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October 23, 2006

## A RESPONSE TO THE INDEPENDENCE INSTITUTE'S ATTACK ON "THE REAL STORY BEHIND TABOR" VIDEO

By Karen Lyons

In September of 2006, the Independence Institute, a conservative think tank from Colorado, issued a paper entitled, "In TABOR Benefits Colorado's Citizens: A response to misleading video." This paper criticizes a video released by CBPP in November 2005 ("The Real Story Behind TABOR": For quicktime: <http://www.cbpp.org/videos/tabor-long.mov> and for windows media player: <http://www.cbpp.org/videos/tabor-long.wmv>) that details TABOR's negative impacts on Colorado. It claims that many of the comments made by Colorado speakers, as well as a number of the statistics, featured in this video are "purely inaccurate" and that the video itself is "propaganda."

The following is a response to these attacks. Each section below begins with a claim from the Independence Institute about the video and is followed by a factual response.

### **Government Spending**

#### **Independence Institute Claim:**

The video tells viewers that TABOR makes "drastic cuts inevitable." The State's general (tax) fund rose every year except during the recession, when nearly every state in the Union retrenched. Even so, total spending for the state government has never gone down in any year, including during the recession.

- Even though the recession pushed tax revenues down in 2002, the state legislature cut spending only in the Department of Natural Resources.
- From 2001 to 2003, spending on health care and hospitals increased 116 percent, spending on education increased 16 percent, and spending on government administration increased 16 percent. Given that even health care expenses for the needy in Colorado are unlikely to have more than doubled in just three years, these increases clearly reflect program expansions (See Appendix A).

**Response to Independence Institute:**

- Limiting state budget growth to a population-growth-plus-inflation formula shrinks public services over time and severely limits the state’s ability to respond to residents’ needs. Both elements of the formula hinder a state’s ability to provide a constant level of public services and prevent the state from meeting current and emerging needs.
- Total spending is not the correct measure to use, as it includes funds from the federal government which are not subject to the TABOR limit.
- Even if spending rises, there may be program cuts. If costs and/or the need rose faster than the formula, then the state couldn’t provide the same level of services.
- The numbers presented in Appendix A on general fund appropriations from 2001 to 2003 do not have a source and do not agree with data from the Colorado Budget or Colorado’s Legislative Council.
- Data from Colorado’s Legislative Council show that there were budget cuts during the recession to areas other than just Natural Resources. Higher Education, Human Services, Judicial, Public Health & Environment, and Public Safety also had cuts in their budgets—in nominal terms! That is, this chart doesn’t even add in inflation. Also, health care policy increased by only 3%-not the 129% claimed by the Fiscal Policy Center (See Table 1).

