls at the laboratory – how are they fixing the core issues that created the current problems in the lab (especially those that caused the lab to have their EPA water testing certification revoked)?*

Response: Over the past 12 months, the Department has paid for and received several internal and external assessments, investigations, and a "future state" proposal to help us understand the scope of the quality assurance issues at the lab. This collection of information will help us respond in a strategic and systematic way. Reports include:

- A third-party root cause analysis of data manipulation that occurred within the Chemistry Lab, performed by Transformation Point as required by the EPA;
- A full quality management system assessment of the entire lab conducted by Overbrook Scientific as requested by Director Ryan;
- A third-party disciplinary investigation requested by Director Ryan;
- Several internal disciplinary investigations performed by the Department's Human Resources Office; and
- A two-year "future state"proposal by Overbrook Scientific to address the systemic quality assurance issues at the lab.

These processes and reports have captured the systemic issues that led to data manipulation by scientists in the chemistry lab, plus other serious quality assurance issues across the full laboratory that can and have also put us at risk. The root causes of these issues include: chronic underfunding, aging equipment (some from the 1990s), a lack of oversight and management positions, poor judgement, cumbersome SOP's, understaffing in the programs, and a significant lack of quality assurance staff.

Process Improvement

Because systemic issues were identified in the Chemistry Lab's root cause analysis, required by the EPA, Director Ryan hired Overbrook Scientific to conduct an assessment of the quality management system across the entire lab. Overbrook completed this assessment at the end of July, and then provided a proposal for addressing what they deemed as "critical, major and minor gaps." Their proposal is a key strategy to addressing the systemic quality control issues and taking the lab to its future state with the highest of scientific integrity. Both our 1331 request and decision item request include funding for Overbrook Scientific or a similar scientific firm to implement these systemic improvements. In fact, our decision item provides a $250,000 CDPHE vacancy savings "match" to our budget request for this work. In order to keep the momentum moving, we have used these dollars and contracted with Overbrook Scientific to begin process mapping every laboratory unit and function related to quality assurance. Overbrook was onsite just last week.

Through our work with Overbrook Scientific or similar third party, we expect to standardize systems and create efficiencies across all workstreams, resulting in higher quality, more productivity and cost savings. Next steps have been identified as: process mapping essential lab units and functions; redesigning SOPs and systems; standardizing and streamlining workstreams; creating an asset management system to identify redundant or underutilized assets, assure the performance of regular equipment maintenance and a schedule for technology upgrades; implement digital transformation around accessioning (the chain of custody for samples) and systemic tracking of inventory, including expired materials; phasing out low-value testing to promote cost savings; developing a data integrity governance system and automating data; and developing a quality risk-management system for the chemistry program, and later on, the entire lab.

The Department is confident that the investment in a scientific firm to rebuild our quality management system will modernize the state public health laboratory, save money in the long run, and assure ongoing quality service for decades to come. Overbrook's proposal that was included in the 1331 request and decision item is provided below. We requested full funding of Phase III A. Critical Gaps, and Phase II B. Major Gaps for the Chemistry Lab. The Phase II B. work will also likely continue into Fiscal Year '27/'28 for the entire lab.

Financial Proposal* - Phase III – 2 Year Plan

Work Streams	Deliverable	Duration	Cost (USD)
Phase III-A Critical Gaps – Total $1.3M - 1 year			
1. Process Mapping	1.1 Lab-Wide Mapping 1.2 Data Flow and Control Plan	6 Months	$250,000
	1.3 LIMS Optimization 1.4 Governance & Training	6-8 Months	$250,000
2. Asset Management	2.1 Asset Process Mapping 2.2 Asset/Inventory Management System	6 Months	$250,000
	2.3 Vendor Management 2.4 QMS Integration	6 Months	$250,000
3. DI Governance	3.1 Develop DI Governance 3.2 Develop DI process 3.3 Connect to Process Maps and Asset management streams 3.4 Culture and Training	7 Months	$300,000
Phase III-B Major Gaps – Total $650K+ – 8 Months			
4. Quality Risk Management	4.1 Internal Audits, Management Reviews, Roles and Responsibilities 4.2 Implementation of QRM	5-6 Months	$150-200K
5. Non-Conformance Management	5.1 Root Cause, CAPA and Effectiveness Checks 5.2 Implementation of Non-Conformance Management Updates	5–6 Months	$150-200K
6. Training Program	6.1 Developing Training Content 6.2 Delivering Training Modules and Establish Competency	5–6 Months	$250K

Laboratory Restructuring

The laboratory organizational structure is getting a complete overhaul to promote better oversight and adequate span of control, operational functionality, plus support for the upkeep of instrumentation and technology. The laboratory was moved into the Disease Control and Public Health Response Division (DCPHR) just prior to the start of the pandemic. This model worked beautifully during the pandemic when the Department had to scale COVID testing (providing 49,000 tests per week at its peak) to serve the entire state. However, due to potential span of control issues we are going to change the reporting structure such that the Laboratory reports to the Chief Medical Officer.

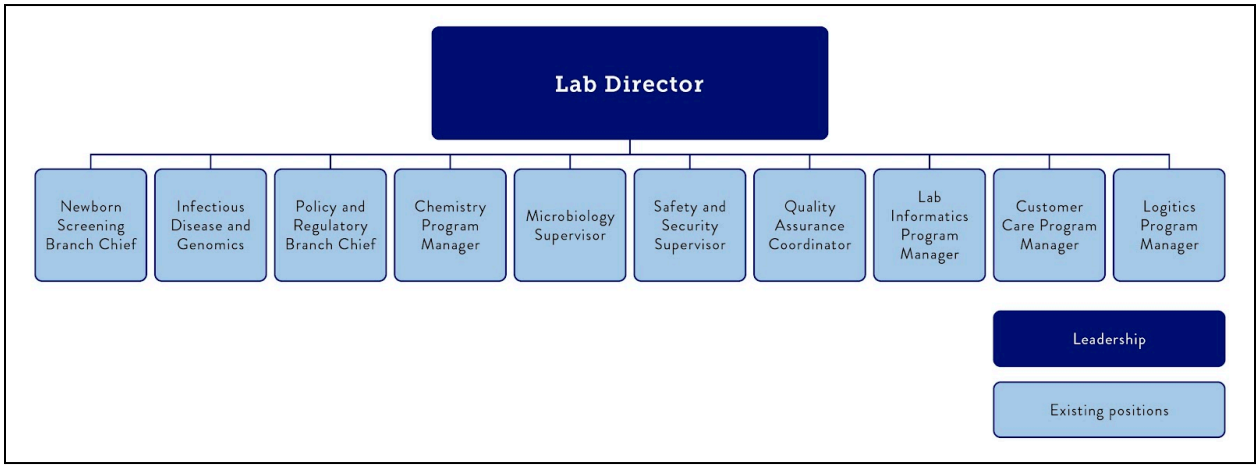
In addition, the laboratory director was recently terminated after a nine-month investigation, and so we are starting a hiring process. The laboratory director position has always been “classified” as defined by the state personnel system. This has significantly limited the salary level CDPHE could offer, and in fact, resulted in a model where the Department contracted for some of the services a lab director paid at this level could not provide. The next laboratory director will be hired with an SES (senior executive services) designation, which allows CDPHE to raise the salary by up to $50,000, plus conduct a nation-wide search to obtain a seasoned professional to fill this critical role. With an SES position, CDPHE will no longer be required to contract for additional services, making this a cost-neutral change. We anticipate a hire in early 2026.

Finally, the chemists accused of data manipulation resigned during an internal investigation. We are reducing the number of methods offered by the chemistry lab from 34 to 22 (methods will either be dropped completely because they are offered by private labs or we will contract for low volume services) in order to streamline lab work.

The following charts illustrate the past, current and future oversight and management structures of the Laboratory. We have requested many of these critical positions in our budget proposals and others are being funded through what were previously known as “SB 23-243” dollars (the discretionary dollars shared with local public health to improve public health infrastructure) and then were renewed in a decision item to fill critical roles.

Laboratory Oversight & Management Structures: Past, Current and Future States
In the Prior State organizational chart, (Chart 1) the Laboratory Director was overseeing 11-16 staff at any one time and holding positions open due to lack of funding. Stagnant funding at the federal level for two decades, the loss or shifting of federal grant priorities, and stagnant general fund operating dollars resulted in a subtle reduction in buying power over time that added up and was not surfaced to Department leadership or appropriately addressed.

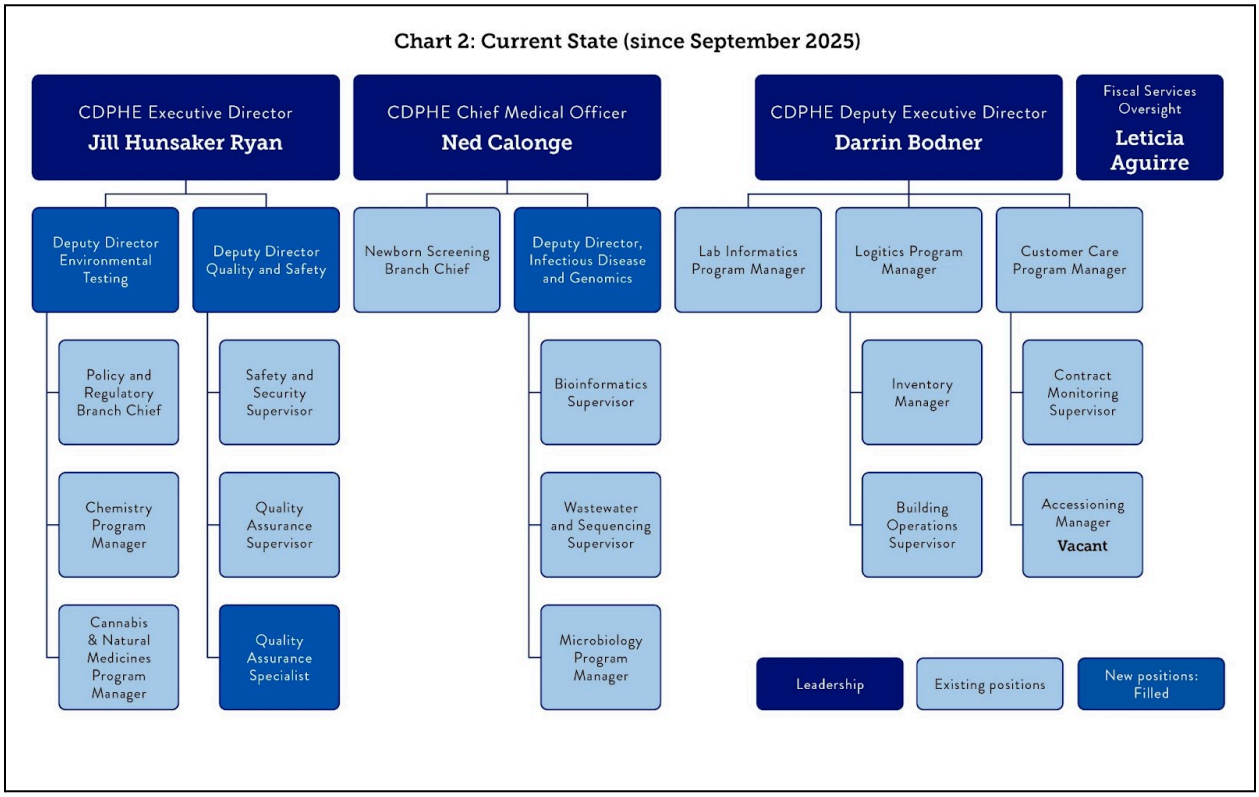
Chart 1: Prior State (2024 - September 2025)

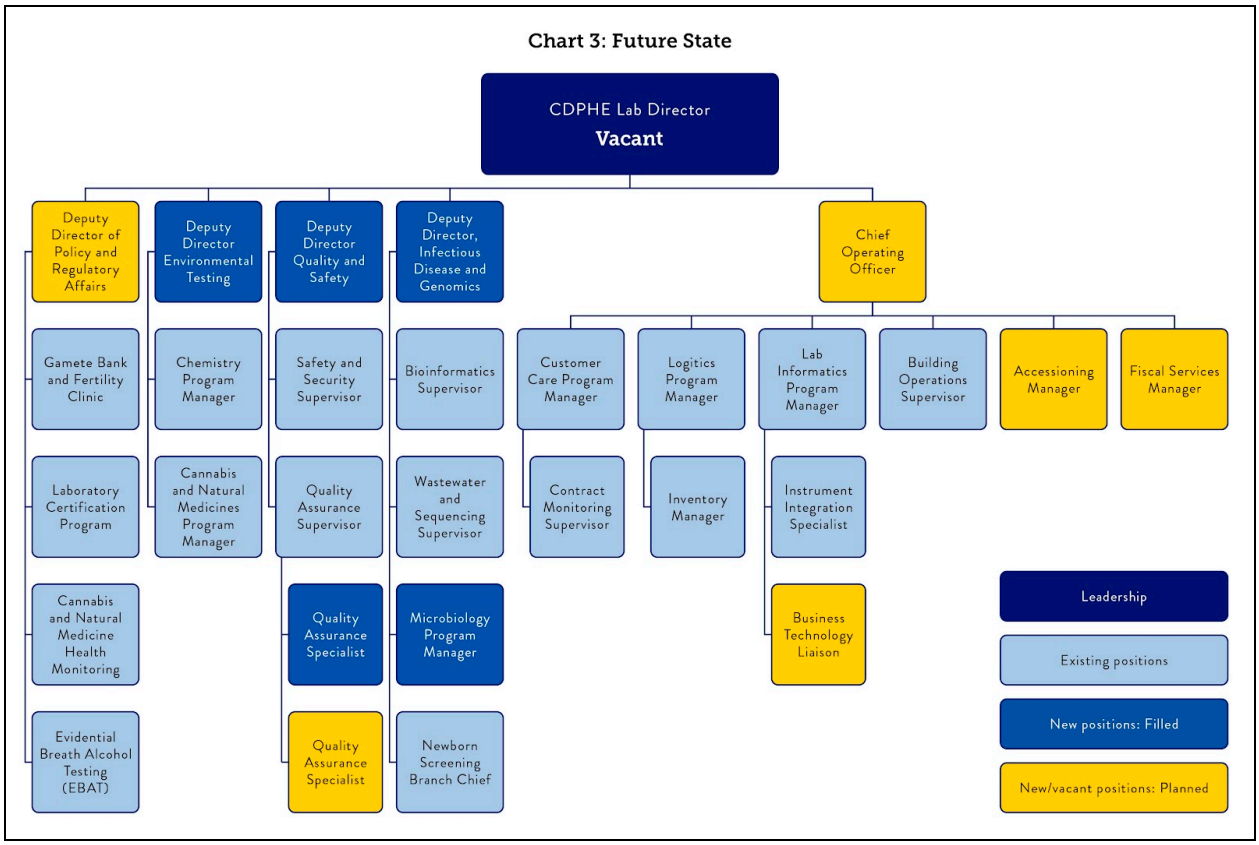


Last summer, CDPHE hired three new quality assurance positions to support the lab’s one quality assurance position, using what were previously known as 243 funds. Three new positions were created: a deputy director of quality and safety, as well as two quality assurance scientists. Additionally, using vacancy savings, CDPHE hired a new position--a deputy director of environmental science--to oversee the recertification of the Chemistry Lab and provide oversight to the State Public Health Laboratory’s environmental units. She also directed the hiring of a Microbiology Manager with vacancy savings. This was a position held open due to lack of funding, and the subject of major quality assurance issues in the disciplinary investigation. These two positions are a part of our decision item to fund permanently as they have no other funding mechanism. Also, two internal managers are being promoted to deputy directors: a

deputy director of infectious disease and genomics, and a deputy director of policy and regulatory affairs (See Current and Future State org charts below).

In September 2025, when the Laboratory Director was placed on administrative leave, Director Ryan, Dr. Calonge, and CDPHE Deputy Director, Darrin Bodner, took over supervision of the laboratory and continue to be an onsite presence, problem solving and creating a culture where quality assurance is the highest priority (Current State, Chart 2). Director Ryan and the Executive Director's team began spending substantial time onsite directly engaging with staff, troubleshooting operational issues, and shaping the expectation that quality assurance is the lab's top priority. Their involvement reinforced transparency, accountability, and timely decision-making. We also deployed the Administration Division's Fiscal Services Manager into a fiscal oversight role and to help strategize around tracking and sustainability, until we are able to hire a Chief Operating Officer (currently vacant and paid for with temporary COVID funds but requested in the decision item) and a Fiscal Services Manager (a new position from a formally shared function with DCPHR). (Future State, Chart 3)





2. *[Rep. Taggart] What is the Department's big-picture strategy for the lab moving forward? What is included in the 1331 vs. R1 request and how do they interact with each other?*

Response:

Big-Picture Strategies For the Lab Moving Forward:

- Hiring a new Laboratory Director as an SES position with significantly higher pay and a nationwide search.
- Restructuring the lab to report to the Chief Medical Officer.
- Adding key positions: Creating/filling oversight, quality assurance, and operational positions, and obtaining permanent funding for scientists (some of these are in our budget requests and some are being paid for by shifting the Department's "SB-243" dollars and reprioritizing).
    - Creating four deputy director positions (where previously there was one position)
    - Hiring three new leadership positions to oversee the operations of the lab: 1) Chief Operating Officer, Fiscal Services Manager (currently shared in the larger division), and a Business Technology Lead.

    - Creating a Quality Assurance team of five, including a Deputy Director of Quality and Safety, three quality assurance scientists, and a trainer (where previously there was one Q/A coordinator).
    - Obtaining resources for key positions that don't have a funding source because the public is the beneficiary (like during disease outbreaks) or where fees don't quite cover the costs. These include scientists, a microbiology unit manager, and some of the operations staff that joined during COVID and have taken on administrative functions previously performed by scientists.
- Building off the momentum from the laboratory's quality management systems assessment by Overbrook Scientific: 1) Overbrook is currently performing process mapping of each lab unit (chemistry, microbiology, etc) and function (inventory, asset management, accessioning or moving samples through the lab), and 2) having Overbrook or other scientific firm build a modern quality management system for the entire lab, based on the process maps.
- Obtaining resources for instrument replacement for laboratory units without a funding source, and maintaining a maintenance and replacement schedule. (Dept of Public Safety's lab has general fund support for this).

There are two issues that the 1331 and R-01 budget requests attempt to address:

1) Recertification of the chemistry lab and protecting Colorado's "primacy" designation from the EPA **(1331 request)**; and

2) Addressing the quality assurance issues as the top priority for the entire Laboratory:

- Hiring a scientific firm to build a modern quality management system for both the chemistry lab to meet EPA requirements, and the entire Colorado State Public Health Laboratory **(1331 and decision item- the work will start now but go into FY '26/27)**;
- Adding positions to address span of control issues, lack of staff capacity, and management oversight for the entire lab **(1331 and decision item);**
- Maintaining modern operational systems that evolved during COVID thus removing administrative functions that were previously performed by scientists (Operational staff are paid for by COVID funding that ends this summer **(decision item).**

After the data manipulation issue was discovered in the Chemistry Lab, the EPA required the Laboratory to conduct a third-party root cause analysis, performed by Transformation Point. The analysis showed major systemic issues including chronic

underfunding, outdated instruments, a lack of oversight, cumbersome SOPs and processes, a lack of staff capacity, turn around time pressures, and a lack of quality assurance staff in general (the lab only had one position dedicated to Q/A).

