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TO: Members of the Senate Health and Medicaid Subcommittee of the Finance Committee

FROM: Ken Fletcher, Director of Advocacy

DATE: May 24, 2017

RE: Opposition to Cuts to Tobacco Prevention and Cessation in Substitute HB 49

Chairman Hackett and members of the subcommittee, thank you for the opportunity to submit written testimony on Substitute HB 49.

The American Lung Association in Ohio is deeply concerned about the proposed 60% reduction in funding for the Ohio Tobacco Prevention and Cessation program at the Ohio Department of Health.

Tobacco use remains the leading cause of preventable death and disease in Ohio, making it critically important that prevention and cessation programs are available to help people break their tobacco addiction for good.

Even before the proposed reduction, tobacco prevention and cessation programs were greatly underfunded in Ohio. In fact, the American Lung Association's 2017 State of Tobacco Control Annual Report gave Ohio an "F" for tobacco control and cessation program funding. Ohio was spending only 11.8% of what was recommended by the federal Centers for Disease Control and Prevention.

This is in spite of Ohio receiving over \$1.3 billion in revenue from tobacco taxes and tobacco settlement dollars. Clearly the state can and should allocate a minimum of \$35 million for tobacco control and cessation programs, which would still be far short of the \$132 million that is recommended by the CDC.

Ohio's smoking rates stubbornly remains higher than the national average. Over 21% of adults and over 15% of High School students smoke.

Tobacco-related illnesses are expensive and harmful for all of us. In Ohio, smoking is estimated to cost \$5.64 billion in direct health care costs, including \$1.72 billion in Medicaid costs. Additionally, Ohio experiences \$5.88 billion in productivity losses annually.

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In Ohio, it is estimated that 20,000 deaths are caused by smoking each year. Over 30% of cancer deaths are caused by smoking. In addition to cancer, tobacco increases the risk of heart attack, stroke, COPD, emphysema, chronic bronchitis, preterm delivery, stillbirth, low birth weight, SIDS, and other diseases.

We are also concerned that Substitute HB 49 did not include the governor's recommended increase in the cigarette tax and the tax on other tobacco products. Increasing taxes on tobacco is a win-win proposition: significantly increasing cigarette taxes results in fewer kids starting to smoke and in more adults quitting while at the same time providing important funding to improve health.

Increasing Ohio's cigarette tax by our recommendation of \$1 per pack would raise an estimated \$313 million annually. This could lead to over \$2.34 billion in long term health care cost savings as adult and youth smoking rates decline.

Increasing the wholesale tax on other tobacco products at the same time would produce additional health and economic benefits for Ohio. Currently other tobacco products are taxed at a lower rate than cigarettes, making them an appealing alternative for price-sensitive consumers including youth.

We ask that the Senate put the health and welfare of the residents of Ohio first and foremost in this budget by adequately funding tobacco prevention and cessation programs and by increasing the tax on cigarettes and other tobacco products.

Thank you very much for your consideration of our concerns.

Respectfully,

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