**Table 1: Colorado General Fund Appropriations by Program Area (2001-03)**

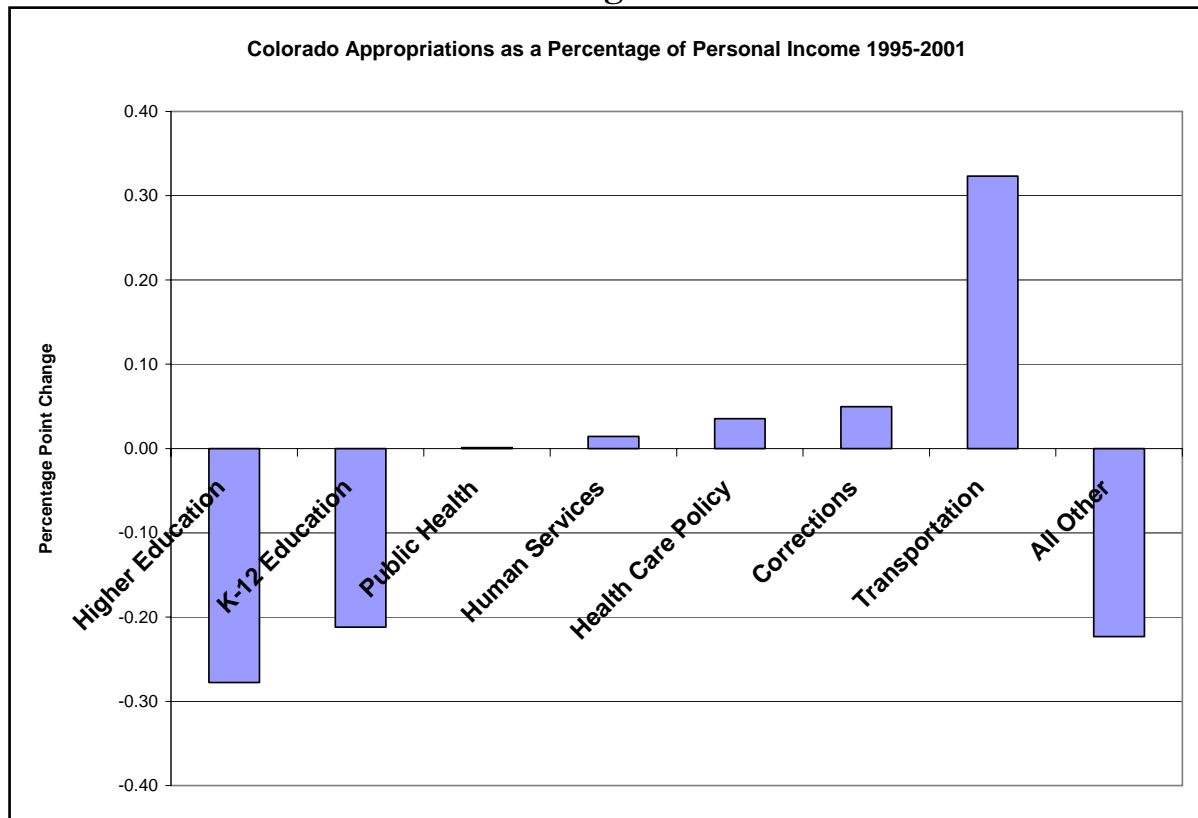
	2001	2002	2003	Percent Change 2001-03
Corrections	\$423,802,942	\$442,129,467	\$455,100,120	7%
Education	\$2,143,484,864	\$2,268,952,487	\$2,312,835,511	8%
Health Care Policy and Financing	\$1,014,981,345	\$1,082,349,038	\$1,043,838,880	3%
Higher Education	\$747,562,014	\$750,030,496	\$685,529,236	-8%
Human Services	\$498,407,807	\$493,018,043	\$469,352,059	-6%
Judicial	\$206,485,128	\$214,887,046	\$200,628,757	-3%
Natural resources	\$29,092,602	\$24,661,869	\$22,351,948	-23%
Public Health and Environment	\$32,377,354	\$32,198,229	\$16,274,247	-50%
Public Safety	\$57,509,210	\$57,028,522	\$53,759,065	-7%

Source: Colorado Legislative Council

Colorado consistently underfunded major program areas in the 1990s (See Figure 1 below).<sup>1</sup> As a percentage of total state personal income, total own-source appropriations for the departments of higher education and K-12 education areas fell from fiscal year 1995 to fiscal year 2001. Spending as a percentage of personal income was flat in public health and rose

<sup>1</sup> All spending areas exclude federal funds. To maintain a consistent comparison over time, the starting point for Figure 1 is 1995. Because of budget restructuring, particularly in the large areas of “health care policy and financing” and “human services,” it is not possible to compare changes in these areas prior to 1995. Starting in fiscal year 1995, rather than in fiscal year 1992 prior to TABOR, does not affect the substantive conclusion.

Figure 1



(Source: CBPP analysis of data from the Colorado Legislative Council and the Bureau of Economic Analysis)