The two chemists were working on an instrument from the 1990s. The instrument was not able to be connected to the Laboratory Information Management System. Instead, chemists were recording data using a thumb drive and manually moving it to the larger system, which allowed the manipulation to occur. This instrument needed frequent calibration, due to its age, but to save time, the chemists were making it look like they had performed the calibration when they had not, effectively invalidating the test results. (Both chemists resigned during an internal investigation.) CDPHE is no longer certified to perform these tests until we meet criteria from the EPA. Getting the Chemistry lab recertified has urgency because the EPA is requiring that we perform a historical data analysis on every chemistry data point back to 2018, which is going to take time. We have performed some of this work internally to make sure there isn't any risk to the public's health, but the EPA is requiring a third-party validation. The EPA has also requested that all instruments be connected to the Laboratory Information System, which requires the purchase of some new systems and maintenance agreements on others. It will again take time (several months) to validate testing methods on the new equipment. In the meantime, we have worked with the EPA to maintain our "primacy" designation by contracting with private laboratories, until we can get the state chemistry lab back up and running. Primacy is the authority delegated to states to enforce federal drinking water regulations within its jurisdiction, as outlined by the Safe Drinking Water Act. CDPHE carries out three aspects of primacy: testing, certifying other water suppliers to test (like Denver Water) and enforcement through CDPHE's Water Quality Control Division. Federal Infrastructure dollars are tied to states performing these services. The EPA has been patient with Colorado, but they can decide to remove our primacy designation if they don't see forward progress.

Aspects of the **1331 request** that have not yet been approved, but are needed to get the chemistry lab recertified include:

S-01 (1331 Request for Chem Lab Recertification)

Amount	Description
$445,000	Replace four outdated chemistry instruments with three new, multifunctional chemistry instruments, and enter into service agreements for preventive maintenance on existing equipment not slated for replacement.
$106,000	Connect and integrate new instruments into the Laboratory Information Management System.

$34,371	Pay for an additional chemist to help validate new methods. (Fund 0.25 FTE of a PSRS II pro-rated at half to account for hiring time.)
$32,186	Hire a laboratory training coordinator to work with the Quality Assurance team. Start by training new chemistry staff for EPA re-cert (Fund 0.25 FTE of PSRS I pro-rated at half to account for hiring time)
$20,000	Obtain supplies to revalidate chemistry testing methods.
$296,052	Contract to perform historical data analysis required by EPA to regain certification. *(Half of the cost for this activity has already been approved by the JBC. The total request was $592,105)*
$75,000	Scientific firm (contractor) to design and implement a quality risk management system for the Chemistry Lab that meets EPA requirements.

Additionally, there are other urgent requests listed on the 1331 that are broader than the chemistry lab situation. The systemic issues identified in the chemistry lab through a root cause analysis were not isolated, meaning that other areas of the Colorado State Public Health Laboratory are also at high risk of bad outcomes.

1331 and R-01-Microbiology Manager: Many issues have been brought to light because of Overbrook Scientific's assessment of the entire laboratory's quality management system, plus an external disciplinary investigation that concluded in September. The disciplinary investigation pointed to quality assurance risks in the microbiology lab. The Microbiology Manager position had been held open for over a year due a lack of funding, and when a supervisor position became vacant, a work lead was overseeing the work, supervised by the Laboratory Director, who had 11 direct reports. According to the investigation, the work lead had people conducting tests without proper oversight or a current competency on file, based on time pressures. Staff reported a lack of training and several arguments between the work lead and staff because the SOPs were unclear. Because this matter is so urgent to public safety, we requested a microbiology manager in our 1331, but went ahead with a hiring process using vacancy savings for the time being. Microbiology is a program that many times does not have a payer source because the public is the beneficiary. We are requesting this position in both the 1331 and ongoing in the R-01 budget request.

S-01 1331 Request

$84,204	**Microbiology Program Manager (Fund 0.5 FTE of PSRS V)** The position will oversee all microbiology testing activities and set programmatic goals to align with microbiology testing for public health surveillance of disease-causing pathogens from human and environmental samples, including milk and water. This is an old position that lost funding.

R-01 Decision Item Request (ongoing funding)

$179,815	**Microbiology Program Manager (1.0 FTE - PSRS V)** that will oversee all microbiology testing activities and set programmatic goals to align with microbiology testing for public health surveillance of disease-causing pathogens from human and environmental samples, including milk and water.

1331 and R-01-Quality Assurance Contractor: The laboratory simply lacks systems. Every laboratory unit has evolved with their own processes, nothing is standard. Prior to the pandemic, the scientists did most of their own administrative work like inventory control and sample receipt. Many of the processes are paper based and error prone. But the lab has grown too big, with many new functions (see response to question 12) and the processing of nearly 90,000 tests per year. We must modernize or risk the public's health or regulatory consequences.

In response to the root cause analysis, CDPHE contracted with a third party scientific firm, Overbrook Scientific, to provide a quality assurance evaluation of the entire laboratory. After identifying "critical, major and minor"gaps, they provided a proposal.

Overbrook's proposal that was included in the 1331 request and decision item is provided below. We requested full funding of Phase III A. Critical Gaps, and Phase II B. Major Gaps for the Chemistry Lab. The Phase II B. work will also likely continue into Fiscal Year '27/'28 for the entire lab. CDPHE is also contributing $250,000 in vacancy savings to get this process started. We are under contract for Phase III A, 1.1 Lab wide mapping. A description of these requests from the 1331 and R-01 are provided below.

Overbrook Scientific's Two Year Plan to Develop a Modern Quality Management System at the Colorado State Public Health Laboratory

Financial Proposal* - Phase III – 2 Year Plan

Work Streams	Deliverable	Duration	Cost (USD)
Phase III-A Critical Gaps – Total $1.3M - 1 year			
1. Process Mapping	1.1 Lab-Wide Mapping 1.2 Data Flow and Control Plan	6 Months	$250,000
	1.3 LIMS Optimization 1.4 Governance & Training	6-8 Months	$250,000
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3. DI Governance	3.1 Develop DI Governance 3.2 Develop DI process 3.3 Connect to Process Maps and Asset management streams 3.4 Culture and Training	7 Months	$300,000
Phase III-B Major Gaps – Total $650K+ – 8 Months			
4. Quality Risk Management	4.1 Internal Audits, Management Reviews, Roles and Responsibilities 4.2 Implementation of QRM	5-6 Months	$150-200K
5. Non-Conformance Management	5.1 Root Cause, CAPA and Effectiveness Checks 5.2 Implementation of Non-Conformance Management Updates	5–6 Months	$150-200K
6. Training Program	6.1 Developing Training Content 6.2 Delivering Training Modules and Establish Competency	5–6 Months	$250K

1331 Request

Amount	Description
$500,000	Contract to build/implement a risk management/quality assurance system for the entire lab, to include process mapping, streamlining, and system redesign of lab workstreams (from intake of sample through output of results) for all six areas of the lab. This will include new technology recommendations of new technology, rewriting of SOPs, and developing and conducting staff training.
$550,000	Contractor to create an asset management program, vendor management program, quality management system integration, data integrity governance system, consult on equipment and information management system upgrades, develop and provide training.
$75,000	Contractor to design and implement a quality risk management system for the Chemistry Lab that meets EPA requirements.

R-01 Request

Amount	Description
$125,000	**Build a High-Quality Risk Management System** in all areas of the laboratory to provide quality assurance among all systems. (The Chemistry risk management system will be built in FY 26/27 with supplemental funds)
$200,000	**Build Non-Conformance Management System** that includes root cause analysis, corrective actionsCAPA, and effectiveness checks to resolve quality issues and establish preventative actions in every area of the Laboratory.
$250,000	**Building Modules and Training Laboratory Staff/Competence Testing** to develop training content and modules around quality assurance, and provide training and establish competencies around new processes, standard operating procedures, approvals, and reporting.

R-01 Management and Oversight:

The Overbrook report, Transformation Point Root Cause Analysis and the disciplinary investigation all cited issues of lack of management and oversight, and a lack of span of control among supervisors across the entire lab. We have added or plan to add several oversight positions, including the Microbiology Manager mentioned above, plus a Chief Operating Officer and several deputies (call associate directors in our request). These positions do not have a funding source but will be critical to the lab maintaining an adequate level of oversight and quality assurance.

Amount	Description
$210,462	**Laboratory Chief Operating Officer (1.0 FTE - PM III)** that is responsible for standardization of policies across the laboratory, oversees all support and logistics activities, and develops business plans, asset management, and strategic plans for laboratory fiscal sustainability.
$211,000	**Associate Director of Infectious Disease (1.0 FTE - PSRS V)** that will provide scientific expertise and oversight to all activities of the microbiology and genomic surveillance programs, set strategic goals for infectious disease testing in wastewater and clinical samples, and act as liaison with external collaborators, including academic partners, the Food and Drug Administration (FDA), and Centers for Disease Control and Prevention (CDC) for outbreak testing. This position will also establish and maintain innovative state- of- the- art methods for pathogen detection.
$211,000	**Associate Director of Environmental Testing (1.0 FTE - PSRS V)** that will provide scientific expertise and oversight to all activities of the environmental chemistry, food safety, and biomonitoring programs; set strategic goals for environmental testing; establish and maintain methods for detection of novel contaminants (e.g. PFAS); and serve as liaison with FDA, EPA, and CDC for environmental contaminants.

R-01: New Scientific and Administrative Capacity

The Overbrook report, Transformation Point Root Cause Analysis and the disciplinary investigation all cited issues of time pressures on scientists-too much volume and not enough staff. The Scientists listed below will add capacity to many programs where volume has grown but staff have not. Additionally, Lab Leadership does not have any administrative support. We add a position to support the Laboratory Director, the Four Deputies, and the Chief Operating Officer.

Amount	Description
$598,069	**Scientists (5.0 FTE - PSRS I)** to include 1 Food Microbiologist, 2 Infectious Disease Scientists, 1 Preparedness Scientist (focused on high consequence pathogens such as Ebola, plague, and anthrax /bioterrorism), and 1 Laboratory Certification Officer.
$105,509	**Program Assistant (1.0 FTE - PA II)** will be the Laboratory Support Specialist that will provide program support to laboratory leadership, facility internal staff communications, and facilitate training logistics.

R-01: Maintain Some Critical Positions Paid for by COVID Dollars

COVID dollars helped the Colorado State Public Health modernize from an operations perspective. Previously, scientists in individual lab units (like Chemistry and microbiology) were responsible for providing their own administrative support. The lab is too big to do this now with new functions and such an increase in testing volume. These positions will lose funding in summer 2026. While many other positions will roll off COVID funds and their employment with CDPHE will come to an end, these are the positions we feel we need to keep ongoingly.

Existing Personnel (Ongoing)

Amount	Description
$221,505	**Lab Coordinators (2.0 FTE - Liaison III)** perform customer service communication with laboratory customers and coordinate grant-required referral of surveillance samples to the Centers for Disease Control and Prevention (CDC)
$114,310	**Inventory Manager (1.0 FTE - Administrator IV)** manages and tracks lab purchasing and inventory. This position was added during the pandemic and is currently funded with federal COVID-19 dollars in response to an admin-level audit.
$213,014	**Data Managers (2.0 FT - Data Manager III)** that ensure the proper functioning of LIMS, electronic test ordering and result reporting, and instrument integrations, create data visualizations, and perform updates to data workflows for all laboratory tests.
$80,320	**Instrument Integration Specialist (0.75 FT - SCINT PRGMR/Analyst IV)** that is responsible for establishing and maintaining connectivity between laboratory equipment and LIMS.
$101,197	**Contract Monitor (1.0 FTE - Contract Admin III)** that manages programmatic contracts. This crucial position is the Lab's onlysole contract monitor. If this position were terminated, contract management responsibilities would fall back on program managers that should be focused solely on ensuring the scientific integrity of the Lab's scientific outcomes.
$124,262	**Accessioning Supervisor (1.0 FTE - Tech V)** that supervises Accessioning (sample receiving and sample data entry) staff and performs daily quality control.
$98,309	**Accessioning Lead (1.0 FTE - Tech III)** is the send-outs coordinator that manages test orders, tracking and shipping, and the shipping of samples to other labs for testing and reporting of referral test results to customers.
$166,664	**Accessioners (2.0 FTE - Tech II)** that receive samples for testing,

	track the chain of custody, initiate testing in the Lab's database, and ensure that samples meet test requirements.
$168,644	**Central Services Materials Handlers (2.0 FTE - Material Handler II)** that primarily work in the warehouse and are responsible for lab supply management and hazardous waste.

3. *[Sen. Kirkmeyer] Please provide more historical context on the lab:*

    - *What was the state of the lab pre-COVID?*

Response: As of December 2019, the lab employed 93 FTE. This included a non-scientist Division Director and a Scientific Laboratory Director/Deputy Director as the Lab's leadership. One Quality Assurance Coordinator, that started November 2019, guided QA activities for the whole State Lab, but the position had been vacant for the two years prior. The Lab did not have a Lab-wide quality management system, but implemented one in late 2020 in order to obtain ISO 17025 accreditation in February 2021 for some chemistry and microbiology testing. The Lab did not have any dedicated staffing for customer service, contract monitoring, or inventory management. The Lab also did not have a Laboratory Information Management System (LIMS) administrator or data/informatics staff.

At the height of COVID, the laboratory employed ~350 staff including permanent, term-limited, and contracted staff. Through the expansion of the laboratory to accommodate the immense volume of COVID-19 testing, establishment of genomic surveillance testing, and vaccine and PPE distribution, the lab was finally able to implement many of the business needs that had not previously existed, including customer service, contract monitoring, inventory management, LIMS administrator, and a data/informatics team. The majority of these were funded via COVID-19 funding and the lab risks losing these crucial functions without the approval of R-01.

    - *How was the lab funded before and during COVID-19? (include total funds and the different fund sources, please)*

Response: Proportional Breakdown of Funds (FY 2018-19) Prior to COVID-19:

FY2018-19	Budget	Percentage of Total Funds
Federal Funds	$7.6M	39%
Cash Funds	$9.6M	50%
General Funds	$1.5M	8%

Reappropriated Funds	$573K	3%
Total	$19.4M	100%

FY2019-20	**Budget**	**Percentage of Total Funds**
Federal Funds	$93M	86%
Cash Funds	$11.9M	11%
General Funds	$2.2M	2%
Reappropriated Funds	$460K	1%
Total	$107.6M	100%

FY2020-21	**Budget**	**Percentage of Total Funds**
*Federal Funds	$93M	87%
Cash Funds	$10.1M	9%
General Funds	$1.6M	2%
Reappropriated Funds	$2M	2%
Total	$107M	100%

*Federal funds from FY20 to FY21 rolled over, $86M are COVID funds.

- *What are the sources of the expiring federal funds that are driving the need for General Fund to support existing staff in the R1 request?*

Response: The majority of the funds allocated to personnel are Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) Supplemental COVID funds funded by CDC appropriation 75-2122-0140 that expire 7/31/2026 and some specific supplementals for Wastewater and Sequencing efforts where the last installment expires 7/31/2027 and for which allowable uses include only staff and resources for wastewater and sequencing activities that did not exist before 2020. There is no expectation that these supplements will be extended or renewed past these expiration dates. Some of the capacity that we gained during COVID, especially around operations, we feel is critical to maintain. Also, the world of communicable disease has changed since COVID with an increase in communicable disease plus new and emerging infections like Mpox, Highly Pathogenic Avian Influenza and a measles outbreak, and antibiotic-resistent microbes, requiring more capacity from scientists. The funds are congressionally appropriated to CDC to allocate to different states for

various COVID-19 related work. Additionally, CDPHE annually receives the Emerging Infections Program (EIP) and ELC grant and a Public Health Emergency Preparedness grant. Both of these used to supplement the lab around communicable disease, but since the pandemic, the CDC has shifted approval of funding to the lab toward more disease investigation and these funds have been flat for over a decade.

Several funding sources have also been reduced or discontinued over the past five years, these include the FDA grants that had previously provided short term funding to support a quality assurance position to implement the ISO accredited tests. After this funding expired, the single quality assurance staff member had to be moved to the general fund to maintain this critical support. In addition, core FDA grants that the lab had previously relied on including a Food Emergency Response Network (FERN) and National Antimicrobial Resistance Monitoring System (NARMS) grant were collapsed into one grant now called the Laboratory Flexible Funding Model (LFFM) grant with reduced funding support to previous years for Chemistry and no funding but a status of "approved but unfunded" for Microbiology activities, meaning no dollars were awarded but could be if funds were later identified. In the most recent funding cycle the lab also did not receive any federal funding under the Lab Flexible Funding Model grants. There are a variety of individual grants or supplementals.

At the same time, the laboratory has taken on new roles since 2020, some of which had federal funding but no longer do, and some that are new in statute or a reaction to changes in regulations. These additional functions have also increased the need for modernization and formal operational functions that are not always captured in grants and fees.

Colorado State Public Health Laboratory New Functions Since 2020

Since 2020, the State Laboratory has taken on a wide range of new responsibilities driven by emerging public health threats, new federal requirements, and state statutes. Key new functions include:

- Development of new testing methods for emerging pathogens.
    - Creating and validating diagnostic tests for novel or evolving pathogens such as COVID-19 and its variants, Highly Pathogenic Avian Influenza (HPAI), Mpox, and others.
- Statewide wastewater surveillance program.
    - Building Colorado's wastewater detection program to monitor highly contagious or high-consequence pathogens, including HPAI, measles, mpox, COVID-19, and antibiotic-resistant bacteria and fungi.
- Expanded testing for antibiotic-resistant organisms
    - Performing testing and surveillance for drug-resistant bacteria and fungal infections to support outbreak response and treatment guidance.
- DNA fingerprinting for outbreak detection.

    - Using molecular typing and whole genome sequencing to identify outbreaks and track pathogen variants.
- Courier services for rapid sample transport.
    - Creating a courier contract to ensure fast sample delivery from rural and remote areas – critical in events such as the measles cases in Mesa County and during the recent southwest Colorado flood response.
- Foodborne illness responsibilities shifted to the State Lab.
    - Hospitals no longer extract isolates from stool samples for DNA fingerprinting. Board of Health rule now requires the State Lab to perform this work. Federal funding previously supporting this activity has ended, leaving the State Lab to absorb these costs.
- Clean Water in Schools lead testing program
    - Standing up the statewide K-12 lead testing program created in statute.
- PFAS (forever chemicals) testing in drinking water.
    - Developing and validating new analytical methods to meet EPA's updated regulatory requirements for PFAS.
- Hemp and intoxicating hemp product testing (2022).
    - Adding regulatory testing of hemp and intoxicating hemp products, and creating a laboratory certification program for commercial labs that perform compliance testing.
- Natural medicine (psilocybin) testing (2023).
    - Establishing testing standards and a certification program for commercial laboratories performing regulatory testing of natural medicines and natural medicine products.
- Gamete Bank and Fertility Clinic regulatory program (2022).
    - Implementing the first-in-the-nation regulatory program for gamete banks, gamete agencies, and fertility clinics under the Donor-Conceived Persons and Families Protection Act, covering any providers operating in or serving Colorado.

- *What kind of schedule did they lab have for equipment renewal and replacement? How is current equipment so obsolete?*

Response: The lab did not have a schedule for equipment renewal and replacement. This is an example of an operational function that is needed, but for which funding has not previously been appropriated by the General Assembly. For decades, the State has relied on the use of federal funds to replace CDPHE laboratory instrumentation. Although many instruments at the lab are from the 1990s, modern analytical instrumentation has a shorter shelf-life (now just 10 years) due to its integration with software and continuously evolving computer operating systems. Many instrumentation vendors will no longer support equipment that is more than 10 years old and the laboratory is starting to run into this issue even on the newer pieces of equipment. The Chemistry Lab had made internal requests for instrument replacement, but the laboratory cash fund did not have sufficient funds to make

these large purchases and the laboratory has relied on the use of federal funds throughout the decades to replace instrumentation when possible.

1331 Request Specifics

4. *[Sen. Kirkmeyer] What kind of fees is the laboratory charging? When were they last updated?*

Response: In general, fees have not been increased since before 2019, resulting in a revenue model that does not cover the current cost of service. This gap has been further widened by increasing supply costs that include new or higher tariffs. To address this situation, CDPHE plans to conduct a market analysis and benchmarking study, systematically comparing current fees to other private and public laboratories that offer similar services and then determine if it's feasible to not only cover the cost for test and scientist's time, but also an administrative cost to recover some of the expenses associated with lab operations and infrastructure maintenance. Please see laboratory fees, which is also publicly located on CDPHE's website.

