



## Senate Medicaid Committee

Jeff Stephens, Director of Government Relations in Ohio

American Cancer Society Cancer Action Network

Thursday, May 7, 2015

Good afternoon Chairman Burke, Vice Chair Manning, Ranking Minority Member Cafaro and members of the Senate Medicaid Committee. My name is Jeff Stephens and I represent the American Cancer Society Cancer Action Network. Thank you for the opportunity to provide testimony on Medicaid-related provisions of HB64.

### **Breast and Cervical Cancer**

House Bill 64—both the introduced version and House-passed version—maintains current state funding levels for screening and diagnosis through Ohio Department of Health’s breast and cervical cancer **screening** program (BCCP). And, with the addition of tax check off dollars as a result of Representative Schuring’s HB 112 from last session, Ohio will be able to screen even more women in the next biennium.

The BCCP program screens uninsured and underinsured women under 200 percent of the federal poverty level. It is a payer of last resort. Women who are screened through the BCCP program and are diagnosed with breast or cervical cancer are eligible for Medicaid under the Breast and Cervical Cancer Treatment program.

While increasing the state’s capacity to screen women, HB 64 proposes to eliminate the Medicaid Breast and Cervical Cancer Treatment Program.

***The elimination of the program will leave some Ohio women that are diagnosed with breast or cervical cancer through BCCP, without access to a health care coverage option to treat their breast or cervical cancer.*** While women under 138 percent of the federal poverty level are now eligible for Medicaid coverage, women between 138 percent and 200 percent of the federal poverty level who remain uninsured and meet BCCP eligibility may be left without coverage and therefore without access to treatment should the program be eliminated.

The Office of Medicaid estimated that about 130 women enrolled in the program have incomes between 138 percent and 200 percent of the federal poverty level. The estimated savings by eliminating this program is \$1.1 million in FY 16 and \$2.7 million in FY 17.

Even with expanded insurance coverage options through the Health Insurance Marketplace, Ohio women will continue to lack access to breast and/or cervical cancer screening and treatment coverage in 2015 and beyond<sup>i</sup>. There are several reasons why women could remain uninsured, including exemptions from the individual mandate, affordability, missed open enrollment period, lack of understanding about insurance options in the Health Insurance Marketplace, and coverage disruptions. The CBO estimates that 30 million people nationwide will be exempt from the individual mandate<sup>ii</sup>.

While it is our hope that all of these women will successfully enroll in the coverage available for their income level, it is almost certain that a number of women will remain uninsured in 2015 and beyond.

Only time will tell how large or small that number will be. Given this uncertainty, it is ***critical that the Medicaid Breast and Cervical Cancer Treatment Program remain in place*** until a program evaluation is conducted and concludes that Ohio women no longer need this program.

Since passage of the federal Breast and Cervical Cancer Treatment Act in 2000, Ohio began providing all women screened and diagnosed through BCCP treatment services through the end of their treatment.

We urge you to follow through on that promise and preserve the safety net for future women who will need the program to provide them access to life-saving treatment services. We urge you to maintain the Medicaid Breast and Cervical Cancer Treatment Program.

### **Tobacco Use and Medicaid**

It is hard to ignore the tobacco problem in Ohio. Our smoking rate is 23.4 percent and is the 8<sup>th</sup> highest in the nation. 15 percent of our high school students smoke. Each year 12,500 kids under the age of 18 become new daily smokers.

#### ***Tobacco use for adults on Medicaid is 50 percent.***

We support Governor Kasich's proposal to increase the cigarette tax by \$1 per pack and to increase the tax rate on other tobacco products—like cigars, snuff, and chew—to a rate equivalent to the increased cigarette tax.

The toll of tobacco use in Ohio is great.

Tobacco use remains the single largest preventable cause of disease and premature death. Smoking kills more people than alcohol, AIDS, car crashes, illegal drugs, murders, and suicides combined. Lung cancer is the number one cancer killer for both men and women in Ohio.

Each year in Ohio, 20,200 adults die from their own smoking. Nearly 260,000 kids now under the age of 18 will die prematurely from smoking. The toll is even higher when you add in deaths from other tobacco use.

In addition to lives lost, there is also a huge financial burden from tobacco use to all Ohioans—whether they use tobacco or not.

***Ohio's Medicaid program spends \$1.72 billion each year to treat sick smokers.*** Annual health care costs from smoking tops \$5.6 billion. Smoking-caused productivity losses in the state is nearly \$5.9 billion.

It is estimated that each Ohio household pays \$1,098 each year in state and federal taxes for smoking-caused government expenditures.

Increasing tobacco taxes regularly and significantly, is one of the most effective ways to reduce tobacco use. Research shows that significant increases in the cigarette and other tobacco products taxes keep kids from starting to use tobacco and prompts adults to quit.

The tobacco industry spends over \$1 million of marketing dollars per day in Ohio, to attract new customers and maintain the addiction of their current customers. Eighty five percent of those marketing dollars go to discounting programs (rebates and coupons) which manipulate and mitigate the price of their products to maintain the addiction of their customer base. It is for this reason, that we adamantly support a \$1.00 per pack increase in the tax.

Please consider the savings that can be achieved just by increasing Ohio's cigarette tax by \$1.00 per pack:

- 12% drop in youth smoking resulting in 65,000 fewer youth from becoming adult smokers,
- 73,100 current adult smokers will quit smoking,
- 40,100 premature smoking-caused deaths will be prevented,
- 15,400 fewer smoking-affected pregnancies in the first five years saving \$35.8 million,
- \$11.78 million saved from fewer cases of lung cancer and \$28.26 million saved from fewer heart attacks and strokes in the first five years,
- \$15.16 million in savings for the state Medicaid program in the first five years, and
- Long-term health care costs savings of \$2.67 billion.

We cannot afford to miss this opportunity to reduce tobacco use in Ohio. By reducing our tobacco use rates we will make the state healthier, reduce Medicaid costs, and save money.

---

<sup>i</sup> [http://www.cdc.gov/pcd/issues/2012/12\\_0069.htm#Tables](http://www.cdc.gov/pcd/issues/2012/12_0069.htm#Tables)

<sup>ii</sup> Congressional Budget Office. Payment of Penalties for Being Uninsured Under the Affordable Care Act:2014 update. June 2014