modestly in human services, health care, corrections, and transportation.<sup>2</sup> In “all other” budget areas (combination of 15 areas), spending as a percentage of income fell. These funding cuts occurred during a time in which \$3.25 billion was rebated to taxpayers and prior to the recession.

## Economic growth

### Independence Institute Claim:

Tom Clark, Executive Vice President of the Metro Denver Economic Development Corporation and the Denver Metro Chamber of Commerce, says early in the video that TABOR “will hobble us economically.” Yet economic data proves that to be untrue.

- Statistics from the U.S. Bureau of Economic Analysis show that personal income for Coloradans leapt up from 19th in the nation in 1990 to 7th in the nation in 2000, during the first eight years of TABOR! According to the U.S. Economic Freedom Index 2004 Report,

<sup>2</sup> Transportation spending was adjusted to exclude “spending authority” for Transportation Revenue Anticipation Notes (TRANS). Voters approved the sale of TRANS in 1999 to fund about \$1.5 billion in transportation projects. As this is not an ongoing funding source, it is not included in the estimates of baseline appropriations changes in Figure 1.

“Colorado’s personal income per capita is...7.55 percent above the national average. Between 1996 and 2002, personal income per capita in Colorado increased by 30 percent.”

**Response to Independence Institute:**

- First, Colorado’s economic prosperity in the 1990s was not because of TABOR, but rather despite of it.
  - Colorado has been a high job growth state—outperforming the US average—decades before TABOR was enacted.