The fees for CDPHE's chemistry lab are currently from 2017. We plan to go through a process prior to recertification to determine fee increases. This will include an analysis of the Chemistry Lab's fees, relevant to other state public health laboratories and private laboratories. Additionally, traditionally, indirect costs have not always been considered in lab fee setting and we need to determine where these costs can be incorporated. R-01 includes $150,000 in additional Cash Funds spending authority to account for the current lack of revenue for the Chemistry Unit and these anticipated fee increases for the Laboratory Cash Fund.

Analytes under EPA scope of certification		
Prior to Decertification		Pursuing Re-certification
Analyte	Fee	
Copper	$20.50	*YES*
Barium	$20.50	*YES*
Chromium	$20.50	*YES*
Lead	$20.50	*YES*
Antimony	$20.50	*YES*
Arsenic	$20.50	*YES*
Beryllium	$20.50	*YES*
Cadmium	$20.50	*YES*

Copper	$20.50	*YES*
Mercury	$37.00	*YES*
Selenium	$20.50	*YES*
Thallium	$20.50	*YES*
Uranium	$20.50	*YES*
Fluoride	$16.50	*YES*
Nitrite	$16.50	*YES*
Nitrate	$31.50	*YES*
Bromate	$31.50	*NO*
Chlorite	$31.50	*NO*
Nitrate-Nitrite	$31.50	*YES*

Analytes under EPA scope of certification		
Ethylene dibromide (EDB)	$196.00	*NO*
1,2-Dibromo-3-chloropropane (DBCP)		
Chlordane	$211.00	*NO*
Toxaphene		
PCBs as Aroclors	$158.00	*NO*
Volatile Organic Compounds	$158.00	*NO*
Total trihalomethanes (TTHMs)	$80.00	*NO*
Benzene, toluene, ethylene, xylene (BTEX)	$106.00	*NO*
Semi-volatile Organic Compounds	$158.00	*NO*
Carbofuran	$158.00	*NO*
Oxamyl		
Glyphosate	$158.00	*NO*
Endothall	$211.00	*NO*
Diquat	$158.00	*NO*
Silvex	$158.00	*NO*
2,4-D		

Dinoseb		
Picloram		
Dalapon	$60.00	*NO*
Haloacetic Acids	$184.00	*NO*

5. *[Rep. Brown] What is the timeline that the EPA has given for meeting the corrective action plan?*

Response: The EPA has not given us a timeline, instead stating that corrective actions must be satisfactorily completed prior to recertification, and that they want to see forward progress. The Department's 1331 request will help us address many of these corrective actions, including contracting for a third party historic data review, upgrading the chemistry instruments and connecting them to the Lab Information Management System, maintaining three chemists and a chemistry manager, and validating the testing methods on the new machines. That said, the longer the lab remains uncertified, the greater the risk that Colorado could lose primacy.

6. *[Rep. Taggart] Please speak to the prioritization of items outlined in the staff analysis for the Department's November 1331 (page 3 and 7 of the analysis). Are these items adequate to recertify the lab and/or move towards recertification?*

Response: The items identified in the staff analysis would allow the chemistry program to move toward recertification. However, they are not sufficient on their own to achieve full recertification. To meet EPA expectations, we also need to complete the quality management system overhaul outlined in the Transformation Point assessment and reinforced by the follow-up assessment conducted by Overbrook Scientific.

EPA did not issue a single directive requiring a full quality management system overhaul. Instead, their April 18 letter required the Department to address "vulnerabilities in the quality system that had allowed the data manipulation to occur," and their May 31 letter required an independent root-cause analysis. That analysis identified systemic weaknesses in how the laboratory's quality system functions. The Transformation Point assessment then further defined several major gaps that need to be addressed to prevent recurrence.

While the chemistry program initiated the original review, the findings make clear that long-term sustainability requires laboratory-wide quality improvements, not just corrective action in one program.

Overbrook Scientific's proposal, included in both the 1331 and the decision item, provides the structured process improvement, quality system updates, and modernization work needed over the next 12–24 months. This is essential to:

- Support Chemistry's path to EPA recertification.
- Ensure strong quality assurance and data integrity across all laboratory units and functions.
- Protect the laboratory's remaining federal certifications.

In short, the items in the analysis move the chemistry program forward, but the quality management system overhaul is necessary to meet EPA expectations and to ensure long-term, lab-wide readiness.

7. *[Rep. Sirota] How much funding and what actions are necessary for the state to maintain primacy?*

Response: Based on the RFI, the total FY 2025-26 amount related to water quality re-certification for the Chemistry Lab is $1,987,742 million, which reflects the combined funding needed for staffing, supplies, method validation, comprehensive quality-assurance and operational improvement required by EPA. This figure represents the Department's full request to re-establish laboratory capacity and meet certification standards for the state to maintain primacy. If the Chemistry Lab does not regain certification, primacy is at risk, meaning if primacy is lost the CDPHE would lose its ability to certify all other public water system laboratories (like Denver Water); CDPHE's Water Quality Control Division would lose its ability to enforce the federal Clean Water Act; and Colorado could lose $20 million in federal infrastructure grants for local water systems, used as a carrot for states with a primacy designation. A condition of primacy is for the state to have a laboratory that serves as the state's "principal" lab. This lab is the designated technical authority for the state's drinking water program. This lab has been certified by the EPA, is responsible for ensuring it can analyze for all drinking water contaminants, and can provide a high-quality and reliable source for the state's drinking water testing.

The lab must address all nonconformances that the EPA has indicated in their various letters, along with reviewing all past EPA acquired results before they will recertify the lab. Several corrective action items required by the EPA have been requested in our 1331 request. We cannot start many of the processes without funding. Corrective actions are provided below. Those requested in the 1331 request have an asterisk.

A. *****Identification of the full scope of data impacted by quality control issues.
B. Implementation of an effective communication plan for notifying EPA in writing within 30 days of major changes in the Laboratory.

C. *****Upgrading equipment and technology, including CDPHE's Laboratory Information Management System (LIMS).
D. Increasing quality control staffing and resources.
E. Development of a crisis response protocol.
F. *****Unaddressed findings from CDPHE's External Root Cause Analysis, including turnaround time pressure and culture of urgency.

R1 Request Specifies

8. *[Rep. Sirota] If equipment and protocols caused a lot of the current quality issues, then what is the need for approximately $1.5 million in new staff?*

Response: Although outdated equipment contributed to the quality issues, the core challenge was that the lab did not have sufficient staffing capacity or modern systems to maintain strong quality assurance and detect irregularities. At the time the data manipulation occurred, the chemistry program had a manager, a supervisor, and six scientists/technicians. However, because the instrument could not integrate with the Lab Info Management System (LIMS), all data review relied on manual processes without automatic safeguards or audit trails. Even with the relatively larger staff, this combination of manual review and recurring Quality Control failures stretched capacity and made the manipulation difficult to detect.

After some staffing departures, the chemistry program now has only three staff remaining. Without the positions supported in R-01, the chemistry program will not have any personnel to complete method re-validation, regain certification, or resume testing. These positions are therefore essential simply to bring the program back online.

The remainder of the $1.5 million request covers other critical, lab-wide roles that are required for the laboratory to function safely and meet regulatory obligations. These include leadership, administrative, and training positions, as well as existing staff currently funded by expiring COVID-19 appropriations. Without state funding, these positions will be terminated, leaving the lab without the minimum staffing necessary to maintain compliant operations, adopt updated protocols, and prevent future quality issues.

In short: equipment upgrades fix the tools, but staffing is what ensures accountability, quality oversight, and the capacity to safely operate the lab. R-01 funds the minimum staffing required to bring the chemistry program back online and maintain essential operations across the entire laboratory.

9. *[Rep. Brown] What is the Department's plan and schedule for equipment renewal and replacement moving forward?*

Response: The Department has developed a structured, multi-year plan to modernize and replace its scientific equipment and instrumentation across all laboratory programs to support the acquisition of scientific equipment, laboratory instrumentation, and laboratory information management systems (LIMS) for procurements exceeding $100,000. Our most recent assessment identified 510 pieces of instrumental equipment requiring renewal over the coming years, representing a total estimated replacement cost of $21million. However, some chemistry units such as newborn Screening and the Evidential Breathalyzer Testing program charge fees to replace equipment.

The Department will implement a phased approach, systemwide renewal plan build on three core components:

1- Five-Year Rolling Replacement Schedule: each organizational unit maintains a prioritized list of equipment based on age, condition, and manufacturer support status. This allows the division to sequence replacement over a five-year period, beginning with the highest-risk instrumentation.

2- Dedicated Lease-Purchase Funding Strategy: to ensure predictable and sustainable investment, the department is requesting a $500,000 ongoing General Fund lease-purchase appropriation, supported by a dedicated cash fund that retains annual reversions. This model, successfully used by the Colorado Bureau of Investigation, will allow the department to finance replacements for equipment and LIMS systems exceeding $100,000 while smoothing costs over time. Funds will be used both for annual payments on prior lease-purchases and for new procurements as equipment reaches end-of-life.

3- Annual Review and Adjustment: the department will update its replacement priorities each year to account for emerging risks, unexpected equipment failures, and changes in operational demand. This ensures that critical laboratory functions, such as newborn screening, genomic surveillance, and forensic alcohol testing remain uninterrupted and compliant.

The department is implementing a long-term, phased replacement program supported by a stable financing mechanism. This strategy enables the department to modernize laboratory operations, prevent service disruptions due to equipment failure, and ensure that laboratory instrumental equipment can be replaced systematically long term.

Instrument Replacement Planning (All funding Sources)

Fiscal Year Horizon	***Total Cost***
1 Year	$6,238,841
2 Years	$4,478,047
3 Years	$1,684,802
5 Years	$3,317,300
10 Years	$5,871,383
>10 Years	$198,457
Grand Total	***$21,788,830***

Instrument Replacement Planning - By Program (General Fund Only)

General Fund	***1 Year***	***2 Year***	***3 Year***	***5 Year***	***10 Year***	***Total***
Central Services	$0	$0	$0	$15,000	$216,000	$231,000
Chemistry	$445,000	$300,000	$602,000	$183,000	$1,097,000	$2,627,000
Environmental Microbiology	$4,608	$0	$25,000	$460,090	$7,400	$497,098
Total	***$449,608***	***$300,000***	***$627,000***	***$658,090***	***$1,320,400***	***$3,355,098***

This equipment replacement plan is modeled after similar General Fund appropriations that have been in place for the Colorado Bureau of Investigation and Colorado Department of Agriculture laboratories since 2005 and 2007, respectively.

Public Health Budget Reductions

Budget reduction process and federal funds

10. *Rep. Brown: How many hires happened across the Department after the hiring freeze was implemented and why? (because the position was posted beforehand? exemptions?) For those hired, please provide job classification, division, and fund source (General Fund vs. other funds)*

Response: As allowable in Executive Order D 2025 009, we continued hiring for positions funded by federal grants and cash funds, since those do not impact TABOR.

For General Fund positions, we followed the formal exemption process through the Department of Personnel and Administration and as set out by the Governor's Office, which meant:

- Obtaining authorization to hire within the Health Facilities and Emergency Medical Services and Air Pollution Control Divisions. HFEMS is recruiting 38 positions (2 hired), and APCD is recruiting 6 positions (2 hired).

- Moving forward with job postings already in the queue prior to Aug. 28.
- Receiving exemptions in other specific and justified circumstances through the formal process: (1) temporary aide; (1) Training Specialist III in the Evidential Breath Alcohol Testing Program (Laboratory Services Division); and (1) Human Resources Specialist III.

11. [Rep. Brown] What criteria did the Department/administration use to:

- *identify the proposed cuts in their budget reduction options, and*
- *decide on the amount of cuts to propose?*

Response: We use a structured, criteria-based process to evaluate funding needs and potential reductions. Beginning each February, programs submit budget abstracts to the Senior Executive Team. These abstracts summarize funding needs and risks, and they allow executives to compare requests across divisions using consistent criteria, including:

- Public health risk.
- Operational or quality-assurance risk.
- Environmental risk.
- Legislative requirements.
- Administration priorities.

All requests are then evaluated in the context of required budget offsets and the Department's limited General Fund. Divisions with General Fund resources are asked to identify reduction options where:

- Program evaluations show limited or ineffective outcomes.
- Similar services are available elsewhere, creating potential duplication.
- Process improvements have reduced the need for staffing or operating dollars.

We also prioritize protecting the most essential programs for protecting the health and safety of the public, particularly those focused on disease control and public health response. This consideration served as a key guide for budget decisions, ensuring that core public health functions remain funded even as reductions are proposed elsewhere, particularly related to the laboratory.

For the current budget cycle, external assessments and investigations identified significant quality-assurance risks in the state laboratory. Addressing those risks became the highest priority for General Fund resources. Reduction options such as Mental Health First Aid, Comprehensive Sexual Education, the CARE Network, and the Community Behavioral Health Disaster Program emerged through the criteria above.

We then partner with the Governor's Office to help balance the state budget. As you are aware, all proposed reductions must align with the Administration's constitutional obligation to submit a balanced budget for FY 2026-27.

12. *[Rep. Sirota] Please provide more information on the scale and impact of federal government funding changes across the Department, with specific examples (e.g., immunization program changes?).*

Response: The public health divisions within the Department continue to grapple with the challenges associated with expiring COVID-19 funding. These challenges are felt most directly within the Disease Control and Public Health Response (DCPHR) Division as well as the State Public Health Laboratory. Starting in 2020, the Department was able to use COVID-19 funding to strengthen the State's public health infrastructure, including testing, surveillance, customer service, contract monitoring, inventory management, data analytics, etc. Much of this work was accomplished through hiring additional staff. With the expiration of COVID-19 funding, the Department has been working to convert many of those positions to other, more stable sources of funding in order to avoid terminating positions and losing these critical functions. In June 2025, the Department lost approximately $27.8 million in COVID immunization funding that would have supported critical term-limited staff, community engagement efforts, surge staffing for mobile vaccine clinics, and robust paid media and outreach vaccine campaigns through June 2027.

Outside of expiring COVID-19 funding, to date, the Trump Administration has not been successful at implementing significant federal funding reductions that directly affected most CDPHE programs, outside of the Division of Disease Control and Public Health Response (DCPHR). Early federal attempts to rescind grants were largely reversed or stayed by courts. At this time, we do not anticipate additional attempts to reduce existing grants in the current fiscal year.

Several federal grants that began during the pandemic are scheduled to end in FY 2025-26 and FY 2026-27, and both Congress and the Trump Administration have made clear that these grants are unlikely to be continued. The Department is therefore planning for an ongoing contraction in federal resources and adjusting programs accordingly. As Congress adopts budget resolutions in the coming weeks, we will gain a clearer picture of the actual reductions, but right now, we are largely operating in a *wait-and-see* environment, making it necessary to prioritize critical functions and scale back others.

CDPHE Federal Funds Expense History ($ Million)

2019	2020	2021	2022	2023	2024	2025
$495.8	$381.4	$1,098.4	$1,370.1	$779.5	$597.8	$440.1
% change	-23%	188%	25%	-43%	-23%	-26%

Immunization

The Immunization Branch received approximately $300,000 or 4.8 percent less than expected in its Strengthening Vaccine-Preventable Disease Prevention and Response award. This required terminating 2.0 FTE, reducing travel by 50 percent, and limiting non-critical expenses.

In March 2025, the federal government attempted to rescind several grants that originally supported pandemic response activities. Colorado joined other states in litigation to retain these funds, allowing work to continue under active notices of award. Under the previous administration, CDC did not extend the COVID-19 immunization award through June 2027 as planned, and funding ended abruptly in June 2025. The loss of the remaining $27.8 million has significantly reduced operational capacity.

This funding supported multiple critical programs that have now been discontinued or significantly scaled back:

- Direct outreach, CIIS Help Desk, VFC Help Desk: Loss of term-limited staff reduced customer service to vaccine providers and eliminated broad reminder/recall outreach to parents and patients, even as measles activity increases nationally.
    - Current staffing: 1.0 FTE for CIIS help desk, 1.0 FTE for VFC ordering, 2.0 FTE for direct outreach.
- Direct outreach for mobile clinics: Temporarily supported through re-prioritized federal COVID-19 Health Disparities funds.
    - *This funding expires in May 2026, and the work will end.*
- Champions for Vaccine Equity: Previously leveraged trusted messengers in community settings to counter misinformation and promote vaccination.
    - Continued temporarily using COVID-19 Health Disparities funds, but these also end in May 2026.
- Mobile Public Health Clinic Program: Built from the successful COVID-19 Vaccine Bus program and designed to fill routine vaccine access gaps and support outbreak response.

    - Clinics were cut roughly in half:425 clinics (Jan 1 – Nov 20, 2024) → 235 in the same period of 2025.
    - Vaccines administered: 20,576 to 7,709 people in 2024 → 12,557 to 4,772 people in 2025.
- Paid vaccine media campaigns: Federal funding previously supplemented the $1 million in state general funds used for campaigns such as Mightier than Measles and routine respiratory season messaging.
    - The federal funding is gone, and we have offered the $1 million in state general fund as a cut.
    - Without paid media, evidence-based messaging will be limited to free, organic channels, eliminating the ability to target outreach by geography or demographics.

Emerging infections and tuberculosis
The Communicable Disease Branch is also facing uncertainty due to delayed awards and discontinued projects:

- Two awards scheduled to begin January 1, 2026 are at risk of delay due to the federal shutdown.
- Short delays can be absorbed with carry-forward funds, but longer delays will interrupt work and disrupt contracts with local public health agencies, Children's Hospital Colorado, and the Colorado School of Public Health.
- The Emerging Infections Program (EIP) which has supported enhanced surveillance for healthcare-associated infections, influenza, foodborne diseases, and invasive diseases since 2001 fully or partially funds about 65 FTE.
    - The 2025 federal award was $3.75 million.
    - CDC has already notified states that some EIP activities will not continue in 2026:
        - The mpox vaccine effectiveness project will not be funded.
        - FoodNet will be significantly scaled back, reducing surveillance from nine pathogens to two.
- Tuberculosis (TB) funds: we receive approximately $665,000 in federal funds annually, partially funding 8 FTE in epidemiology and laboratory.
    - These funds support a rural local public health agency contract, the Denver Health TB clinic, statewide clinical consultation, and testing supplies for the State Lab.
    - A delay would be particularly challenging as Colorado is experiencing the highest number of TB cases in a single year in nearly two decades.
        - Colorado is on pace to exceed 100 cases this year. The last year Colorado reported over 100 TB cases was 2008. In the last five

years, Colorado's case counts nearly doubled: 52 in 2020, 58 in 2021, 57 in 2022, 89 in 2023, and 78 in 2024.

Overall point: A Department responding to uncertainty
Across these programs, we are managing federal reductions and delays that require real-time prioritization. In many cases, we are continuing essential work only because of temporary reallocation of remaining federal dollars, most of which expire in 2026. The Department is preparing for significant adjustments as federal pandemic-era investments end, and we are continuously reprioritizing limited resources to sustain the most critical public health activities while we await final federal budget decisions.

