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EXECUTIVE ORDER

Creating the Colorado Rural Health Care Grant Council

Pursuant to the authority vested in the Office of the Governor of the State of Colorado, I, Bill Ritter, Jr., Governor of the State of Colorado, hereby issue this Executive Order creating the Colorado Rural Health Care Grant Council.

1. Background, Need, and Purpose

Enhanced access to health care is an important priority for the citizens of rural Colorado. It is critical that people of all ages and in all communities have access to necessary medical, dental, and mental health care.

It is clear that many rural health care facilities lack the infrastructure and resources to provide Colorado citizens with sufficient access to basic primary health care services. Many remote communities lack the financial resources necessary to update and modernize medical facilities. Unless addressed, the consequences of this undersupply of services will continue to be expressed in poorer health status and survival for the residents of affected communities.

The Governor's Office, in collaboration with the Colorado Insurance Commissioner, UnitedHealth Group, and other concerned advocacy organizations, spent considerable time studying rural health care needs, and investigating interventions to enable rural health facilities to provide patients with improved medical care. In 2006, UnitedHealth Group committed to donate \$7,500,000 over six years to the State of Colorado to help remedy deficiencies in access to health care for rural and underserved Coloradans. Additionally, rural health care providers have already received \$1,000,000 in grants from a separate donation from the United Health Foundation issued prior to this Executive Order. The \$7,500,000 donated by UnitedHealth Group over the next six years enables the State of Colorado to initiate a grant program, which will provide opportunities for rural health care providers to apply for grants to enhance the provision of health care in rural Colorado. This Executive Order creates the Colorado Rural Health Care Grant Council (the "Council") for the purpose of determining funding priorities and making

grants from the donated funds. The Council will provide oversight of the process by which rural health care providers will apply, and be selected, for funding to augment the current availability of health care services in rural Colorado. The Council will also coordinate the collection of information and data in order to assess outcomes for the grants it makes, which, in turn, will lead to a better understanding of how resources can most effectively be used to improve the provision of health care in rural Colorado.

2. Mission and Scope

The objectives of the Council are to articulate criteria for awarding grants to improve the provision of health care in rural Colorado, review grant applications, make grants in accordance with articulated criteria, and evaluate the impact and effectiveness of the grant program through a measurable outcomes assessment.

To that end, the Council will:

- A. Articulate the criteria for making grants. These criteria should be grounded in the identified epidemiologic priorities for affected communities, and include: reasonable expectations for cost-effective use of donated resources to significantly address identified problems; the ability of the grant recipient to use the grant resources to leverage other sources of funds and other community support services; and the willingness of the grant recipient to participate in effective and measurable outcomes evaluation of the use of donated funds.
- B. Issue a Request for Proposals to initiate the grant-making process.
- C. Review applications and make grants to rural health care providers in accordance with the criteria articulated by the Council.
- D. Meet at least annually to monitor the impact and effectiveness of the grant program.
- E. Regularly examine eligibility requirements and ensure they continue to match the unique health delivery service scenarios found in rural Colorado.

3. Membership

- A. The Council shall be composed of members appointed by and serving at the pleasure of the Governor.
- B. The Governor shall appoint one member to the Council from each of the following entities:
 1. Colorado Department of Local Affairs;

2. Colorado Department of Health Care Policy and Financing;
 3. Colorado Department of Public Health and Environment;
 4. Colorado Division of Insurance;
 5. Governor's Office of Policy and Initiatives; and
 6. UnitedHealth Group.
- C. The Governor may appoint up to six additional members to the Council.
- D. The Governor shall appoint two members of the Council to serve as co-chairs.
- E. The Council may establish working groups or subcommittees from within its membership or outside its membership to assist it in its work or to address specific issues. Working groups or subcommittees established by the Council shall determine their own meeting schedules.

4. Funding and Staffing

UnitedHealth Group has committed to donate \$7,500,000 in charitable contributions over the next six years to remedy deficiencies in access to health care for rural and underserved Coloradans. Donated funds are to be used solely for charitable purposes.

The funds donated to the State of Colorado by the UnitedHealth Group, which are described above, shall be directed to the Office of the Governor and deposited with the Treasurer of the State of Colorado in an account within the Office of the Governor's budget.

The Council shall strive to operate as efficiently as possible in order to ensure that the maximum portion of the donated funds as possible are disbursed to grant recipients; however, in order to effectively operate the program, a small portion of the donated funds must be dedicated to the administration of the program. Thus, the Council may dedicate up to 5% of the donated funds for the purpose of administering the program. This may include retaining a consultant to assist with program administration, grant applicant assistance, and outcomes assessment, as well as paying for the Council's actual expenses.

Within 30 days of this Order being signed, UnitedHealth Group will transfer 5% of the total \$7,500,000 charitable commitment, or \$375,000, to carry out administrative functions of the Council. If the Council does not appropriate the allowable 5% to administrative purposes, the funding shall be converted to funds to be awarded in the form of grants.

UnitedHealth Group will contribute \$2 million to fulfill grant awards for the 2007 grant cycle. These charitable contributions shall be transferred no less than 45 days prior to grants being awarded according to the grant application cycle set forth by the Council.

UnitedHealth Group has committed to transfer \$1,025,000 per year beginning in 2008 through 2012. These charitable contributions shall be transferred by UnitedHealth Group to the State no less than 45 days prior to grants being awarded according to the grant application cycle set forth by the Council.

Any funds not awarded in the form of grants in a given year or grant cycle may be rolled over to the next year or next grant cycle.

The Council shall have the power to accept additional money and in-kind contributions from individuals and private entities, and any such money contributed to the Council shall also be directed to the Office of the Governor and deposited with the Treasurer of the State of Colorado in an account within the Office of the Governor's budget.

Members of the Council shall serve without compensation but may, at the discretion of the co-chairs and with approval of the Office of the Governor, be reimbursed for any actual expenses incurred. Such reimbursements shall be made from the donated funds and shall be considered administrative expenses subject to the limit set forth in this section.

5. Directive

The Colorado Rural Health Care Grant Council is hereby created.

6. Duration

This Executive Order shall remain in force until further modification or rescission by the Governor.

GIVEN under my hand and the
Executive Seal of the State of
Colorado, this 8th day
of August, 2007

Bill Ritter, Jr.
Governor