**Table 2: Average Annual Employment Growth**

	1950s	1960s	1970s	1980-1992	1992-2004
Colorado	3.6%	3.7%	5.5%	2.1%	2.6%
U.S.	1.8%	2.9%	2.7%	1.5%	1.6%

Source: Bureau of Labor Statistics

- A study conducted by two prominent economists in the area of state and local public finance, Therese J. McGuire of Northwestern University’s Kellogg School of Management and Kim S. Rueben of the Urban Institute, **finds that TABOR did little or nothing for Colorado’s economy.** Indeed, controlling for a variety of other factors such as geography, demography and industrial mix, their analysis finds that Colorado had only slightly better growth than would have been expected in the first five years after TABOR, but weaker-than-expected growth in the following five years. For the entire 10-year period, McGuire and Rueben report that Colorado’s economic growth was about the same as what it would have been without TABOR. (Source: Therese J. McGuire and Kim S. Rueben, *An Examination of the Economic Effects of Colorado’s TABOR Law*, Economic Policy Institute: 2006.)
- Research papers by Colorado’s nonpartisan Legislative Council staff, by the Colorado Department of Local Affairs, by researchers at universities in Colorado and other states, and by the Federal Reserve Bank of Kansas City (whose district includes Colorado) suggest that Colorado’s prosperity in the 1990s has deep historical and regional roots. It was fueled by extensive public and private investment, high levels of educational attainment, and Colorado’s Rocky Mountain location. Those factors — not TABOR — gave Colorado its strong economy in the 1990s. (Source: Karen Lyons and Nicholas Johnson, “Education and Investment, Not TABOR, Fueled Colorado’s Economic Growth in 1990s,” Center on Budget and Policy Priorities, March 23, 2006.)
- Colorado’s Rocky Mountain State neighbors experienced similar and sometimes greater growth than did Colorado during the 1992-2004 time period. Nevada’s average annual job growth in the post TABOR years has been almost twice that of Colorado’s. Arizona, Idaho, and Utah also have had higher job growth than Colorado. Personal income growth has also been higher in Arizona and Nevada than in Colorado in these last 12 years. (Source: CBPP analysis of data from Bureau of Labor Statistics, Bureau of Economic Analysis, and Census Bureau.)

- Colorado’s job growth has actually been below that of its Rocky Mountain neighbors since TABOR. From 1980-1992, job growth was 2.1% in CO and its Rocky Mountain neighbors. From 1992-2004, job growth in CO grew to 2.6%, but to 2.8% in the Rocky Mountain states. (Source: CBPP analysis of data from Bureau of Labor Statistics)
- A business alliance that includes the Denver Metro Chamber of Commerce, the Downtown Denver Partnership and the Colorado Hotel and Lodging Association sent a letter July 14, 2006 urging business leaders in other states to oppose TABOR-like proposals.
- Second, the declines in the public services the business community cares most about (higher education, transportation, and infrastructure) had over time become substantial and were beginning to cripple the business climate. To stop these declines, Colorado’s business community took a lead role in the effort to suspend TABOR for five years—known as Referendum C. Over 80 businesses and business groups, including 10 Chambers of Commerce, endorsed the TABOR suspension. Some business groups suggest that the successful campaign to suspend TABOR already has had some positive impacts on the business climate.
  - “[Business leaders] have figured out that no business would survive if it were run like the TABOR faithful say Colorado should be run — with withering tax support for college and universities, underfunded public schools and a future of crumbling roads and bridges.” — Neil Westergaard, Editor of the Denver Business Journal (Neil Westergaard, “Business folks fed up with TABOR worship,” Denver Business Journal, July 22, 2005)
  - “The business community has said this is not good for business, and this is not good for Colorado.” — Gail Klapper, director of the Colorado Forum, an organization of 60 leading CEOs (Will Shanley, “State businesses unite to urge TABOR deal,” The Denver Post, March 9, 2005)
  - “But while the unrealistically simplistic TABOR strategy is being executed, by constitutional edict, the decay of Colorado's balance sheet, its net worth, representing the publicly owned capital stock that provides the foundation for economic activity, is unprecedented. It will, if unchecked, eventually lead to economic decay.” — Rocky Scott, former president of The Greater Colorado Springs Economic Development Corporation (Rocky Scott, “Lawmakers must end partisan politics and solve state's problems,” The Club for Growth, January 2005, <http://www.coloradoclubforgrowth.org/ACommonMission.htm>)
  - “The bottom line is that institutions of higher learning in Colorado will continue to suffer funding shortfalls under the present system. If you ask the business community, a strong system of higher education is at the top of the list for economic development and the creation of jobs.” — Dick Robinson, CEO of Robinson Dairy and member of the Colorado Economic Futures Panel (Dick Robinson, “Solutions to Funding Colorado’s Colleges,” The Denver Post, April 17, 2005, p. E5.)
  - “[Colorado’s higher education] system is at risk. The way we’re going — because of TABOR and Amendment 23 — we’re going to be basically out of public funds. . . . [S]peaking from a business standpoint, we’re concerned because our success depends