R4 Eliminate Comprehensive Sexual Education Program

13. *[Rep. Brown] Please clarify the evidence behind this program's effectiveness and share key public health metrics evaluating the program's current performance.*

Response:

Body of evidence for strategies:
Sufficient scientific research recommends comprehensive human sexuality education for schools to effectively:

- Reduce self-reported risk behaviors among adolescents, such as engagement in sexual activity, frequency of sexual activity, number of partners, and frequency of unprotected sexual activity;
- Increase the self-reported use of protection against pregnancy and sexually transmitted infections (STIs); and
- Reduce the incidence of self-reported or clinically documented STIs.[1]

A recent meta-analysis of 34 studies published between 2011 and 2020, 20 of which were randomized controlled trials, found that comprehensive sexuality education programs had a desirable effect on: knowledge and attitudes; risk perception including perceived susceptibility; delaying the onset of sexual behavior; abstaining

[1] The Community Preventive Service Task Force (CPSTF). Preventing HIV/AIDS, Other STIs, and Teen Pregnancy: Comprehensive Risk Reduction Interventions. Alternative title: HIV, STIs, and Teen Pregnancy: Group-Based Comprehensive Risk Reduction Interventions for Adolescents. The Community Preventive Service Task Force, Atlanta, Georgia, 2009. https://doi.org/10.15620/cdc/164215

from sexual activity; and self-efficacy toward condom use, contraceptive use, and dealing with coercive sex.[2]

Key public health metrics evaluating the program's current performance:
While sufficient evidence supports this program in schools, CDPHE's implementation is in accordance with state statute to prioritize rural schools and schools not previously funded. CDPHE uses the following key metrics from the Healthy Kids Colorado Survey in 2023 to evaluate the program's current contribution to differences among high-school students in grant-funded high schools compared to students in schools without a grant:

Metric (shortened version of the question)	Grant-funded schools (n=14,565) (95% confidence interval)	Non-grant-funded schools (n=57,754) (95% confidence interval)
Percentage of students who have ever had consensual sex.	26.8% (25.8-27.8)	27.9% (27.2-28.5)
Among students who had consensual sex during the past three months, the percentage who used a condom or their partner used a condom the last time they had consensual sex.	66.9% (64.3-69.4)	64.4% (62.9-66.0)
Among students who had consensual sex during the past three months, the percentage who used or their partner used any method of contraception the last time they had consensual sex.	86.9% (85.1-88.7)	85.1% (84.0-86.3)
*Percentage of students who had a sexual experience where they were unsure if they received fully-granted consent from the other person.	2.3% (2.0-2.7)	2.8% (2.6-3.0)
Percentage of students who have ever been physically forced to have sex when they did not want to.	3.9% (3.5-4.3)	4.4% (4.1-4.7)
Among students who dated or went out with someone during the past 12 months, the percentage who had been physically hurt on purpose one or more times by someone they were	9.5% (8.6-10.3)	10.3% (9.5-11.1)

[2] Kim EJ, Park B, Kim SK, Park MJ, Lee JY, Jo AR, Kim MJ, Shin HN. A Meta-Analysis of the Effects of Comprehensive Sexuality Education Programs on Children and Adolescents. Healthcare (Basel). 2023 Sep 11;11(18):2511. doi: 10.3390/healthcare11182511

dating or going out with.		
*Percentage of students who have made sexual comments, jokes, gestures, or looks at someone when unwanted.	4.7% (4.3-5.1)	5.7% (5.4-6.0)
*Percentage of students who had a revealing or sexual photo or video of themselves texted, e-mailed, or posted electronically without their permission in the past 12 months.	4.8% (4.3-5.3)	4.1% (3.8-4.3)

*Notes statistically significant difference based on a p-value ≤ 0.05. A statistically significant difference is unlikely due to random chance.

Additional metrics used in the evaluation are in the 2025 legislative report for Comprehensive Human Sexuality Education. The current evaluation includes measurement of behaviors that decrease the risk of pregnancy and STIs, but does not include measurement of longer-term outcomes, such as unwanted pregnancies, STIs, and HIV. We do not have evidence that the program has impacted these important health outcomes. In addition, while there are small improvements in all but one of the metrics reported in the table, none of the differences for key outcomes of consensual or unprotected sex were statistically significant.

14. *[Rep. Brown] Please provide information on program outputs and outcomes. Since the program was created, how many schools and students have received funding? How much has been awarded in grants?*

Response: The Department addressed the program outcomes in the preceding question. The following includes information regarding the program outputs: In FY 2024-25, 19 grants were awarded, which included 100 elementary, middle, and high schools participating. Additionally, approximately 29,390 students received CHSE instruction.

Since the program's inception in 2019, 64,207 students have received direct comprehensive sexuality education. 34 schools/districts have been awarded funds. A total of $3,877,238 was paid to grantee schools/districts from 2019 through the state fiscal year 2025.

15. *[Rep. Sirota] What happens to the program if grant funding and the associated FTE are cut? Is there a resource bank or anything that remains?*

Response: This budget reduction would result in the elimination of 1.3 FTE in CDPHE and the full appropriation for the grant program. The grant program would conduct close-out activities, and current grantees would no longer be funded starting July 1,

2026. Comprehensive sexuality education curricula and materials purchased can remain at CDPHE, but are limited to a few copies. While an electronic resource bank would not remain, the Department could create additional standalone resources for interested schools and school districts to utilize in the absence of this grant program.

16. *[Sen. Amabile and Rep. Sirota] How is this program different from other comprehensive sexual education programs or opportunities? What are schools that do not receive program funding doing? Do they still need to provide this education?*

Response: In Colorado, the CHSE grant program is the only state or federal funding source earmarked specifically for public schools/districts to provide CHSE instruction. Schools and school districts are not mandated by law to provide comprehensive sexual education to students, but if schools or school districts provide the instruction, it must be comprehensive, as described in statute (C.R.S. § 22-1-128(6)). The Department does not have data to determine if schools not participating in this grant program are providing comprehensive sexual education. Additionally, this budget action does not affect a school or district's legal authority to provide comprehensive sexual education under C.R.S. § 22-1-128. The curriculum requirements remain unchanged for districts that choose to offer the instruction. Schools and school districts that do not receive funding from CDPHE for this program use alternative funding sources to support the instruction. Some schools or districts may provide local support to continue the curriculum after funding from this program ends. For those funded through June 2026, the continuation of funding would not have been likely because funding awards are prioritized for schools or districts that have not been previously funded.

17. *[Rep. Taggart] Is there overlap between this program and others available for comprehensive sexual education?*

Response: The Department does not have a comprehensive list of other comprehensive sexual education programs provided to schools and school districts outside of the purview of the CHSE grant program. However, we know that many local non profits and some school districts offer this type of programming. To the Department's knowledge, the CHSE grant program is the only state or federal funding source in Colorado earmarked specifically for public schools/districts to provide CHSE instruction. Because an evaluation of outcomes related to this program have not shown any discernable difference between students that received the intervention versus those that did not, the Department considered it appropriate for an offset.

R6 Eliminate Community Behavioral Health Disaster Program

18. *[Sen. Amabile] Please clarify what exactly the program does. What are outputs and outcomes associated with the program, and what are we losing if we cut this program?*

Response: This program is one of three disaster behavioral health response programs at the Department, each with a different scope and funding source. We believe some of this work could be absorbed into other programming.

The program recruits large behavioral health provider agencies (such as Colorado Community Mental Health Centers) from across the state, as well as smaller community-based mental health organizations that focus on underserved geographic and socioeconomic communities in Colorado (e.g., rural and frontier communities) to prepare, coordinate, and provide behavioral health supports in response to community disasters.

As a result of this program, over 20 participating behavioral health community organizations, serving all of Colorado's regions, have completed emergency preparedness planning, capability assessments, and capacity-building initiatives to ensure rapid, fully integrated response team activation within comprehensive disaster response and emergency management efforts. These activities include:

- **Disaster Behavioral Health Core Training —** To build response team capacity and ensure evidence-informed training standards are upheld, participating organizations increased the number of fully-trained responders by 30%, with a total of 275 responders across the state. To support this capacity-building, the Disaster Behavioral Health Team has trained more than 1,500 individuals over the last two years in core disaster behavioral health curriculum, including behavioral health responders, law enforcement, emergency medical services, and medical facility staff.
    - Agency teams are trained to respond across 15 different mission sets within their region, including:
        - Disaster Assistance Center;
        - Emergency shelter operations;
        - Damage assessment teams;
        - School shootings and targeted mass violence;
        - Responder mental health;
        - Emergency Operation Center support;
        - Community re-entry;
        - Victim information center; and
        - Agricultural workforce resilience.

- **Disaster Response Team Deployment Plan —** Development of organization-specific disaster team deployment plans in the event of an activation.
- **Gap Development Plan —** To increase capacity in a noted area of growth from the capabilities assessment and create an improvement plan to address the noted gap.
- **Service Relocation Standard Operating Protocol —** Ensures continuity of care and service operations in the event that a community or service provider is displaced due to a disaster.
- **Recovery Plan —** Defines organization-specific recovery activities and goals to help restore normalcy and baseline functioning to a disaster-impacted community.
- **Administrative Preparedness Plan —** Identified key functions and plans to manage disaster needs and challenges internally, including educating agency staff on disasters, receiving disaster recovery funding, accelerating hiring and other HR needs, and releasing disaster behavioral health team members to respond in a community.
- **Succession planning —** To help maintain disaster behavioral health knowledge and capacity across organizational change, participating organizations drafted a Disaster Coordination handbook to capture information that sustains team training, key contacts, agency protocols, and lessons learned from both active incidents and preparedness efforts.

In addition to training and capacity building support, state program staff coordinate the deployment of behavioral health response teams and resources following mass disasters, community crises, emergencies, and other acute crises (i.e., wildfires, floods, tornadoes, pandemics, active shooter). The program also provides rapid, flexible funding for behavioral health response during and after disasters where other emergency processes and traditional behavioral health funding mechanisms are either unavailable or long-delayed in approving or dispersing funds.

19. *[Rep. Brown] Please provide more information on why this program is evidence-informed.*

Response: This Program is based on 25 years of Colorado-based experience across multiple organizations, including community mental health centers, victim assistance organizations, the American Red Cross, The Salvation Army, and other smaller response organizations who have seen their capacity and capabilities diminish. This program's direct experience base begins with the Fort Collins flooding of 1997; multiple acts of community violence like Columbine, Bailey, and Arapahoe school

events, as well as Aurora theater and Club Q mass violence events; multiple wildfire and flood events; as well as the COVID-19 pandemic.

This program continues to evolve its approach based on science coming out of the National Center for Post Traumatic Stress (Veterans Administration), The National Child Traumatic Stress Network (UCLA), the Colorado based Natural Hazards Center, and the International Society for Traumatic Stress Studies. Our training bibliography includes over 75 literature references and our seminal literature base includes:

- Everly, GS & Lating, JM (2017). The Johns Hopkins Guide to Psychological First Aid. JHU Press.
- Hobfoll, S., Watson, P., Bell, C., Bryant, R., Brymer, M., Friedman, M., Friedman, M., Gersons, B., Jong, J., Lyne, C., Maguen, S., Neria, Y., Norwood, A., Pynoos, R., Reissman, D., Ruzek, J., Shalev, A., Solomon, Z., Steinbery, A., & Ursano, R. (2007). Five essential elements of immediate and mid-term mass trauma intervention: Empirical evidence. Psychiatry, 70. 283-315.
- Porges, S.W (2017). The pocket guide to the polyvagal theory: The transformative power of feeling safe. New York, NY: Norton.

20. *[Reps. Sirota and Brown] What specific disasters has this program responded to? Does this stand up supports for incidents like the King Soopers shooting? Please provide metrics on the number of people reached, program impacts, and evidence for its effectiveness.*

Response: This program responds to incidents using a system that had been developed and supported through earlier federal funding and volunteerism. Since the passage of HB-1281, the program has supported thousands of Coloradans impacted by the following incidents that Colorado Disaster Behavioral Health teams responded to:

- Southwestern Colorado flooding (Pagosa Springs; Archuleta, La Plata & Mineral Counties), October 2025;
- Monument Academy staff incident, October 2025;
- Evergreen High School shooting, September 2025;
- Rio Blanco County Elk and Lee wildfires, July-August 2025;
- Montrose County South Rim wildfire, July-August 2025;
- Gunnison County North Rim wildfire, July-August 2025;
- Mesa County Turner Gulch wildfire, July-August 2025;
- Davis Mortuary case, August 2025;
- Tornadoes in Bennett, May 2025;
- H5N1 Highly Pathogenic Avian Influenza, July-September 2024;
- Front Range power outage, April 2024;
- Porter Hospital evacuation, October 2023;

- Return to Nature Funeral Home case, October 2023;
- Pediatric tri-demic, November-December 2022; and
- Club Q shooting, November 2022.

The Table Mesa King Soopers shooting and the Marshall Fire occurred prior to the implementation of HB21-1281 and its related funding.

R7 Eliminate CARE Network

21. *[Sen. Amabile] What is the impact of eliminating this program on rural Colorado? How many people does the program serve? Please provide additional program outputs/outcomes as available.*

Response: The Child Abuse Response and Evaluation (CARE) Network's goal is to recruit, train, and mentor providers across the state. If this program is eliminated, the CARE Network will no longer provide technical assistance to providers across the state, including rural areas.

The number of people served by the CARE Network can be best described as the number of evaluations made by CARE Network-designated providers and resulting referrals for child sexual abuse, physical abuse, and/or neglect (providers can make multiple referrals as part of one evaluation). The total CARE Network evaluations and referrals over a five-year period: 1,232 evaluations resulting in at least 1,061 referrals for physical abuse, sexual abuse, and/or neglect.

In addition to reporting on the number of evaluations and referrals made by providers, the CARE Network also reports on how many providers are part of the network. As of June 2025, there are 34 medical providers and 22 behavioral health providers in the CARE Network.

22. *[Sen. Amabile] Please provide more information on why this program is evidence-informed.*

Response: According to the American Academy of Pediatrics (AAP), health care providers who see children and their families play a vital role in identifying child abuse and neglect. Specifically, the AAP highlights providers' role in screening for child abuse and neglect and referring children and their families to appropriate care or supports as a result of that screening; however, not all providers are comfortable or trained to effectively screen and refer for social needs and concerns for child abuse and neglect.

The trauma-informed assessment and treatment approaches used by the Kempe Center are based on best practices and input from subject matter experts in order to provide evidence-informed standards. By providing training, mentorship, and support for providers already working with families, child abuse pediatricians affiliated with the Kempe Center can expand the scope of this specialized knowledge and better identify and address child abuse and neglect. Evaluation of the CARE Network focuses on assessing whether the training and support providers receive from the Kempe Center are associated with increased medical evaluations and referrals. Therefore, evaluation of the program is not specifically focused on the association of these referrals with decreased incidence of child abuse and neglect or decreased child fatalities as a result of abuse and neglect in Colorado.

23. *[Rep. Brown] What are alternative programs to the CARE Network?*

Response: Eliminating the CARE Network would not change the mandatory reporting requirement that exists for health care providers. Additionally, providers that were trained through the CARE Network can continue to complete evaluations and referrals. The standards for exams and assessments (i.e., the training curriculum), the established referral processes, and the resource directory supported by this funding would likely continue to exist. Providers trained by the Kempe Center can continue to utilize these resources to make referrals and complete evaluations. Providers not part of the CARE Network are able to access the resource hub and could connect with CARE Network-trained providers to share knowledge and resources. There could also be additional community resources and child welfare organizations that operate locally, which will continue to prevent child abuse and neglect in the absence of the CARE Network.

24. *[Rep. Brown] How will this reduction impact Medicaid expenditures? Prevention work typically saves long-term costs.*

Response: While the Kempe Center earmarks funding to evaluate the CARE Network, the evaluation has not included the impact of CARE Network training, education, medical and behavioral health evaluations, and referrals on Medicaid expenditures. Programs like CARE Network aim to address early concerns for child abuse and neglect and meet the needs of children and their families before they result in later injuries, which could require treatment and potentially higher Medicaid costs.

25. *[Sen. Kirkmeyer] How many contracts does the Department have with the Kempe Center? Is there duplication in the work performed?*

Response: CDPHE has one contract with the Kempe Center for the Prevention and Treatment of Child Abuse and Neglect (Kempe Center), which is to fund the CARE

Network. This is different from the Kempe Foundation. The Kempe Foundation is not funded by the Prevention Services Division to do any work related to the CARE Network.

R8/S2 Reduce Health Disparities Grant

26. *[Rep. Brown] Please detail the impact of the decline in grant funding every year as a result of this request (the amount and percentage reduction). How many fewer grants will be able to be made and what is the impact of this?*

Response: The Department is requesting a reduction of $837,627 General Fund in spending authority for FY 2025-26 pursuant to Executive Orders D 2025 014 and D 2025 020. The Department is also requesting an ongoing reduction of $2,500,000 starting in FY 2026-27.

For the current FY, the $837,627 reduction represents a 13% decrease in overall funding for the Program. The Department has worked to minimize the programmatic impact of cuts to current grantees. The Department will coordinate closely with individual grantees to review how the reduction will affect funding, discuss adjustments, and ensure all eligible FY 2025-26 expenses are reimbursed.

For FY 2067-27 and beyond, the $2.5M reduction represents a 40% decrease in overall funding for the Program. However, $500K of the $2.5M reduction are cost savings from removing the requirement of a third-party evaluator with no direct impact to grantees, if approved by the General Assembly. This ongoing reduction will result in fewer grants, although the exact number of fewer grants is not known at this time. The bottom line is that the Program will continue to operate, support community-driven strategies, and meet its statutory requirements, with remaining funds focused on the highest-impact priorities.

As additional detail, this Program is funded through two sources: Senate Bill 21-181 (SB 21-181, General Fund) and Amendment 35 (A35, tobacco tax revenue). The Program's FY26 budget before reduction is $6.3M, with $4.7M from SB21-181 and $1.6M from A35. The current reduction applies to the General Fund portion; limited cross-support from SB 21-181 to sustain A35 programming is permitted by statute. A35 is a structurally declining revenue source as tobacco tax receipts trend downward. The current grant cycle concludes on June 30, 2027. SB 21-181 operates on a 3-year cycle supporting 18 grantees, while A35 operates on a 2.5-year cycle supporting 9 grantees. Collectively, current awards support about 172 full and part-time employees as well as contractors, serving approximately 22,201 Coloradans in 53 counties.

Because an active grant cycle is underway, implementing this reduction mid-cycle would require average award cuts of approximately 30-35% to avoid terminating awards outright. Based on our current staffing estimates, this reduction would likely translate into an approximate workforce contraction of about 50 positions across our grantee organizations. Using recent service levels, we estimate a proportional decrease of roughly 6,600 individuals served annually, with the steepest effects in rural counties.

The Program is also preparing to incorporate the anticipated funding reductions into future Requests for Applications, with the next grant cycle beginning July 1, 2028. The new competitive cycle would therefore either (a) fund fewer total awards to preserve minimum viable scopes by geography and priority population, or (b) downsize award amounts and narrow deliverables to maintain broader coverage.

R9/S3 Reduce LPHA Distributions

27. *[Sen. Amabile and Rep. Brown] What is the rationale for the Department to propose this request? Why is the Department proposing to cut local public health agencies but not the Department (DCPHR Administration and Support)?*

Response: Both local government entities and the state have shared responsibility for helping protect and address public health in Colorado under statute. Supporting Local Public Health Agencies (LPHAs) remains a core commitment of the Department now and into the future but with a highly constrained state budget, all of the distributions of resources require a review. Unlike some of the other programs in the Department, LPHAs receive significant amounts of additional funding from other sources and can address local needs through raising its own revenues. In addition, even with the proposed cuts LPHAs will continue to receive over $100M from various sources via the Department. Finally, funding for LPHAs represents and will continue to represent the largest General Fund appropriation in the Department, representing 13.5% of the Department's General Fund base.

