

MEMORANDUM

TO: The Honorable Governor Peter Shumlin
Senate Appropriations Committee
House Appropriations Committee
Joint Fiscal Committee

FROM: Amy Brewer, Chair, Vermont Tobacco Evaluation and Review Board

COPY: Theresa Utton-Jerman, Staff Associate, Joint Fiscal Committee

SUBJECT: Tobacco Prevention, Cessation and Control Program FY 18 budget recommendations from VT Tobacco, Evaluation & Review Board [18 V.S.A. Sec. 9505 (9)] [Agency of Human Services]

DATE: November 30, 2016

(Section 271 of Act 152 (2000), 18 V.S.A. chapter 225, 9505(9))

In 2016, the Vermont Tobacco Evaluation & Review Board reviewed and revised its Tobacco Control State Plan outlining the evidence-based interventions required of the program to succeed in reducing health care costs, of which **\$348 million yearly** are related to Vermonter's tobacco use.

Currently:

- 35% of our low income adult residents are smokers;
- 17% of all adults smoke cigarettes, a level that has remained unchanged since 2012;
- **25% of all Vermont High School students** have used some sort of tobacco product (cigarette, smokeless, cigar or electronic or vaping product) in the *past 30 days*. This figure is as high as 33% in some supervisory union regions; and
- High School cigarette use is down significantly to 11%.

Although *smoking* rates are decreased for our youth, The Tobacco Control Program is alarmed that a quarter of students are using *some* type of tobacco product. Furthermore, for the last four years we have made no progress on the 17-18% adult smoking rate, which needs to be significantly lower to adequately protect and support the health of Vermont's citizens and decrease health care costs.

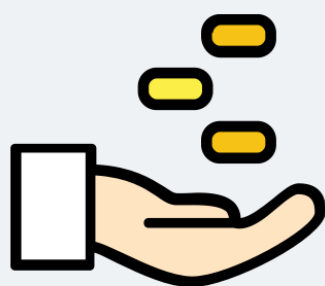
Tobacco control initiatives have a documented **return on investment**. Massachusetts achieved a 2:1 return on investment in three years (reducing health care costs among Medicaid recipients.) California documented a 50:1 return on investment over 10 years (reducing health care costs).

In fact, in Vermont, since 2001, we have realized a 2:1 return on investment. In comparison to the \$73 million appropriated to the Tobacco Control Program since 2001, there has been an estimated **\$1.43 billion savings** in overall smoking-related healthcare costs between 2001-2014. That figure *includes* \$586 million in Medicaid costs. Estimates are that if we reduced adult tobacco use from its current rate of 18% to 12% by 2020, **we would save \$229 million between now and 2020.**

Maintaining a holding pattern of level funding year-after-year erodes programs and infrastructure. Additionally, limiting evaluation of the Tobacco Control Program will *not* enable Vermont to achieve its goals. The VT Tobacco Evaluation and Review Board will release its Annual Report this January. In that report you will find details about needed programs and recommended funding levels necessary to maximize Vermont's investments and achieve health care savings and healthier Vermonters. In order to advance the goals, set forth by the Legislature, to reduce tobacco use, reduce health care costs and to improve the health of our residents, **the Tobacco Control Program should be funded at a level high enough to achieve the maximum return on investment possible.** Tobacco Control State Plan: <http://humanservices.vermont.gov/boards-committees/tobacco-board/documents-and-resources/vermont-tobacco-control-workplan/view>.

SAVE MONEY. SAVE LIVES.

HELP VERMONT QUIT FOR GOOD



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Resulting in an estimated \$1.43 billion savings in overall smoking-related healthcare costs (including \$586 million in Medicaid costs)



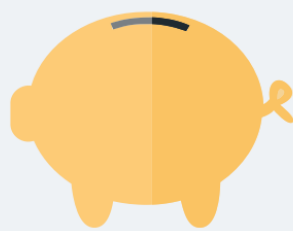
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Over 10 years in California = **50:1**

Over 3 years in Massachusetts = **2:1**

If we reduced adult tobacco use from its current rate of 18% to 12% by 2020...



Vermont would save \$229 million dollars!

The toll of annual smoking attributable deaths in Vermont is...



an average of 1,000 per year!

MAKE THE SMART INVESTMENT

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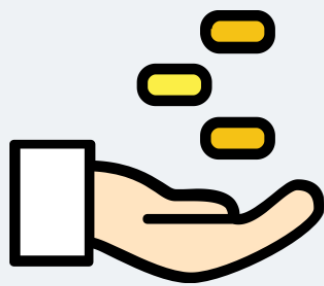
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- * reduce health care costs
- * improve the health of our residents...

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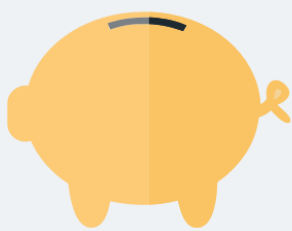
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