on the quality of the higher education system.” — Raymond Kolibaba, Vice President of Space Systems, Raytheon Company (Quoted in Suzanne Weiss, “Colorado Leaders on Education. Picking Their Brains,” HeadFirst, May 12, 2005.)

- "Referendum C's passage was a statement by the electorate that assured business that Colorado's transportation network and higher education system would be able to meet their needs. We saw a spike of activity of out-of-state businesses interested in relocating here when Referendum C passed."—Joe Blake, President of the Denver Metro Chamber of Commerce (“Ref. C aids economic recovery,” The Denver Post, June 30, 2006.)

## **K-12 Education**

### **Independence Institute Claim:**

The assertion that Colorado ranks 47th in school funding is transparently misleading.

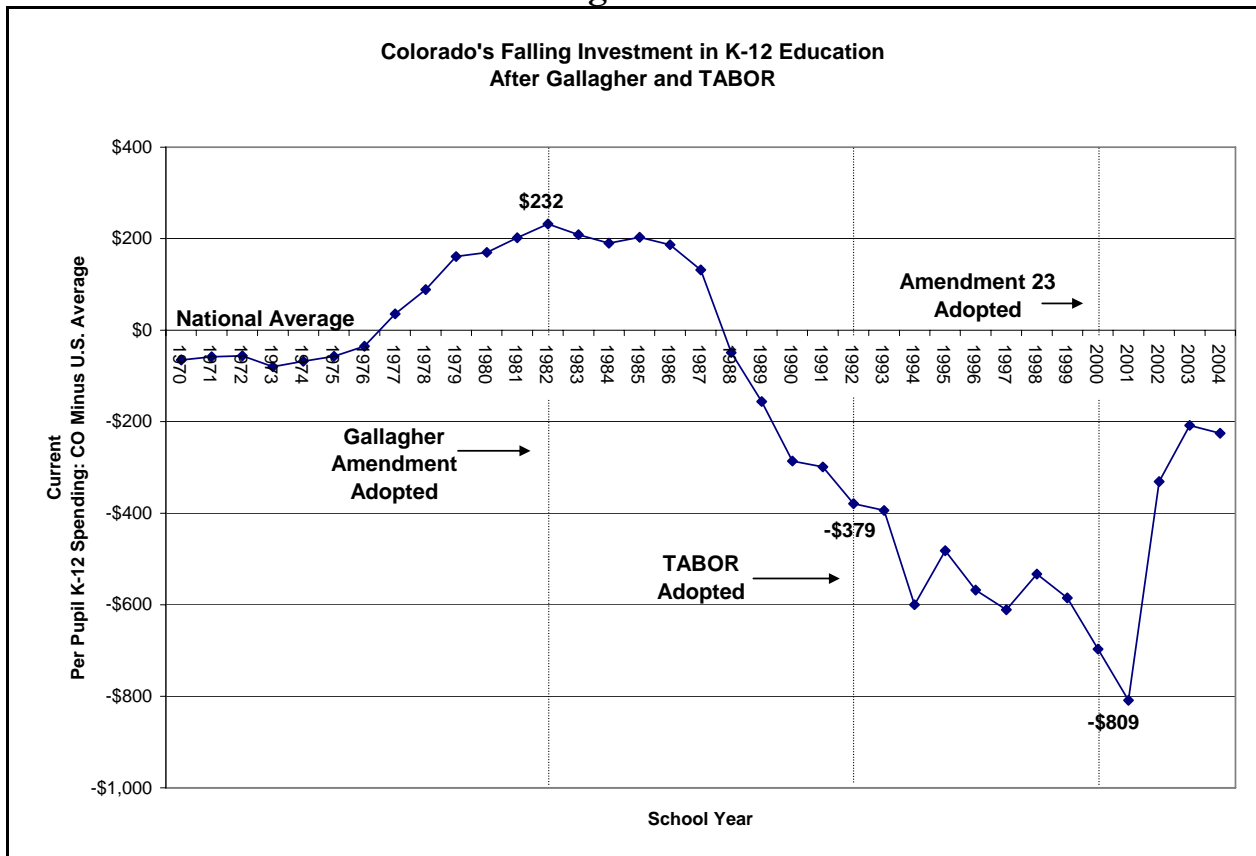
- The figure, which comes from the U.S. Census Bureau’s report titled Public School Finances 2004, measures spending as a percentage of personal income. Colorado appears to be low in these rankings because of the high earning power of its taxpaying residents. Using the same set of figures, a poorer state like New Mexico ranks 7th, though it actually spends fewer dollars per pupil than Colorado.
- Measuring all K-12 education expenditures (including construction costs and debt repayment) for 2003-2004, data from the National Center for Education Statistics (NCES) place Colorado at 28th in the nation (\$9,073). Strictly measuring operational costs for the same year, Colorado ranks anywhere from 23rd (\$8,263 - National Education Association) to 33rd (\$7,478 - NCES) in “current” per-pupil spending.
- According to the video, parents now pay for school operations that state tax dollars previously covered, and children must attend school with the heat off. Yet the proportion of state spending on K-12 education is at an all-time high. In 1992, the year before TABOR took effect, the state of Colorado paid 45 percent of the per-pupil funding for public schools. Today, 14 years later, the state’s share has grown to 62 percent. From 2000-01 to 2005-06, Colorado’s overall per-pupil contribution in state dollars to K-12 education (including all education funds, not just per-pupil funding under the School Finance Act) has increased by 28 percent—or by 16 percent, after adjusting for inflation.
- The voiceover on the video says, “Parents have to pay for basic things,” while the camera pans over textbooks. Crested Butte parent and state Parent Teacher Association (PTA) board member Kristi Hargrove says, “Our PTA is buying all the textbooks for the school.” The state requires districts to budget a minimum of \$172 per pupil per year for textbooks, library books, periodicals, and other instructional supplies and materials. The law mandates that figure to increase every year and that the money be spent on nothing else. The real question is: How does Ms. Hargrove’s school avoid the law and not buy textbooks?
- Denver parent Jane Feldman said that “parents are paying for essential services that previously came out of school budgets,” including workbooks, teachers’ aide salaries, and art and music