Chart 1

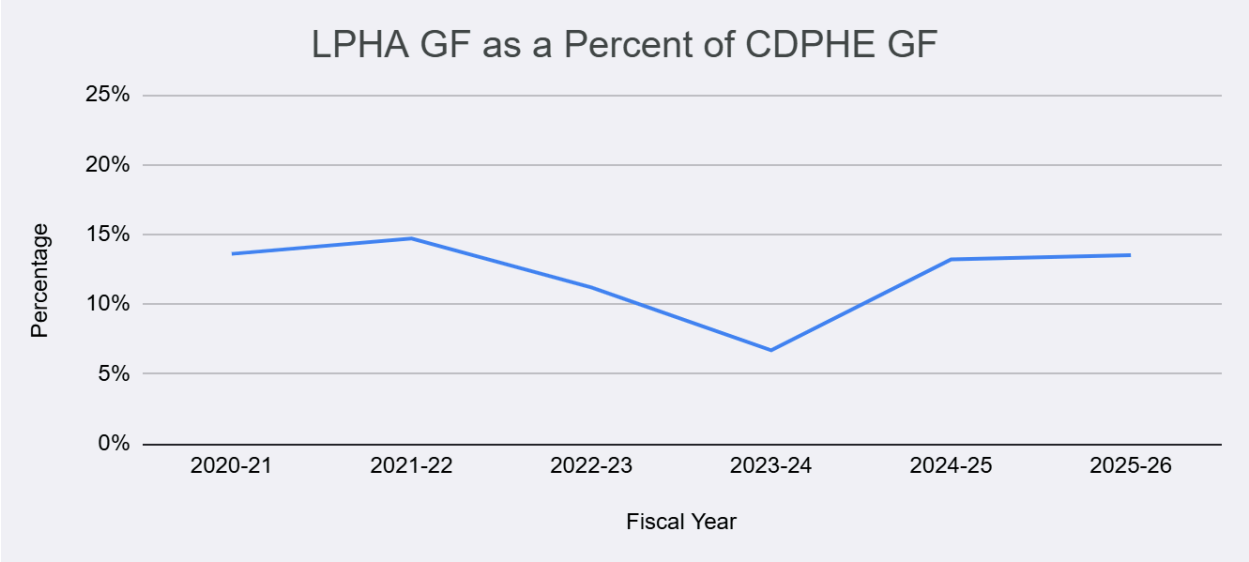
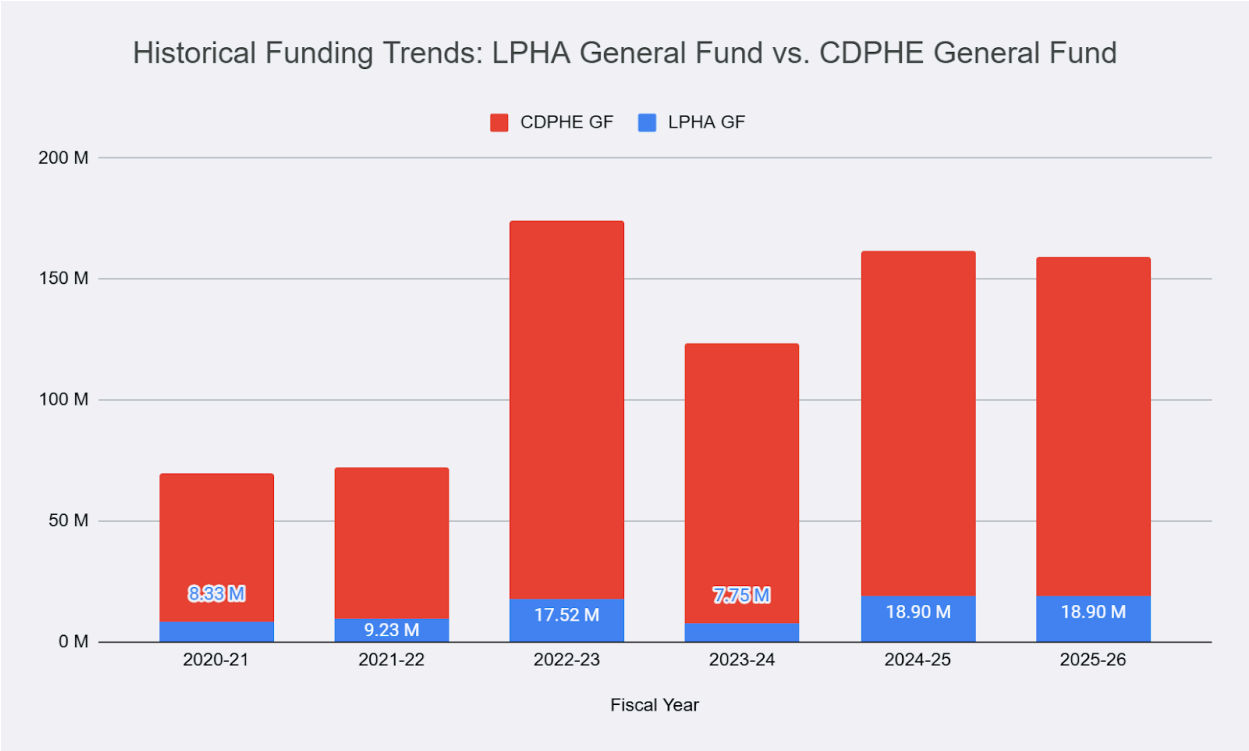


Chart 2



Any reduction in public health funding is challenging; at the same time, the reductions address the needs of a tight budget year, while preserving CDPHE's ability

to fulfill its statutory mandate to provide state-level support and leadership in protecting the health and safety of all Coloradans.

This balanced approach reflects our commitment to sustaining a resilient public health system while addressing broader budgetary challenges. We remain committed to working collaboratively with LPHAs to support their capacity and maintain essential public health services across the state.

28. *[Sen. Amabile and Rep. Brown] What are the services that will no longer be provided, or are there services that the Department does not think local agencies need to do anymore?*

Response: Distributions to LPHAs represent discretionary funds for the local entities and cuts will affect localities in different ways. A CDPHE Survey indicates the general distribution of the services provided by LPHAs in total.

Distribution/ Expenditure Category	**Fiscal Year**				
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Disease Control	$32.93 M	$66.21 M	$51.11 M	$30.69 M	$19.39 M
Nutrition Services	$17.73 M	$17.51 M	$19.13 M	$20.61 M	$19.83 M
Planning & Support	$10.83 M	$11.44 M	$19.75 M	$8.04 M	$21.63 M
Emergency Preparation	$14.07 M	$10.60 M	$12.68 M	$8.80 M	$8.64 M
Disease Prevention	$6.92 M	$8.07 M	$10.56 M	$9.76 M	$12.46 M
Harm Reduction	$6.78 M	$7.10 M	$7.59 M	$7.39 M	$8.89 M
Women's Health	$4.86 M	$5.25 M	$6.00 M	$5.84 M	$5.21 M
Environmental Health	$3.31 M	$5.05 M	$2.93 M	$5.05 M	$5.11 M
Other	$0.80 M	$0.91 M	$0.83 M	$8.36 M	$12.28 M
COVID Response	$11.57 M	$5.30 M	$2.06 M	$0.0 M	$0.0 M
Youth Health	$2.46 M	$3.22 M	$3.41 M	$2.94 M	$4.16 M
HIV/VH/STI Prevention	$0.91 M	$1.11 M	$2.03 M	$2.21 M	$2.46 M
Health Disparities	$1.56 M	$0.58 M	$1.76 M	$1.15 M	$0.76 M
ARPA	$0.0 M	$1.97 M	$4.35 M	$0.0 M	$0.0 M
Total	**$114.74 M**	**$144.32 M**	**$144.19 M**	**$110.84 M**	**$120.81 M**

Fiscal	CDPHE General Fund	CDPHE LPHA Distributions	CDPHE LPHA Distributions as % of CDPHE GF Budget
2020-21	$64.00 M	$114.74 M	179.27%
2021-22	$90.58 M	$144.32 M	159.34%
2022-23	$191.84 M	$144.19 M	75.16%
2023-24	$140.59 M	$110.84 M	78.84%
2024-25	$158.18 M	$120.81 M	76.38%

29. *[Reps. Brown and Sirota] How does this cut to LPHAs interact with funding changes at the federal level for LPHAs? What has the reduction in federal funds looked like for LPHAs?*

Response: Please see prior response outlying the total distribution of funds from CDPHE to LPHAs, and review the distribution of only Federal Funds below:

Expenditure Category	Fiscal Year				
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Disease Control	$29.40 M	$62.94 M	$47.82 M	$27.47 M	$16.20 M
Nutrition Services	$17.73 M	$17.51 M	$19.13 M	$20.61 M	$19.83 M
Emergency Preparation	$14.03 M	$9.95 M	$12.64 M	$8.78 M	$8.64 M
Women's Health	$3.81 M	$4.00 M	$3.88 M	$3.62 M	$3.27 M
Other	$0.01 M	$0.01 M	$0.02 M	$7.52 M	$10.54 M
Disease Prevention	$0.43 M	$1.15 M	$1.59 M	$1.43 M	$1.61 M
Youth Health	$1.05 M	$1.50 M	$1.60 M	$1.36 M	$2.14 M
Harm Reduction	$1.24 M	$1.87 M	$1.67 M	$1.25 M	$1.47 M
ARPA	$0.0 M	$1.97 M	$4.35 M	$0.0 M0	$0.0 M0
HIV/VH/STI Prevention	$0.64 M	$0.66 M	$1.81 M	$1.06 M	$0.75 M
Planning & Support	$1.95 M	$0.45 M	$0.37 M	$0.39 M	$0.58 M
Environmental Health	$0.48 M	$0.29 M	$0.45 M	$0.34 M	$0.18 M
COVID Response	$0.0 M0	$0.57 M	$2.06 M	$0.0 M	$0.0 M
Total	**$70.76 M**	**$102.87 M**	**$97.39 M**	**$73.84 M**	**$65.21 M**

30. *[Rep. Taggart and Sen. Kirkmeyer] How does the governor's request to regulate raw milk intersect with proposed cuts to LPHAs? Big picture: what is the*

rationale for additional regulation/funding while also cutting local public health services?

Response: CDPHE's expectation that any statutory change related to the Governor's Office legislative placeholder would be accompanied by an appropriation necessary to implement an effective regulatory infrastructure, educational program, and provide technical assistance to producers around best practices at both the State and local levels.

Staff-proposed budget reduction options

EMS and Office of Cardiac Arrest

31. *[Sen. Bridges] How did the Fixed and Rotary-Wing Ambulance Cash Fund accumulate such a high balance, especially since it is a license fee-driven cash fund?*

Response: The majority of the licensed air ambulance agencies pay their licensing fees every two years. This means that there is a larger influx of revenue in the years most agencies pay their fees. This results in a cycle where revenue is higher in one year, while expenses remain relatively consistent each year. In the years where the majority of agencies pay their license fees, the revenue and fund balance goes up. In the subsequent year, when revenue is lower, the fund balance decreases. Even with these revenue fluctuations, the Division has successfully implemented this regulatory program, and is therefore considering options for reducing the fee and/or the balance.

32. *[Sen. Bridges and Rep. Sirota] What is the role of the AED registry in the Office of Cardiac Arrest and is it still necessary?*

Response: The role of an AED (Automated External Defibrillator) registry is to track the locations of AEDs. It helps 911 dispatchers quickly guide responders to the nearest defibrillator during a cardiac emergency. By providing details on the AED's location, condition, and access, the registry enables both emergency responders and bystanders to deliver life-saving assistance more efficiently. Information about AEDs can improve survival rates during a sudden cardiac arrest. The Division routinely provides guidance to individuals and entities that have purchased or are planning to purchase an AED that they are required to notify their local emergency communications or vehicle dispatch center of the existence, location, and type of AED, in accordance with C.R.S. 13-21-108.1 (3)(b).

33. *[Sen. Bridges] What are the outcomes associated with the public awareness campaign in the Office of Cardiac Arrest?*

Response: The public awareness campaign launched in May of 2023 and has focused on developing savealifeco.com, a website to both provide resources and links to hands-on training to the public. The public campaign prioritized this website in online searches. The website highlights that sudden cardiac arrest remains one of the leading causes of preventable death, and survival depends heavily on rapid bystander action, early CPR, and quick access to an AED. A Coloradoan that has visited the website will have increased knowledge of what is cardiac arrest, the risks and warning signs, access to local CPR training classes, state and national reports of statistics on survival rates and effective interventions, and other educational resources and videos. In Colorado, less than half of bystanders who witness a cardiac arrest initiate CPR, highlighting the necessity of further educating Coloradans. The website has had over 23,000 engagements over the past 12 months and the Division's website optimization increased our views by 2,450 views.

State Drug Assistance Program (SDAP)

34. *[Sen. Amabile] Are there other mechanisms (e.g., Medicaid, private insurance) to pay for the items covered by the Ryan White funding/State Drug Assistance Program?*

Response: The Drug Assistance Program Fund is governed by Colorado State Drug Assistance Program (SDAP) Statute -CRS §25-4-1401. SDAP provides services to help people living with HIV (PLHIV), as well as individuals vulnerable to acquisition of human immunodeficiency virus (HIV) and other sexually transmitted infections (STIs) including viral hepatitis, get access to medications and offers assistance with insurance premium payments and covered out of pocket medical costs. SDAP is open to Colorado residents with income equal to or less than 500% of the Federal Poverty Level.

The SDAP program wraps around existing health coverage. It is not a replacement for insurance, but instead fills the gaps by covering cost for HIV medications, insurance premiums, copays, and other out-of-pocket costs that a person's plan doesn't cover.

The program is considered a payer of last resort, which means it steps in only after all other available coverage options, like private insurance, Medicaid, or Medicare have been used. When someone has no other coverage, SDAP can also provide direct access to formulary medications to ensure there is not an interruption in treatment.

In the table presented to the JBC, it was estimated that the SDAP ending balance

would be approximately $4.5 million. Based on current and forecasted expenditures, the balance is only anticipated to be approximately $3 million at the the end of the current FY 2025-26; there is intentionality behind the fund balance due to an increased demand for SDAP services over the past few years and uncertainty about federal grants for HIV programs in the future.

During the 2024 calendar year, we served 8,447 individuals; this included an increase of 1,099 new individuals using one or more of the programs provided through SDAP compared to the previous year. As of October of 2025, we have served 8,481; this includes an increase of 750 new clients for the 2025 calendar year. We are anticipating that we will still see a continued increase in the last two months of 2025, and an even greater increase over the next 2 years. The anticipated increase is due to HR1 and changes to Medicaid, as well as the potential end of enhanced premium tax credits (ePTCs). Our estimation is that we will have upwards of $9 million in additional costs due to potentially needing to serve these newly eligible people.

Beyond the increased demand for SDAP, the funding that we receive from the state General Fund also serves to meet our state match, which is required for us to receive our Ryan White Part B award. For the current Ryan White fiscal year, our state match is $6,536,283. These dollars also contribute to the generation of approximately $25 million in drug rebate funds that are then used to serve people living with HIV and those in need or prevention services.

Immunizations

35. *[Rep. Brown] What is the impact of the $1 million reduction for the immunization outreach campaign on page 21 of the staff briefing document?*

Response: Eliminating $1 million in immunization general funds will result in the inability of CDPHE to support any paid media and vaccine outreach campaigns. CDPHE does not receive any alternative funding for this work. This would mean that evidence-based CDPHE messaging (including vaccine awareness and wayfinding resources) would not be amplified through paid distribution channels, including TV and streaming services, radio, direct mailers, newspapers, website and app advertising, social media, or paid search through internet search engines. Crucially, this would eliminate the ability to effectively target advertising to specific geographic areas and demographic groups, which is a key advantage of paid advertising. Any campaign communications would be strictly limited to free, organic channels, such as CDPHE and partner social media accounts. However, these channels aren't able to be targeted and are much less visible and less reaching than paid spots.

In June 2025, CDPHE lost approximately $27.8 million in COVID immunization funding that would have supported critical term-limited staff, community engagement efforts, surge staffing for mobile vaccine clinics, and robust paid media and outreach vaccine campaigns through June 2027. Given the extreme funding cut, CDPHE's Disease Control and Public Health Response Division (DCPHR) assessed other existing funding sources and prioritized mission-critical activities that could continue to be supported, even if short-term:

- DCPHR identified federal COVID Health Disparities funds that can be used to continue supporting several equity-focused activities designed to improve vaccine access and increase vaccine confidence, including our Champions for Vaccine Equity community engagement and education program and direct outreach to individuals promoting nearby community-based vaccine clinics. However, this funding will expire in May 2026.
- This fiscal year, DCPHR reprioritized a portion of the $1 million in immunization general funds now proposed as an option for elimination and has already made hard decisions about the most strategic use of the funding. After assessing critical needs, DCPHR diverted 50% ($500,000) toward an existing contract with a surge staffing vendor to maintain DCPHR's capacity to perform mobile vaccine clinics (creating vaccine access where there is none) and retained 50% ($500,000) to support two statewide paid media and outreach campaigns ($250,000 for a respiratory virus season campaign running from October 2025 through February 2026, and $250,000 for a childhood and adolescent vaccine campaign running in 2026). Given the federal uncertainty around vaccines, loss of COVID-related immunization funding, changes to Medicaid, and pending expiration of health insurance subsidies, DCPHR reprioritized this funding so we can continue to provide access to low-income and underserved communities.

36. *[Rep. Brown and Sen. Bridges] What are outcomes associated with this immunization spending on a public awareness campaign? How has this program influenced vaccine uptake*.

Response: The effectiveness, reach, and engagement of media campaigns are typically measured through impressions (i.e., when an advertisement renders on a user's screen), clicks (i.e., when a user clicks on an advertisement), and click-through rate (i.e., the percentage of people who click a link or ad after viewing it). It is difficult to attribute increases in vaccination coverage statewide to media campaigns alone. CDPHE has performed a variety of activities in conjunction with media and outreach campaigns to improve vaccine access and increase vaccine confidence. Combined, our efforts have helped us maintain vaccination coverage, stave off larger

declines in vaccine rates seen in other states, and avoid large-scale outbreaks of vaccine-preventable diseases.

DCPHR used the full $1 million for immunization media campaigns, including:

- $486,410 for the 2024-2025 respiratory virus season vaccine campaign media buy
- $309,634 for the 2025 Mightier than Measles campaign media buy
- $220,150 for media contractor services including, campaign planning, earned media outreach, toolkit production, printing, mini grants, grant outreach, website maintenance, evaluation, and postcards.

The 2024-2025 respiratory virus season vaccine campaign that ran Oct. 15, 2024 through Feb. 28, 2025 delivered 41.1 million impressions—a 51.7% increase above planned impressions. The majority of digital platforms used throughout the campaign had click-through rates above the industry benchmark. During this same time frame, 1,574,272 respiratory virus immunizations (influenza, COVID-19, RSV, and monoclonal antibodies) were reported as administered to the Colorado Immunization Information System (CIIS). The number of doses reported to CIIS during the beginning of the campaign (Oct. 15, 2024 through Nov. 15, 2024) was 7% higher than the number of doses reported to CIIS during the same month-long period in 2025 (Oct. 15, 2025 through Nov. 15, 2025).

CDPHE launched this year's respiratory virus season vaccine campaign on Oct. 15. To date, the campaign has delivered 7.8 million impressions and more than 10,000 click-throughs. This campaign will continue to run through February 2026.

Our most recent Mightier than Measles campaign that ran March 10, 2025 through June 8, 2025 delivered 36.2 million impressions—a 152.5% increase in planned impressions. During this same time frame, 230,993 MMR vaccines were reported as administered to CIIS. The number of MMR doses reported to CIIS during the three-month campaign was 20.9% higher than the three-month period preceding the campaign, and 4.2% higher than the same three-month period in 2024 (March 10, 2024 through June 8, 2024).

One component of the Mightier than Measles campaign was a direct mailer incorporating the branding of the campaign that was sent in May 2025 to more than 67,000 families with kindergarten-aged children who were overdue for MMR vaccines. 6.4% of the kindergarten-aged children included in the direct outreach effort became up-to-date with their MMR vaccines within two months of the mailing.

37. *[Rep. Sirota] How does this immunization campaign interact with the landscape of different immunization services and outreach campaigns provided by the Department? And with those provided by other entities?*

Response: CDPHE's immunization media campaign is one part of a broader set of immunization services, including mobile vaccine clinics (that create vaccine access in locations where access is otherwise limited or nonexistent), direct text and email outreach to Coloradans with vaccine reminders, communications toolkits with "plug and play" resources, and community engagement and equity-related activities (e.g., the Champions for Vaccine Equity program and other direct outreach). The campaign works in conjunction with other immunization activities to improve access to and confidence in vaccines. Federal funds that support the Champions for Vaccine Equity program and direct outreach related to community-based vaccine clinics expire in May 2026, meaning CDPHE's paid media campaign is one of the only mechanisms remaining for both broad and targeted vaccine outreach and awareness.

Notably, the CDC is not as actively engaged in broad vaccine media campaigns as in the past, having removed several campaigns and communication resources from its website. CDPHE promotes other communication resources still available, including those from the National Foundation for Infectious Diseases and the Public Health Communications Collaborative, but these resources are only shared with partners and are not amplified through paid distribution channels, thereby limiting reach and impact.

38. *[Rep. Taggart] What is the message that the immunization campaign is delivering? Is it working?*

Response: CDPHE's immunization campaigns deliver evidence-based immunization messaging, including vaccine awareness and education information, information to help individuals locate vaccine clinics, and messaging focused on respiratory virus season and childhood and adolescent vaccines (e.g., MMR).

The foundational step in any vaccine media outreach campaign is comprehensive research into the views of Coloradans. Research focuses on several key areas to understand the public's current environment and decision-making process regarding immunization, such as understanding of the diseases the vaccines prevent, beliefs surrounding vaccines, vaccine confidence, motivations, fears, and trusted messengers and institutions. The data gathered from this research dictates the messages, outreach strategy, framing, and platform selection for a campaign. This comprehensive research ensures that communication strategies are evidence-based,

culturally responsive, and designed to build confidence and repair distrust rather than simply trying to fill a knowledge gap.

Our "Mightier than Measles" campaign was informed by research showing that perceived social norms can powerfully influence health decisions — it's why the campaign focused on the 94% of Colorado school children who had received the MMR vaccine, not the small portion that had not. While the children in the campaign were lovable and cute, the messaging behind the campaign deliberately focused on the facts about measles.

Key messages of the "Mightier than Measles" campaign included:

- Measles is not just a rash. It can cause life-long problems like hearing loss and brain damage, and it puts one in five infected people in the hospital. In the most serious cases, it can lead to respiratory failure and death.
- Measles spreads easily. It can hang around in the air indoors for up to two hours and stays on surfaces, too. If one person has it, nine out of 10 people who are unprotected around them will get measles.
- If there's an outbreak of measles at school or child care, all the kids who aren't protected may have to stay home for at least 21 days. This can be a big problem for families, disrupting learning and keeping parents home from work.
- Measles used to be almost gone from the United States, but is making a return because fewer people are getting vaccinated.
- The MMR vaccine is the best way to keep safe from measles. It works and has been given to billions of kids around the world. In fact, 94% of Colorado school children from preschool through 12th grade have received the MMR vaccine.
- The MMR vaccine is easy to get. You can find it at doctor's offices, community health centers, pharmacies, public health clinics, and some schools.

The 2024-2025 seasonal respiratory vaccine campaign leveraged the "1-2-3 Protect You & Me" creative from the 2023-2024 season. The campaign addressed the importance of getting flu and COVID-19 vaccines, encouraged safety practices including handwashing, smart cough/sneezing, and staying home when sick, and talking with a healthcare provider about the RSV immunizations.

The immunization campaigns have had measurable positive impacts, including large increases in impressions and engagement (e.g., delivering 41.1 million impressions for the 2024-25 respiratory virus campaign—51.7% above planned impressions), high click-through rates that exceed industry benchmarks, increases in vaccine administration during the campaign (e.g., MMR doses administered were 20.9% higher during the three-month campaign than the three-month period prior), and increased respiratory virus vaccinations (e.g., the number of administered respiratory virus

immunizations was 7% higher during the campaign compared to the same period one year later).

Cross-divisional: public health context questions

Programmatic specifics

39. *[Rep. Taggart] The Healthy Kids Colorado Survey receives approximately $1.0 million from the Marijuana Tax Cash Fund. Why does the survey cost so much?*

Response: The Healthy Kids Colorado Survey is the state's primary, statistically valid source of information on youth health and risk behaviors. It is a large, statewide, school-based survey administered every other year in public middle and high schools that elect to participate. In 2023, more than 120,000 students in 344 schools voluntarily completed the survey, allowing Colorado to produce representative results for the state, regions, and many local school districts.

The survey costs reflect the scale and rigor required to produce reliable data that communities can use to make decisions. Results are widely used by schools, districts, and communities to:

- Inform creation of programming that supports student success.
- Guide schools and communities in addressing health issues.
- Share relevant topics with parents so they can talk with their children about health and well-being.
- Secure youth health program funding for schools, community organizations, and local and state government agencies. Please refer to the data impact flyer for more specific examples.

In 2023, students reported on their health across multiple domains, including mental health, nutrition, physical activity, sexual health, substance use, suicide, violence, school and community engagement, access to caring adults, and attitudes and perceptions that affect health. Compared to 2021, key highlights include:

- Improvements in youth mental health, including decreased feelings of depression and suicidal despair.
- Decreases in youth substance use, including current use of alcohol, electronic vapor products, and prescription pain medication.

The Marijuana Tax Cash Fund allocation for the Healthy Kids Colorado Survey, a long bill line item of $768,127 in FY 2024-25 and $771,979 in FY 2025-26 – represents approximately 60% of the funding for Colorado's unified youth health surveillance

system. The remaining 40% comes from a mix of state and federal sources, including Marijuana Tax Cash Fund allocations for youth substance use prevention, Amendment 35 funds, the federal substance abuse block grant, and federal maternal and child health funds. Per Appendix A of the briefing document, the FY 2026-27 request would be $776,253.

This funding supports:

- A contract with the Colorado School of Public Health Survey Team at the CU Anschutz Medical Campus to recruit and support schools, administer the survey, ensure appropriate sampling, analyze data, return local results within three weeks, assist communities in using the data, and respond to data requests.
- 1.3 FTE at CDPHE to coordinate multiple state agencies, secure and braid funding, monitor the survey contract, publish regional and statewide results, and lead the collaborative process to refine future surveys.

The overall funding level is comparable to other large-scale health surveys and reflects the scope of work required to maintain a high-quality, statewide youth surveillance system.

40. *[Rep. Taggart] For the tobacco education program's $6.2 million technical adjustment, could any of these funds help to make up for the gaps created by the Department's proposed budget reductions? Could this help support local public health agencies?*

Response: Because Prop EE funds are statutorily restricted, the $6.2M technical adjustment cannot be used to fill gaps created by the Department's proposed budget reductions.Prop EE funding is deposited into the Education, Prevention, and Cessation Grants Program (C.R.S. 25-3.5-805) and must be used in compliance with Amendment 35 requirements.

Local Public Health Agencies (LPHAs) receive Proposition EE funding (approximately $9.3 million in FY 2025-26) to implement evidence-based strategies that prevent tobacco initiation, reduce tobacco use, eliminate exposure to secondhand smoke/vape, and expand cessation supports.

The statute also explicitly allows Proposition EE funds to support chronic disease prevention by requiring that at least 15 percent of annual grant funds be directed toward programs designed to reduce health disparities in populations with a disproportionate tobacco burden.

To strengthen this work, the Prevention Services Division, in partnership with LPHAs, has created a Chronic Disease Framework that helps local agencies select evidence-based strategies aligned with their community health assessment, capacity, and readiness. These strategies focus on reducing risk factors such as tobacco use, poor nutrition, and physical inactivity, primary drivers of diabetes, cardiovascular disease, cancer, and asthma/pulmonary disease.

Looking ahead, PSD is already implementing a plan to distribute approximately $6 million in additional non-competitive Proposition EE funding to LPHAs in FY 2026-27 specifically to implement Chronic Disease Strategies. These strategies provide greater flexibility for addressing chronic disease within the statutory parameters.

Increasing Proposition EE funding to LPHAs beyond this planned expansion may be possible, but only if CDPHE can build the necessary staffing to meet the requirements associated with managing a larger grant program.

41. *[Sen. Amabile] What does the $98,070 increase (annualization) for S.B. 25-130 do?*

Response: The $98,070 annualization ensures the Health Facilities and Emergency Medical Services (HFEMS) Division can fully implement S.B. 25-130, which expanded state responsibilities related to emergency medical services. Although the bill title is broad, the law itself made several concrete changes that increased the Division's workload. These included:

- Strengthening complaint investigation requirements for ambulance services.
- Expanding oversight of emergency medical service providers.
- Increasing expectations for follow-up, documentation, and enforcement.
- Adding new training and support obligations to help providers comply with updated standards.

The annualization maintains the staff added under S.B. 25-130 so the Division can meet these new statutory mandates without delays. Specifically, it ensures the Division can continue:

- Processing the increased volume and complexity of EMS-related complaints.
- Providing consistent oversight, training, and technical assistance.
- Carrying out enforcement activities required under the bill.

The increase is supported by the General Licensure Cash Fund. Because the licensed entities affected by S.B. 25-130 already pay licensing fees, existing fee revenue can fully cover the cost of this ongoing work.

42. *[Sen. Kirkmeyer] Please provide an update on bird flu (e.g., recent caseload, recent outbreaks, response actions that the Department has taken, other relevant information).*

Response: Colorado continues to monitor and respond to Highly Pathogenic Avian Influenza (HPAI), particularly the H5N1 strain, which remains widespread in wild birds across North America. Detections in mammals also continue nationally and in Colorado.

Recent activity in Colorado:

- Since September, CDPHE has received 20 reports of H5N1-positive wild birds and mammals, leading to exposure investigations and symptom monitoring for more than 10 people.
- Two individuals developed symptoms; one was tested at the state lab and was negative.
- The last Colorado-linked human H5N1 case was in July 2024; the most recent U.S. case was in February 2025 (Wyoming, but hospitalized in Colorado).
- A fatal human H5N5 case occurred in Washington in November 2025.

Animal outbreaks:

- Colorado's last commercial poultry outbreak was in July 2024; the last affected backyard flock was in April 2025.
- Several other states have had commercial poultry detections in the last 30 days.

Lessons learned and preparedness:
In 2024, CDPHE responded to a significant HPAI event involving exposure among farmworkers during the culling of 3.4 million chickens. CDPHE tested 128 workers; 10 were positive. This experience strengthened our preparedness, including improved surveillance systems, better field deployment protocols, and updated One Health coordination among CDPHE, the Department of Agriculture, and Colorado Parks and Wildlife.

Ongoing surveillance:
Colorado maintains robust monitoring through routine lab subtyping, sentinel laboratory submissions, and wastewater surveillance at 21 sites. These tools help us quickly detect unusual influenza activity and identify novel strains.

National contributions:
Colorado's experience has been recognized nationally. In 2025, CDPHE staff presented at two National Academies of Sciences, Medicine, and Engineering meetings and participated in federal roundtables focused on H5N1 and worker protections.

Looking ahead:
Because novel influenza viruses can adapt and infect humans with little pre-existing immunity, preparedness remains essential. CDPHE is updating its pandemic plan to reflect an integrated respiratory-pathogen approach informed by COVID-19 and H5N1 lessons.

43. *[Rep. Sirota via the briefing document] In regards to the health facility licensing program, please discuss:*

    - *the plan for the Home Care Agency, Assisted Living Residence, and Health Facilities General Licensure cash funds to reduce their excess uncommitted reserves*
    - *implications of the statewide hiring freeze for the program*
    - *an update on the division's progress on audit recommendations*

Response:

Plan to Reduce Excess Uncommitted Cash Fund Reserves
After receiving ongoing General Fund support and statutory authority for annual fee increases, the Division began rebuilding capacity and implementing long-needed system improvements. As part of that work, the Division is developing a formal spend-down strategy that includes:

- Hiring and backfilling staff to reduce facility inspection and complaint backlogs.
- Process improvements to streamline investigations, standardize workflows, and improve case progression.
- New tools for real-time workload, staffing, and budget monitoring, including a monthly dashboard covering expenditures, revenue, FTE, and workload.
- Replacing the health facilities licensing database, which will automate core functions and improve quality, accuracy, and reporting.

These efforts will draw down cash fund balances as intended. A dedicated budget analyst is in place, forecasting and monitoring fund activity, and the Division is developing a written, data-driven spend-down plan for submission by July 1, 2026, with a preliminary version due March 31, 2026.

Implications of the Statewide Hiring Freeze
The Division was exempted from the hiring freeze due to the essential nature of health facility oversight and the long-standing structural underfunding of the program. *This exemption allowed the Division to continue executing its rebuild plan without interruption to patient- and resident-safety activities.* With the FY25 funding

approved by the General Assembly, the Division had already begun filling long-vacant positions, rebuilding inspection capacity, and addressing complaint backlogs.

Since June 2025:

- New hires: 37.
- Promotions: 12.
- Transfers: 3.
- Total staffing actions since June 2025: 52
  Progress on Audit Recommendations

The Division is making steady, measurable progress across all audit areas:

- Budget development policy: A formal policy is now established, with standardized procedures and documentation requirements.
- Workload, staffing, and budget tracking: A comprehensive tracking system is already in use and being integrated into an automated dashboard expected to be fully operational in early 2026.
- Spend-down plan: On track for completion by July 1, 2026.
- Licensing system and data integrity: New policies are being finalized for fee accuracy, secondary review, user access controls, and annual fee adjustment procedures, all aligned with January 2026 deadlines.
- Licensure survey timelines: The Division is ahead of schedule on several components, has implemented new tracking tools, and will launch standardized licensing and complaint inspections for nursing homes in December 2025. Assisted living survey process revisions will also be completed and implemented in December 2025.

44. *[Rep. Taggart] Last year, CDPHE had two large buckets for ARPA money that were held for reimbursement. These are included on page 20 of last year's briefing document. What is the status of these funds (how much, changes from last year, if any reimbursements were received)?*

Response: CDPHE received two major interagency agreements funded with ARPA dollars for the statewide COVID-19 response:

$111M (SB21-288)
The appropriation was reduced from $111M to $66M, and the entire $66M was refinanced into the State General Fund through HB24-1465 and HB24-1466.

- $28M of the award remains open and is being held to cover eligible FEMA Public Assistance expenses.

- CDPHE is awaiting $17M in outstanding FEMA reimbursements. FEMA reimbursement timelines have been slow nationally, and the federal shutdown further delayed processing.
- Once FEMA reimburses the remaining $17M, the Department expects to revert the unneeded portion of the $28M.

$70M (HB22-1411)
This funding has been fully expended on statewide COVID-19 response activities and to meet the required 10% state cost share for FEMA Public Assistance claims after July 1, 2022.

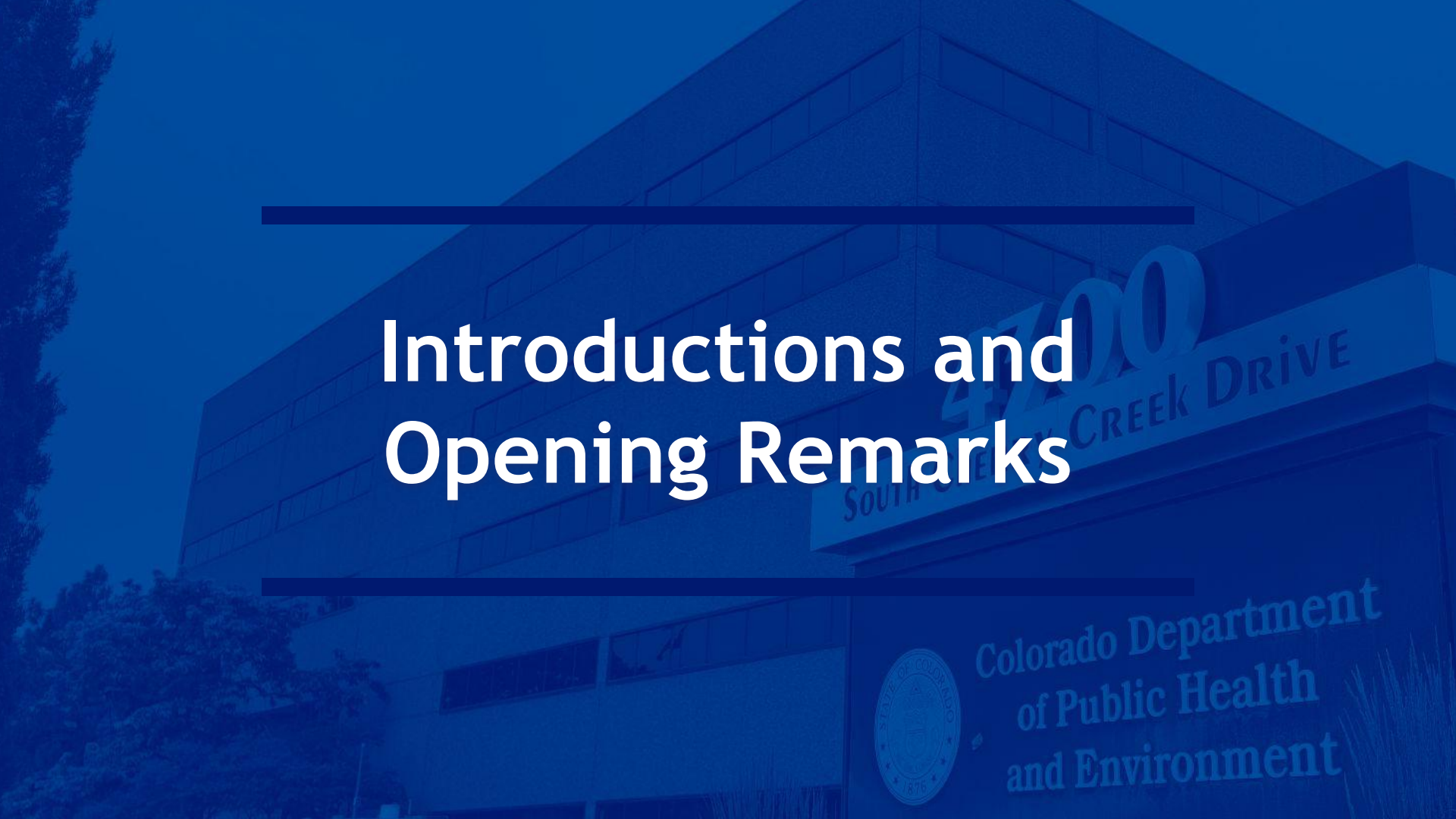
Across all COVID-19 response work, CDPHE has been reimbursed for $1.28B of the $1.3B submitted to FEMA. The final $17M remains in process. The Governor's Office is aware of the delay and is assisting with the closeout of these reimbursements.