classes. She said that her family “shells out” \$1,000 a year for these education-related costs, which she said is far more than any TABOR refund they have received. If her claims are true, her family’s expenses are far from typical. In 2004-05, school districts collected a combined total of \$66,116,789 from students and parents for tuition, transportation fees, textbook fees, and student activity fees. The figure amounts to \$86.24 per enrolled student.

**Response to the Independence Institute:**

- Looking at spending as a share of personal income is valid since personal income measures the wealth of a state and thus, its ability to contribute to public services. And generally, wealthier states contribute more to public services. One reason for this is that states with higher personal income also tend to have higher pay scales. As a result, schools have to pay higher salaries if they are to compete for good talent with the private sector.

**Figure 2**



Source: CBPP calculations of National Center for Education Statistics data

- Also, because Colorado’s K-12 funding plummeted since TABOR’s adoption in 1992, voters in 2000 approved Amendment 23. Amendment 23 mandates that K-12 spending be increased by at least inflation plus one percent each year for ten years, and then by at least inflation thereafter. Thus, any increases in K-12 after 2001 were a result of this amendment, which protected K-12 to a certain degree from TABOR-induced cuts.

- K-12 statistics through the 2000-01 school year therefore show just the effects of TABOR.
  - In 2000-01, Colorado ranked 49th in current expenditures per \$1,000 of personal income for public K-12 schools. (Source: CBPP calculations of National Center for Education Statistics data)
  - In 1992, Colorado's average per-pupil K-12 funding was \$379 below the national average. By 2001, it was \$809 below the national average (See Figure 2). (Source: CBPP analysis of National Center for Education Statistics data)
- However, that is not to say that Amendment 23 has solved years of underfunding under TABOR. Moreover, because of TABOR, the Amendment 23 funding formula has become a ceiling instead of a floor. By any reasonable measure, including those cited by the Independence Institute, Colorado continues to be a high-income state that spends a below-average amount on public K-12 education funding.
  - CO ranked 47<sup>th</sup> in the nation in K-12 spending as a percentage of personal income in 2003. (Source: Center on Budget and Policy Priority (CBPP) calculation of National Education Association (NEA) and Bureau of Economic Analysis (BEA) data )
  - CO ranked 37<sup>th</sup> in per-pupil expenditures adjusted for regional cost differences in 2003. (Source: Editorial Projects in Education Research Center, "Quality Counts at 10: A Decade of Standards-Based Education," Education Week, 2006, <http://www.edweek.org/ew/toc/2006/01/05/index.html>)
  - CO ranked 44<sup>th</sup> in the percent of total taxable resources spent on K-12 education in 2003. (Source: Editorial Projects in Education Research Center, "Quality Counts at 10: A Decade of Standards-Based Education," Education Week, 2006, <http://www.edweek.org/ew/toc/2006/01/05/index.html>)
- The \$172 per pupil figure for textbooks, etc. cited by the Independence Institute is for the 2006-07 school year. The amounts budgeted in previous years were lower.
- And while the School Finance Act of 1994 does mandate that a certain per-pupil amount be budgeted for Instructional Supplies and Materials this amount has not been sufficient.
  - The official definition of Instructional Supplies and Materials from the Colorado Revised Statutes says they "include, but are not limited to, supplies, textbooks, library books, periodicals, warehouse inventory adjustment, and other supplies and materials." That means things such as textbooks for *every* subject area, equipment for a science lab, building blocks for kindergarteners, reading books and reference books for classrooms, paper, workbooks, art supplies, supplemental workbooks, software, foreign language cds, and library books are all included in this category.
  - Given that this per-pupil amount is the *only* money specifically set aside to buy all of these supplies and materials, it quickly becomes apparent that such a small amount



could not possibly cover all of the costs. Textbooks for middle school and high school alone cost around \$50 each *per subject area*.<sup>3</sup>

- Thus, even if a school was spending all of this per-pupil amount on textbooks alone, there is a high probability it wasn't sufficient to cover all of the costs. More likely, schools were using this money to purchase other permitted needed materials and the PTA or other school groups held fundraisers for books.
- Finally, it is unclear what is included in the \$86.24 per enrolled student that the Independence Institute alleges parents pay, since the Colorado Department of Education is not able to break down revenue numbers into such specific categories.<sup>4</sup>
- Clearly, though, it does not include money raised by outside groups, such as the PTA, PTO, or booster clubs since this money is outside of the standard fees charged for schools. It is this money to which Kristi Hargrove and Jane Feldman are referring to in the video.
  - The Parent Teacher Organization at Polaris Program Ebert Elementary School in Denver that Jane Feldman is a member of raised \$58,681 during the 2004-2005 school year: \$39,000 of that was spent on computers needed in the school and the rest was spent mostly on paraprofessionals for the classrooms. During the 2005-2006 school year this PTO raised \$68,766; \$38,000 of that money was for paraprofessionals to assist teachers with large class enrollment. This comes out to much more than \$86 per student. And since Jane has two school-age children, her contribution to the PTO was greater.
  - These parent-raised funds were in addition to the school-mandated fees for transportation, sports, field trips, and school supplies mentioned by the Independence Institute.

## **Transportation and infrastructure**

### **Independence Institute Claim:**

The video claims that Colorado is unable to fund roads and that the infrastructure is crumbling. This assertion is blatantly wrong because the fundamental principle of TABOR is that voters decide if they want to increase taxes for any reason whatsoever. Left out of the video are two separate, huge projects that voters approved under TABOR's provisions:

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<sup>3</sup> See "Textbook Purchase Information", [http://www.ipspd.org/Uploads/DEC1\\_MSTextbookInfo.doc](http://www.ipspd.org/Uploads/DEC1_MSTextbookInfo.doc); and "Textbook Fees," [http://www.business.ips.k12.in.us/textbook\\_fees/default.aspx](http://www.business.ips.k12.in.us/textbook_fees/default.aspx).

<sup>4</sup> This information was obtained through a conversation with Vottie Herrmann, School Finance Unit of the Colorado Department of Education on October 19, 2006.

- In 1999, Governor Bill Owens campaigned for and won passage of a \$4 billion increase in debt to pay for 27 big highway projects, including a massive reconstruction of Interstate 25 through Denver.
- In 2004, Denver and its suburbs passed an \$8.3 billion regional tax increase to pay for mass transit.

**Response to the Independence Institute:**

- It is true that voters have passed tax increases for a few large infrastructure projects, but clearly these have not resulted in sufficient investment in Colorado's infrastructure system.
  - In 1994, 65% percent of roads were in poor condition, by 2001 that figure rose to 73% according to the Surface Transportation Policy Project. (Source: TABOR Issue Brief. Transportation. The Bell Policy Center. [www.thebell.org](http://www.thebell.org).)
  - According to the CO Dept of Transportation, between 2005 and 2030 there is \$48 billion shortfall just to sustain the transportation system at current levels and a more than \$103 billion gap to make needed improvements to the system. (Source: 2030 Statewide Transportation Plan, February 2005, CO DOT)
  - Colorado spends far less than other states to maintain its transportation infrastructure, ranking 44th based on spending per mile of highway in poor condition. (Source: TABOR Issue Brief. Transportation. The Bell Policy Center. [www.thebell.org](http://www.thebell.org).)
  - In 2003, the American Society of Civil Engineers gave Colorado a D+ for the condition of the state's roads and highways and a C+ for its bridges. (Source: TABOR Issue Brief. Transportation. The Bell Policy Center. [www.thebell.org](http://www.thebell.org).)
- According to a 2005 Rocky Mountain News article written before the passage of Ref. C:
  - In 1999, the state estimated it would cost \$9.2 billion for 28 top-priority highway corridors, including the massive T-REX job on Interstate 25 in Denver. By 2002, the recession had choked off state funds for highway projects, with only half the work finished or fully funded. The only general fund transfers to highways since then have been smaller special appropriations. So the unfunded projects were put on hold. Today, the state figures the remaining work will cost \$11.7 billion.
  - Even if revenues grow with a recovering economy, most of it must be mailed back to taxpayers as TABOR rebates. That's because TABOR's budget baseline, which allows only for inflation and population growth, was reduced by the recession.
  - Until 1997, the legislature allocated no general fund money for transportation, relying exclusively on the gasoline tax and other revenue. But the gas tax, a flat 22 cents per gallon, can't keep up with the rising costs of road repair work. The state gets more gas tax money only if people buy more gas. The legislature decided in 1997 to begin

giving general fund money to CDOT - but only after all other buckets in the budget are filled first.

- Henry Sobanet, the state's budget chief, said the tightening of the overall state budget without Ref C could prompt the legislature to repeal the general fund transfers to CDOT entirely. The current list of approved projects would have to be cut by \$271 million to \$376 million, depending on the economy.  
(Source: Kevin Flynn, "Refs C&D: Budget Breakdown Running on empty," Rocky Mountain News, October 21, 2005)
- Furthermore, getting voter approval for increased funding under TABOR is not as easy as the Independence Institute makes it sound. Take for example Referendum C, which allows the state to retain and spend any money collected over the TABOR limit for the next five years and directs this money to be spent on health care, public education, transportation projects, and local fire and police pensions. The campaign over Referendum C cost at least \$10 million.

## **Health care and immunizations**

### **Independence Institute Claim:**

Detractors also claim that TABOR limits Colorado's health spending and that things are so bad that the state ranks last in childhood immunizations. These bogus claims are based on willful misinterpretation of the National Immunization Survey, a telephone survey of the immunization status of children under age 3. Estimates of coverage rates in states with relatively small populations are estimated from small samples and are subject to error. The Centers for Disease Control note this in the information they publish with the surveys. In 2002, the point estimate of coverage for Colorado for a couple of the vaccine series was lower than any other state.

However, when the errors caused by small samples were considered, it was likely that Colorado had immunization rates that were similar to other states like it. As one would expect if mere statistical variation caused the low ranking, 2005 immunization data put Colorado nowhere near the bottom.

Little evidence exists to show that Colorado's population health is affected by TABOR. On most health surveys Colorado's population does quite well, enjoying relatively low rates of Medicaid enrollment, disability, and obesity.

### **Response to Independence Institute:**

- To suggest that the NIS is unreliable is preposterous. The National Immunization Survey is the main source relied upon for immunization rates by the federal government and public health departments across the country. The NIS uses a nationally representative sample, and provides estimates of coverage that are weighted to represent the entire population, nationally, and by region, state, and selected large metro areas. Its methodology is very sound and is one used in many different fields. Its estimates are subject to error (as with any survey that uses samples to extrapolate data), but it does not publish or estimate data for areas where sample sizes are too small.