CDPHE JBC Hearing: Public Health

December 1, 2025

Jill Hunsaker Ryan, MPH
Executive Director

COLORADO
Department of Public Health & Environment



Introductions and Opening Remarks

Agenda

I. Introductions & Opening Comments.

II. Department and Budget Background.

III. Laboratory Requests: S-01 & R-01: Laboratory Renewal.

IV. Cuts & Offsets.

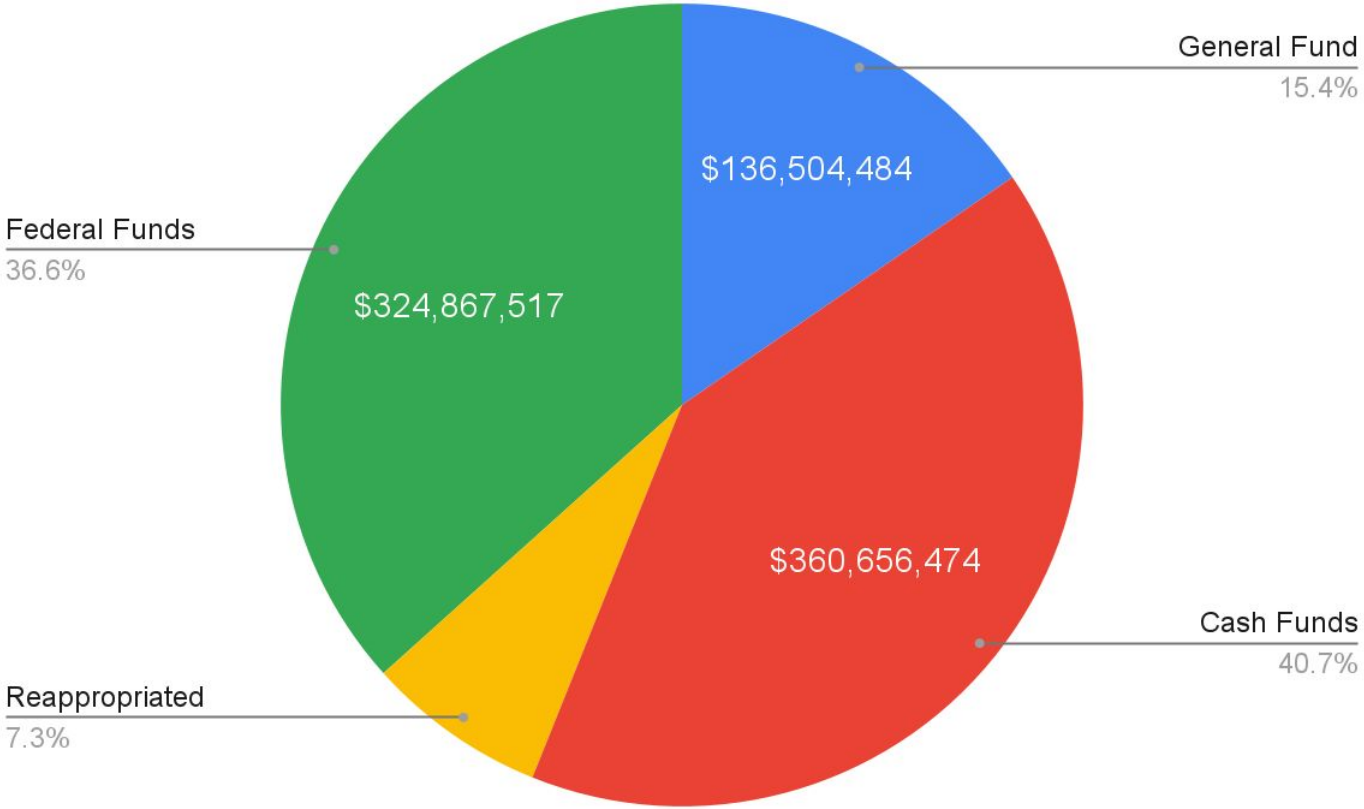
Dept. and Budget Background

Organizational Structure: 9 Divisions

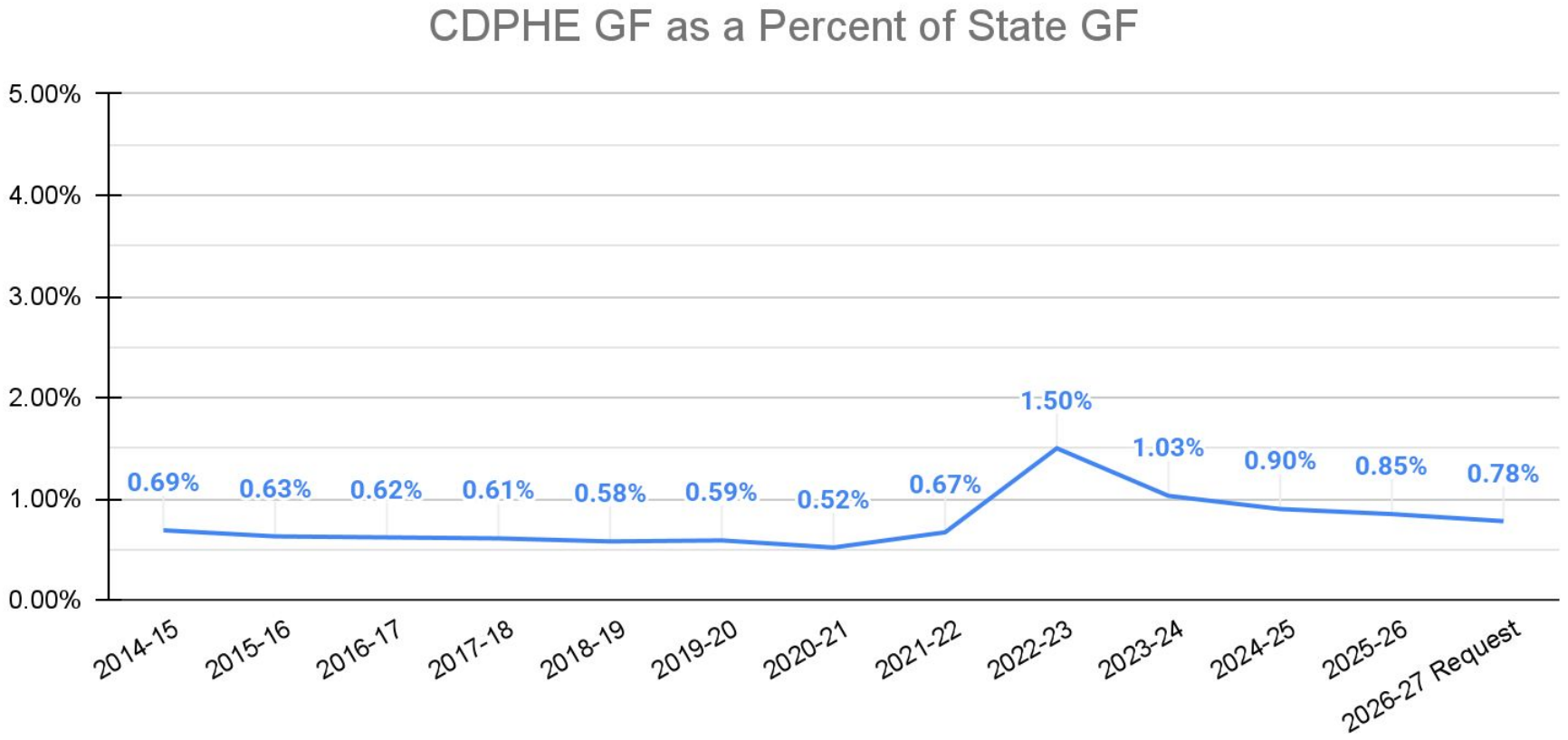
2,194 employees | 4 Campuses (Glendale, Lowry, Grand Junction, and Pueblo)

- Administrative Services Division
- Air Pollution Control Division
- Center for Health and Environmental Data
- Disease Control and Public Health Response Division
  - Colorado State Public Health Laboratory
- Division of Environmental Health and Sustainability
- Hazardous Materials and Waste Management Division
- Health Facilities and Emergency Medical Services Division
- Prevention Services Division
- Water Quality Control Division

FY 26-27 Budget: $886.5M Total Funds



CDPHE Historical Appropriation: < 1% General Fund



CDPHE's Modernization Journey:

- Air Pollution Control Division
- Health Facilities and Emergency Medical Services Division
- Disease Control and Public Health Response Division
- Colorado State Public Health Laboratory
- Water Quality Control Division

A continuation of our journey to modernize, right size, and financially sustain the agency.

- **Technology** upgrades.
- Acquiring and minimum **staffing levels** with the right expertise.
- Using process improvement tools to **streamline workflows and optimize efficiencies**.
- **Financial sustainability** through better oversight, better forecasting tools, reducing costs, making regular funding requests and fee increases to keep up with inflation.

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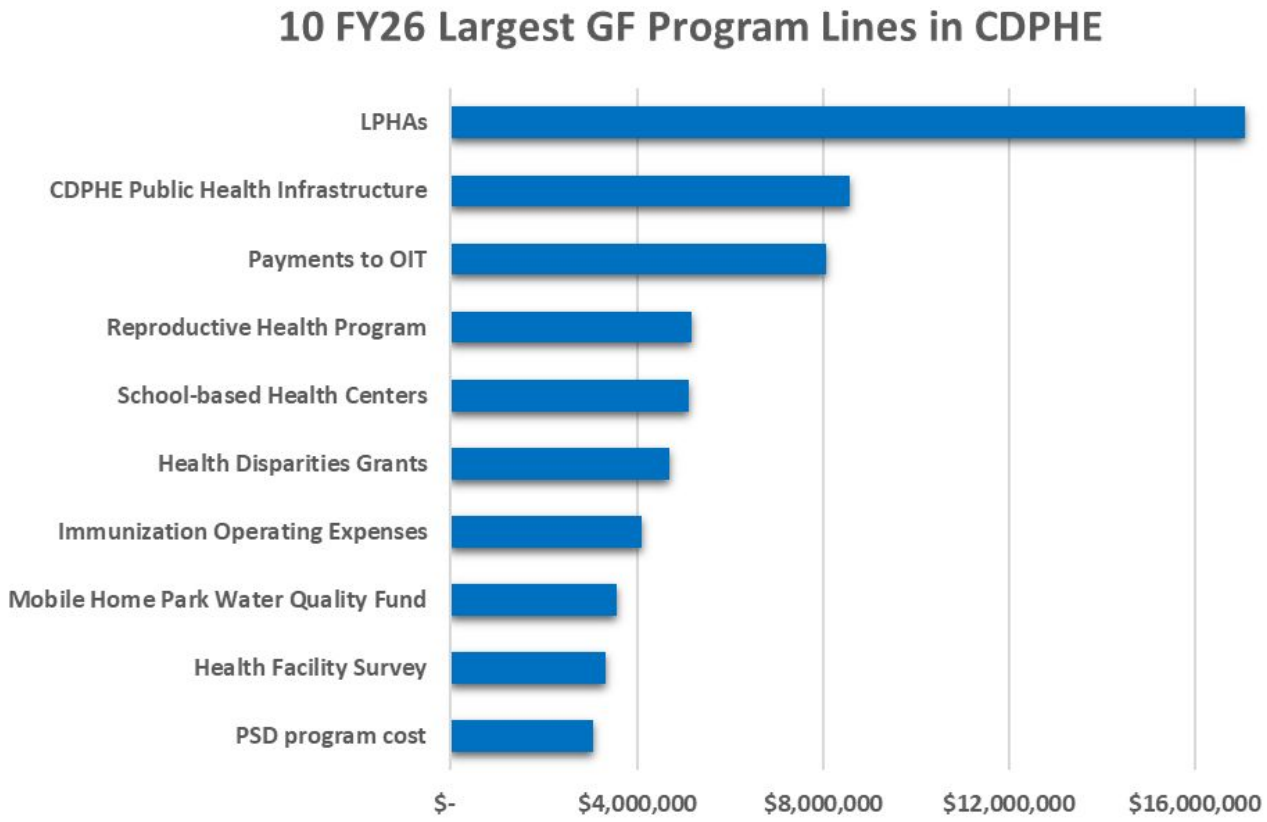
Ten FY26 Largest GF Program Lines in CDPHE



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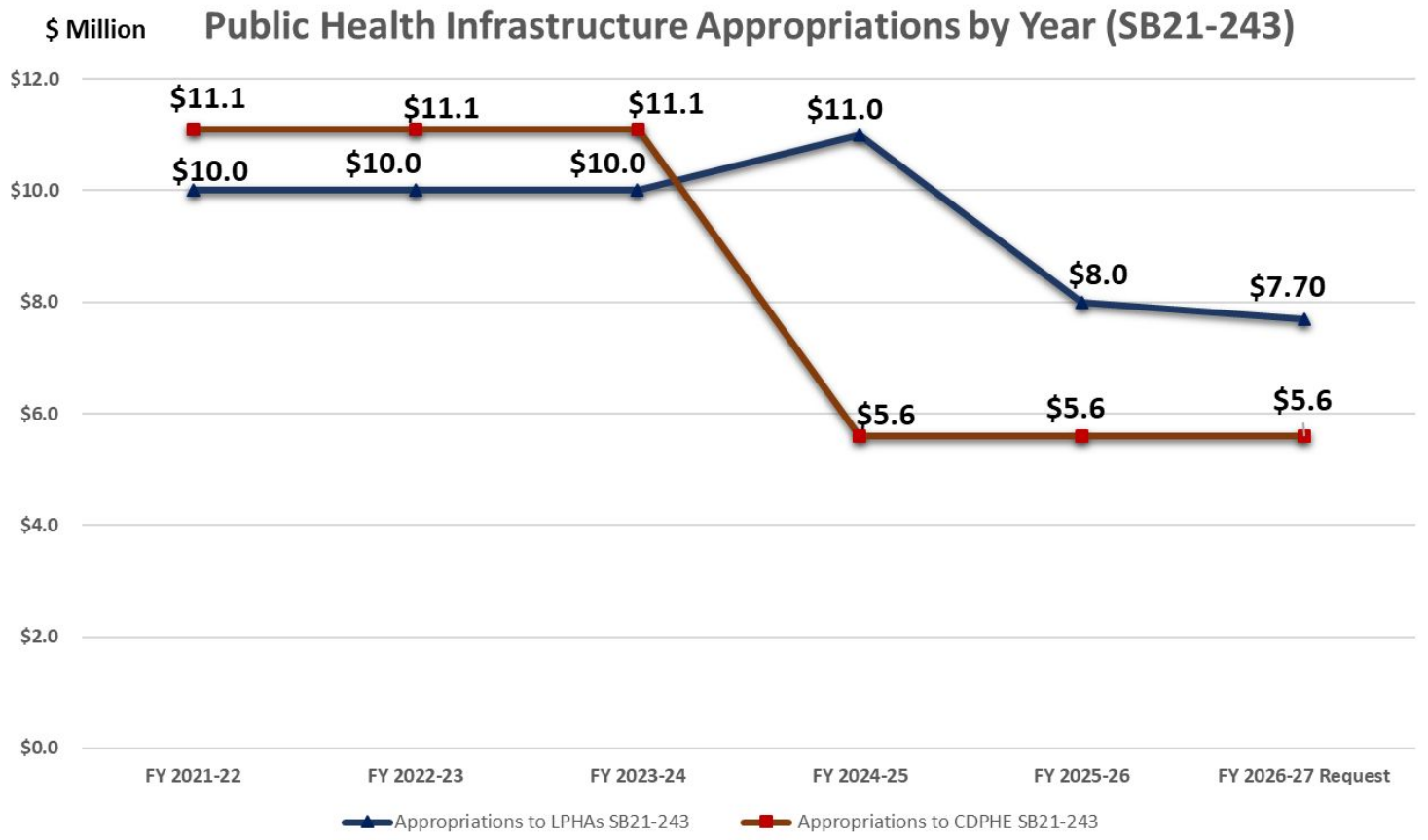
Public Health Infrastructure Dollars (Formally SB 21-243)



Context for CDPHE's Budget Position

- CDPHE is operating within the **balanced-budget framework** required for all Executive Branch agencies.
- This year's **2.5% reductions and required offsets** added additional pressure on core programs.
- **Federal H.R. 1** has further constrained the resources that historically supported several of our activities.
- Long-standing, **deferred needs dating back to the 1990s** mean the Department continually faces difficult trade-offs to maintain essential services.

S-01 and R-01

Colorado State Public Health Laboratory

Budget Request

COLORADO
Department of Public Health & Environment

Colorado State Public Health Laboratory Programs

The Colorado State Public Health Lab is composed of six labs, three non-testing programs, and eight supporting programs. It has 154 FTE but will lose 20+ due to temporary COVID funds.

Laboratories

- Newborn Screening
- Cannabis and Natural Medicine
- Evidential Breath Alcohol Testing
- Microbiology
- Genomic surveillance
- Chemistry

Non-Testing Programs

- Laboratory Certification
- Gamete Bank and Fertility Clinic Licensing
- Cannabis & Natural Medicine Health Monitoring

Supporting Programs

- Quality Assurance
- Informatics
- Safety and security
- Logistics
- Accessioning (sample receiving, chain of custody, and data entry)
- Building operations
- Contract monitoring
- Lab coordination

CO State Public Health Lab: *What's Changed?*

- Colorado's population has grown by about 9 percent from 2015-2024 (5,454,328 in 2015 and to approximately 5,957,493 in 2024).
- More than 2.5 times the number of non-COVID reportable diseases cases over 10 years: 8,753 in 2015 to 22,909 in 2024.

In the last 6 years, the Colorado State Public Health Lab has implemented many new programs, including:

- Wastewater disease surveillance.
- Expanded sequencing for outbreak response and emerging pathogens.
- Test and Fix Water Lead Testing for Kids.
- Hemp and Natural Medicine laboratory certification and testing.
- Gamete bank, gamete agency, and fertility clinic licensing.

Our risks are different today:

- A drastic increase in the once-rare disease of syphilis.
- Measles cases the highest in 30 years.
- COVID-19 new disease.
- Emerging diseases like Mpox.
- Pandemic precursors like the worldwide prevalence of Highly Pathogenic Avian Influenza.
- Federal drinking water standards around PFAS water contamination.

Problem: Chemistry Lab Data Manipulation Revealed Systemic Issues

Chemistry Lab

- While the behavior was unethical, the root causes were systemic.
- A third party analysis (Transformation Point) revealed:

Inadequate oversight and quality assurance processes.	Outdated equipment and technology, including the use of old instruments and reliance on manual data transfer processes.	Chronic understaffing and underfunding lead to overworked employees and a lack of capacity for proactive quality management.	Communication breakdowns between different levels of management and a reluctance to report issues.

"The CDPHE (chemistry) lab incident serves as a valuable learning opportunity, highlighting the critical importance of maintaining data integrity, investing in quality management systems, and fostering a culture of transparency and accountability."

-Transformation Point

COLORADO
Department of Public Health & Environment

EPA's Corrective Action on Chemistry Lab

A	Identification of the **full scope of data impacted** by quality control issues.
B	Implementation of an **effective communication plan** for notifying EPA in writing within 30 days of major changes in the Laboratory.
C	**Upgrading equipment and technology**, including CDPHE's Laboratory Information Management System (LIMS).
D	**Increasing quality control** staffing and resources.
E	Development of a **crisis response protocol**.
F	Unaddressed findings from CDPHE's External Root Cause Analysis, including turnaround time pressures and culture of urgency.

Problem: Data manipulation was the tip of the iceberg

On July 30, 2025, Overbrook Scientific, a CDPHE contractor, provided a six-month assessment report on the quality management system for the entire laboratory.

Methodology: "The objective of the assessment was to identify systemic deficiencies, evaluate current practices against regulatory and accreditation standards, and provide a structured, actionable roadmap for sustainable improvement. The review encompasses the full laboratory testing lifecycle – pre-analytical, analytical, and post analytical processes as well as overarching quality function and digital infrastructure. The methodology included a thorough review of documentation, policies, and procedures provided by the CDPHE working group1, alongside onsite observations, subject matter expert (SME) interviews, and collaborative alignment meetings with departmental leads. Overbrook Services provided monthly executive-level updates to the project steering committee, highlighting emerging gaps, risks, and areas requiring immediate attention."

Financial Proposal* - Phase III – 2 Year Plan

OVERBROOK SCIENTIFIC

Work Streams	Deliverable	Duration	Cost (USD)
Phase III-A Critical Gaps – Total $1.3M - 1 year			
1. Process Mapping	1.1 Lab-Wide Mapping 1.2 Data Flow and Control Plan	6 Months	$250,000
	1.3 LIMS Optimization 1.4 Governance & Training	6-8 Months	$250,000
2. Asset Management	2.1 Asset Process Mapping 2.2 Asset/Inventory Management System	6 Months	$250,000
	2.3 Vendor Management 2.4 QMS Integration	6 Months	$250,000
3. DI Governance	3.1 Develop DI Governance 3.2 Develop DI process 3.3 Connect to Process Maps and Asset management streams 3.4 Culture and Training	7 Months	$300,000
Phase III-B Major Gaps – Total $650K+ – 8 Months			
4. Quality Risk Management	4.1 Internal Audits, Management Reviews, Roles and Responsibilities 4.2 Implementation of QRM	5-6 Months	$150-200K
5. Non-Conformance Management	5.1 Root Cause, CAPA and Effectiveness Checks 5.2 Implementation of Non-Conformance Management Updates	5–6 Months	$150-200K
6. Training Program	6.1 Developing Training Content 6.2 Delivering Training Modules and Establish Competency	5–6 Months	$250K
Phase III-C Minor Gaps - $300-360K+ – 5-6 Months			
7.Change Management	7.1 Document Writing 7.2 Implementation, Training and Workflows	3-4 Months	$100-120K
8. Good Documentation Practice	8.1 Document Writing 8.2 Implementation, Training and Workflows	3-4 Months	$100-120K
9. Process / Policy	9.1 Quality Manual Redesign, Document Hierarchy 9.2 Implementation, Training and Workflows	3-4 Months	$100-120K
Additional Program Modules			
EPA Data Analysis Review	*Detailed Scope Provided on Request*	TBD	TBD
Business/Science Integration	*Detailed Scope Provided on Request*	8 Months	$500K

*Excludes new equipment purchase, LIMS, ipassport customization, phase 3b and 3c on cost plus due to unknown factors for inflight projects

Emergency Supplemental Decision Item

Chemistry Lab Recertification

- Instruments: Three new chemistry instruments, integrated into the Laboratory Information Management System.
- Chemistry staff: Manager and chemists + .25 trainer.
- Historic data review: EPA requirement.
- Process Improvement: Overbrook Scientific Proposal - Phase III A: Critical Gaps, Phase III B. Major Gaps, Chemistry Program.
- Operating supplies.

Entire Lab Quality Assurance-Urgent

- Microbiology program manager.
- Process Improvement: Overbrook Scientific Proposal - Phase III A: Critical Gaps: Process Mapping, Asset Mapping, Data Integrity.

Entire Laboratory Quality Assurance

Oversight:

- Chief Operating Officer.
- Deputies-Environment Testing; Infectious Disease.
- Microbiology Program Manager.

Quality Assurance

- Training Coordinator.

Program Capacity:

- Additional scientists: infectious disease, emergency preparedness, chemistry.
- Maintain COVID funded staff in accessioning, inventory, data management, technology, grant management, and adm support.

Process Improvement: Phase III Major Gaps in entire lab: Quality Risk Management, Non Conformance Management, Training Programs.

Colorado State Public Health Laboratory

VISION

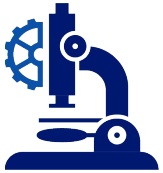
COLORADO
Department of Public Health & Environment

The Future State of Colorado's Public Health Laboratory

Quality assurance and safety are our highest values.

Work processes are standard, modern, clear and efficient.

Funding is adequate and sustainable.



Technology and instructments are modernized.

Data integrity is assured and decisions are data driven

Programs have the capacity to deliver and are customer-focused.

Work spaces are safe, practical and comfortable.

Our people thrive and their needs are met.

The Future State of Colorado's Public Health Laboratory

Quality assurance and safety are our highest values.	Every process meets the highest standards of accuracy, reliability, safety and integrity.
Work processes are modern, clear, and efficient.	We streamline how work gets done—reducing friction, enabling efficiencies, and ensuring timely and reliable outcomes.
Funding is adequate and sustainable.	Our financial foundation ensures predictability, continuity, and an ability to be responsive.
Technology and instruments are modernized.	Our tools and systems are current, connected, and capable of meeting emerging public health needs.
Data integrity is assured and data drives decisions	Laboratory data collection is standard, secured, and drives public health decision making.
Programs have the capacity to deliver and are customer-focused	Each program is staffed, resourced, and empowered to meet its mission with excellence.
Work spaces are safe, practical and comfortable.	Our environment supports focus, safety, efficiencies, and well-being for every team member.
People thrive and their needs are met.	Staff feel supported, respected, empowered, and connected to meaningful work that serves the public good.

Strategies: Quality Assurance, Standard Work Processes

1. Quality Assurance

- New Deputy Director of Quality & Safety
- New Quality Assurance Team
- Four Deputy Directors and an COO
- Individual performance goals (IPGs)
- Process improvement:
  - Process mapping/standard work flows/approvals
  - Data integrity governance
  - Quality risk management
  - Non conformance management
  - Training programs

2. Standard Work Processes

- Maintain Chief Operating Officer
- New Business Technology Lead
  - Regular technology and equipment upgrades
- Maintain 2 Materials Handlers
- Maintain 4 Accessioning Staff
- Process improvement:
  - Process mapping/standard workflows/approvals
  - Asset mapping
  - Digital transformation of paper systems

Strategies: Sustainable Funding, Modern Technology

3. Sustainable Funding

- GF budget request for critical staff (scientists, leadership, operations)
- Internal re-prioritization of “SB 243” dollars for critical staff
- Fee study to include indirect costs and regular fee increases
- Budget request for equipment replacement fund
- Fiscal Services Manager and COO positions for better oversight.
- Better tools for financial forecasting
- Process improvement to identify efficiencies through improved workflow, elimination of redundant systems, and upgraded technology.

4. Modern Technology/Instruments

- New business technology lead position; oversees tech approval process
- Upgraded instruments with replacement schedule
- Instruments fully integrated into the Laboratory Instrument Management system
- Process improvement:
  - Process mapping
  - Asset mapping
  - Digital transformation of paper systems to electronic reporting/cloud based

Strategies: Data Integrity, Program Capacity/Customer Service

5. Data Integrity

- New Deputy Director of Quality and Safety.
- New Business Technology Lead position.
- Instruments updated & connected to the Laboratory Information Database.
- Data Managers and Instrument Integration Specialist are maintained
- Tech Systems are redundant.
- Non conformance is investigated.
- Standard protocols are created to collect, secure and share data.
- Regular training on data integrity provided.
- Process improvement:
  - Process mapping/standard work/approvals
  - Digital transformation from paper-based systems.
  - Data integrity governance.
  - Quality risk management.
  - Non conformance management.
  - Training programs.

6. Program Capacity/Customer Service

- Chief Operating Officer
- Technology and equipment upgrades.
- New business Technology Lead position
- Process improvement:
  - Process mapping/standard workflows/approvals
  - Asset mapping
  - Digital transformation of paper systems.
  - Rewrite of standard operating procedures.

Strategies: Sustainable Funding, Modern Technology

7. Workspaces Comfortable and Safe

- Address immediate needs with HVAC and vacuum systems.
- Commence full study of system.
- Work with state architect on natural medicine lab.
- Deep cleaning of full lab.
- Operational budget for “just do its.”
- Process improvement:
    - Process mapping/workflow.
    - Asset management.

8. Our People Thrive

- Executive team onsite helping to problem solve.
- HR onsite providing support and surfacing issues.
- Lab leadership positions are filled and available to support staff.
- Vacancies are hired quickly.
- Continuing education/training is funded and promoted.
- Funding is sustainable.

Why Standardized Systems Are Urgently Needed Across the Lab

- **High reliance on individual staff knowledge** rather than standardized procedures or documented workflows.
- Multiple **unsynchronized data sources** (Google Sheets, paper logs, LIMS) require manual reconciliation and increase error risk.
- Redundant and inconsistent use of paper and electronic records undermines core data-integrity principles (e.g., contemporaneousness, original data).
- **Manual data transcription** is widespread, creating scalability issues as test volumes rise.
- Digital records lack controls such as locked fields, protections, or version control (e.g., spreadsheets).
- **Procedures are missing or incomplete** for inventory tracking, sample labeling, shipping, tracking, and recall management.
- No documented qualification, calibration, or validation practices for instruments or supporting systems.
- **Procedural gaps in critical areas**, including accessioning, inventory management, and environmental monitoring.

Colorado's Lab vs. Other States

- Colorado's lab receives significantly less funding than comparable public health labs in other states:

State Lab	Pop.	FY 2024		FY 2025	
		Total	Per Capita	Total	Per Capita
Wisconsin	5.9M	$59,306,800	$10.00	$59,056,800	$9.96
Minnesota	5.8M	$40,632,000	$7.06	$37,826,000	$6.57
Washington	7.9M	$38,896,500	$4.95	$38,896,500	$4.95
New York	19.7M	$86,308,000	$4.37	$88,351,000	$4.48
Colorado	**5.9M**	**$17,731,690**	**$3.00**	**$17,777,794**	**$3.01**

Laboratory Management and Oversight Structure

Past

Present

Future

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Management Oversight Structure: Past

Chart 1: Prior State (2024 – September 2025)

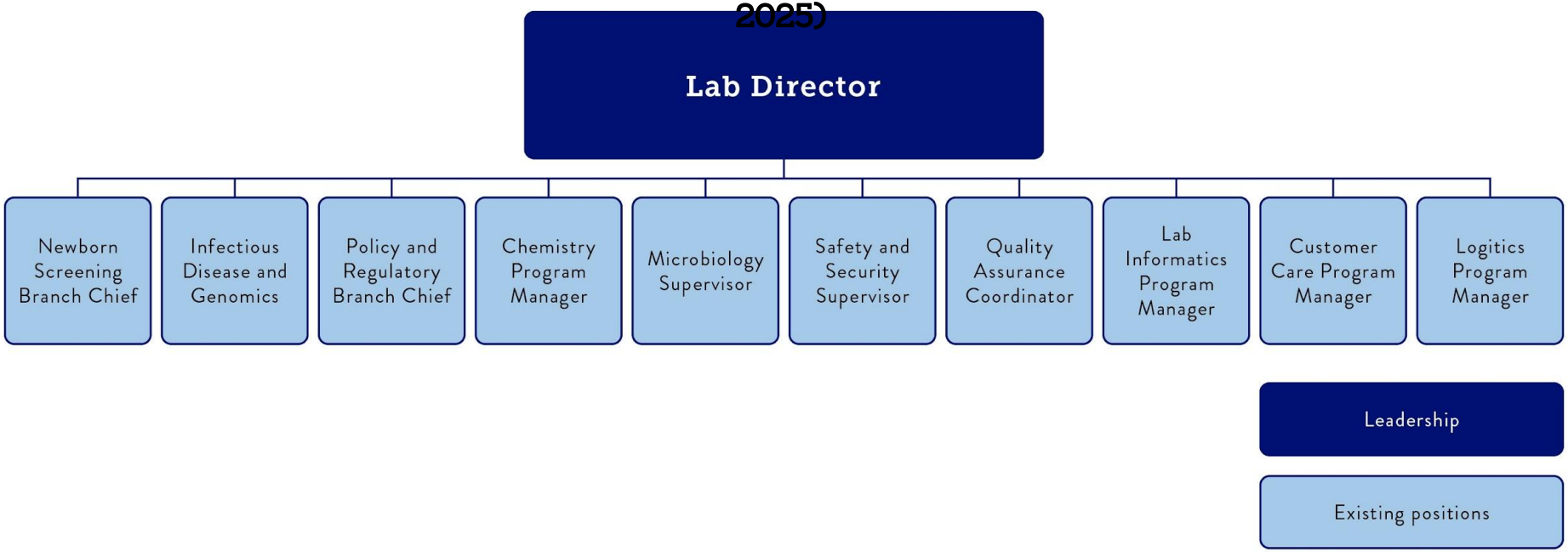

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Chart 2: Current State (since September 2025)

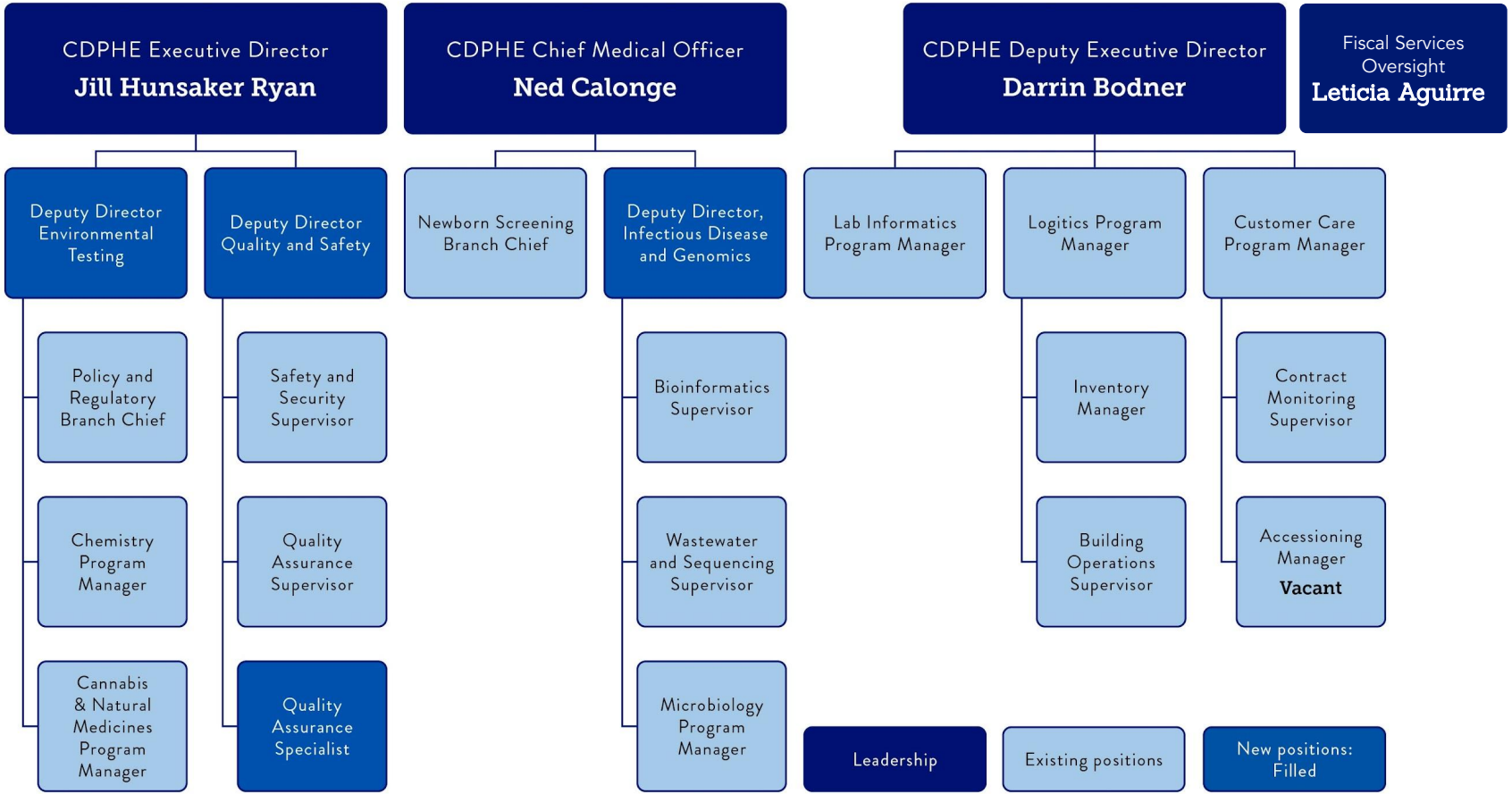
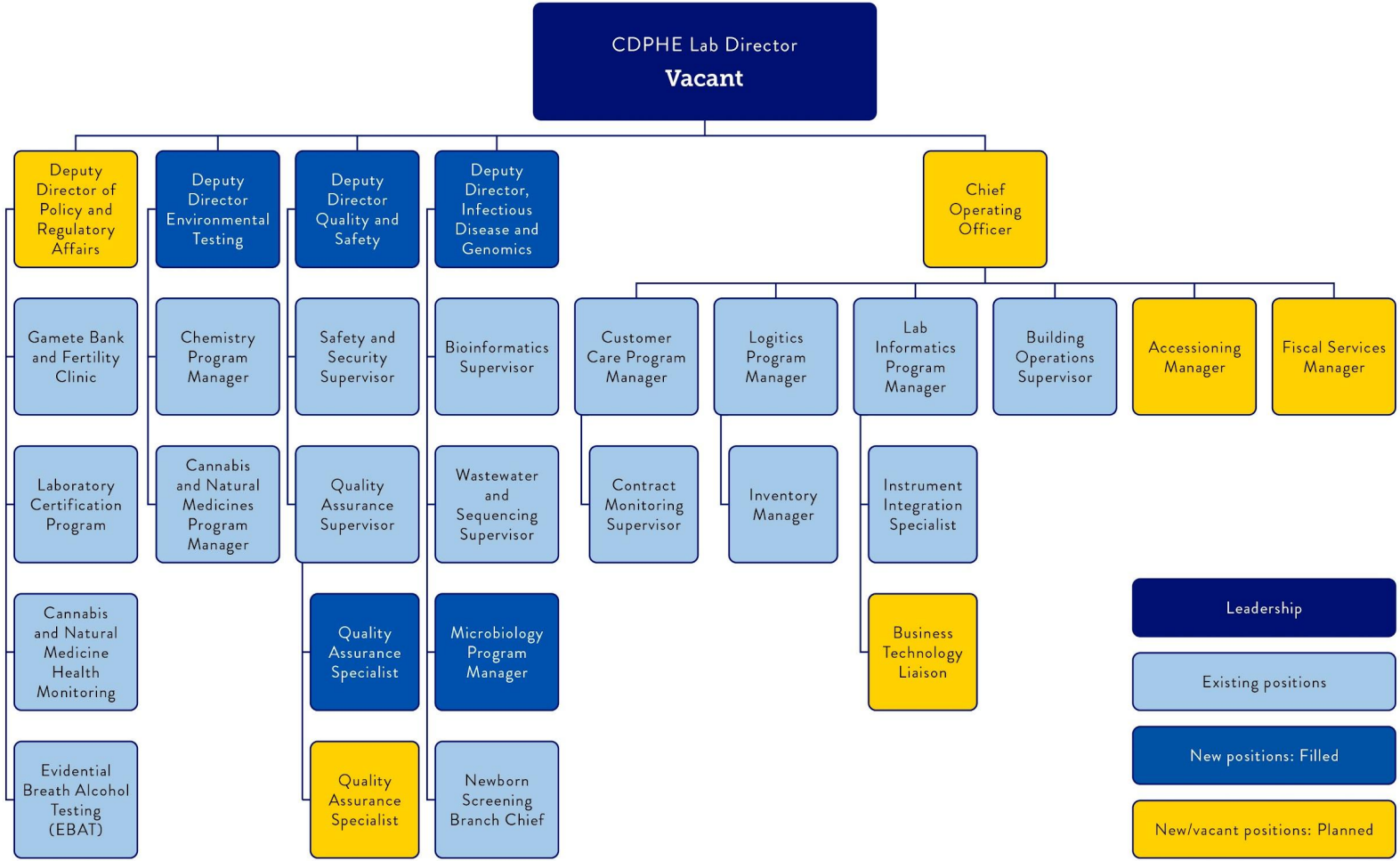


Chart 3: Future State



Cuts & Offsets

At-A-Glance: Budget Requests/Cuts

Decision Item	FY 2026-27 Incremental Request	FY 2027-28 Incremental Request
R-01: Laboratory Renewal	**$5,039,850**	**$4,509,667**
R-02: Clean Water in Schools	*($1,099,600)*	*($1,099,600)*
R-03 Closed Landfill Remediation	*$5,079,079*	*$0*
R-04: Comprehensive Sex Ed.	**($1,010,453)**	**($1,010,453)**
R-05: Mental Health First Aid	**($210,000)**	**($210,000)**
R-06: Community Behavioral Health	**($592,345)**	**($592,345)**
R-07: CARE Network	**($927,020)**	**($927,020)**
R-08/S-02: Health Disparities	**($2,500,000)**	**($2,500,000)**
R-09/S-03: LPHAs	**($3,300,000)**	**($3,300,000)**

CPDHE Requests for Cuts to Programs

- **R-04: Comprehensive Sexual Education**
  - Ongoing GF reduction of $1M and 1.4 FTE.
- **R-05: Mental Health First Aid**
  - Ongoing GF reduction of $210,000.
- **R-06: Community Disaster Behavioral Health Program**
  - Ongoing GF reduction of $592,345 and 1.5 FTE.
- **R-07: CARE Network Program**
  - Ongoing GF reduction of $927,020 and 0.4 FTE

Reducing Health Disparities Grants (R-08/S-02)

- One-time reduction of $837,627 from in FY 2025-26. Ongoing reduction of $2,500,000 starting in FY 2026-27.
- This proposal reflects the continued tightening of the fiscal landscape, not the value or success of this work.
- Committed to minimizing disruptions for current grantees and ensuring the strongest possible outcomes with the resources available.
- Will maintain as much continuity as possible for communities most impacted by health inequities.

Reducing Distributions to LPHAs (R-09/S-03)

- LPHA distributions are the largest single General Fund appropriation within CDPHE—about $19 million, or roughly 13.5 percent of our General Fund base.
- Reducing these distributions are necessary to balance the state's budget.
- This proposal represents a reduction of $3 million in FY 2025-26 and $3.3 million in FY 2026-27 and ongoing.
- About 90 percent of the reduction would come from the Office of Public Health Practice, Planning, and Local Partnerships (OPHP) and about 10 percent from the Division of Environmental Health and Sustainability (DEHS).
- The goal is to balance statewide needs and protect the public health infrastructure that serves Coloradans every day, even in a challenging fiscal environment.

Thank you!

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