- Douglas H. Benevento- the executive director of the Colorado Department of Public Health and Environment- attributed the 2002 rate, which placed Colorado 50th among the states for the percentage of its children between the ages of 19-35 months who are fully immunized, to a shortage of vaccine for the immunization for diphtheria, pertussis or whooping cough and tetanus (DTaP). As a result, Colorado in 2002 temporarily suspended the requirement for the fourth DTaP immunization, usually given between the ages of 12 months and 24 months. The requirement has since been reinstated. (Source: Colorado Department of Public Health and Environment, "Colorado's Immunization Rate Increases To 77.1 Percent," July 26, 2005, <http://www.cdphe.state.co.us/release/2005/072605.html>)
- According to a study by the Colorado Health Institute, other states deferred only the 5th dose of DTaP and used state funds to purchase available vaccine at a higher price. Colorado was not able to do so because of lack of state funding. (Source: Colorado Health Institute, "Colorado Childhood Immunization Rates: Policy and Practice," May 2005)
- Major steps, including better notification of available vaccines, new financial assistance, better communication between providers and re-directing federal funds to the program, were undertaken by Governor Owens and the legislature in order to improve this situation. According to the Colorado Department of Public Health, these steps "are believed to have resulted in the improved 2004 immunization rate" (Source: Colorado Department of Public Health and Environment, "Colorado's Immunization Rate Increases To 77.1 Percent," July 26, 2005, <http://www.cdphe.state.co.us/release/2005/072605.html>)

And Colorado does not perform well on other measures of health care that are related to . It does perform well on obesity, but that isn't related to government programs.

- Between 1992 and 2004 the share of low-income children lacking health insurance doubled in Colorado (from 16 percent to 32 percent) even as it fell in the nation as a whole (from 21 percent to 18 percent). Colorado now ranks last among the 50 states on this measure (in 1992 it ranked 33<sup>rd</sup>). (Source: CBPP analysis of the US Census Bureau's Current Population Survey)
- Between 1992 and 2002, Colorado declined from 23<sup>rd</sup> to 48<sup>th</sup> in the nation in access to prenatal care, as defined by the Centers for Disease Control and Prevention. Only 67% of pregnant women in Colorado receive adequate prenatal care (national average in 2003 was 76%). (Source: National Center for Health Statistics, Centers for Disease Control and Prevention)
- In 2002, Colorado ranked 49<sup>th</sup> in the nation in both the percentage of low-income adults under 65 and the percentage of low-income children covered by Medicaid. This indicates that in Colorado Medicaid is not fully performing the function for which it was designed. Consequently, low-income adults and children are much more likely to be uninsured in Colorado than in the nation as a whole. (Source: The Kaiser Commission on Medicaid and the Uninsured, "Health Insurance Coverage in America: 2002 Data Update," December 2003, [www.kff.org/uninsured/4154.cfm](http://www.kff.org/uninsured/4154.cfm).)
- In Colorado, a *working* family of three is ineligible for Medicaid if its income exceeds \$6,132, which is just 39 percent of the poverty line. Only seven other states have stricter income eligibility standards. (Source: Kaiser Commission on Medicaid and the Uninsured, "Beneath the Surface: Barriers Threaten to Slow Progress on Expanding Health Coverage of Children and Families," October 2004, [www.kff.org/medicaid/7191.cfm](http://www.kff.org/medicaid/7191.cfm).)

- Colorado is one of only 15 states that does not have a “medically needy” Medicaid option, which provides coverage to people whose gross income modestly exceeds Medicaid limits but who have high medical bills that reduce their disposable income below Medicaid limits. (Source: Martha King, “The Public Side of Health Care Focus on Medicaid & SCHIP,” Presentation given at National Conference of State Legislatures (NCSL) meeting, November 25, 2002.)
- Until FY 2006, Colorado was one of only six states that imposed an asset test on children applying for Medicaid. In Colorado, children whose families have more than \$2,500 in assets are ineligible for Medicaid, no matter how low the family’s income is. In FY 2006, the asset test will be eliminated due to increased revenues resulting from an increase in the tobacco tax. (Source: Colorado Health Initiative. “Medicaid Fact Sheet,” [www.cohealthinitiative.org/MEDICAIDfactsheet.htm](http://www.cohealthinitiative.org/MEDICAIDfactsheet.htm).)
- Colorado’s separate health program for low-income children, known as CHP+, is one of the most restrictive of any of the state programs established under the State Children’s Health Insurance Program (SCHIP). Colorado is one of only six states that limit its children’s health program to families with incomes of 185 percent of the poverty line or lower. (SCHIP provides states with federal matching funds to cover children whose families earn too much to be eligible for Medicaid but not enough to afford private insurance. Most parents in such families are not offered health insurance on their jobs or if they are, they cannot afford the premiums for family coverage.) (Kaiser Commission on Medicaid and the Uninsured, “Beneath the Surface: Barriers Threaten to Slow Progress on Expanding Health Coverage of Children and Families,” October 2004, [www.kff.org/medicaid/7191.cfm](http://www.kff.org/medicaid/7191.cfm).)