



February 18, 2017

To: House Committee on Appropriations
From: Rebecca Ryan, American Lung Association in Vermont
Subj: FY17 Budget: Tobacco Evaluation Review Board and Tobacco Control Program Evaluation

The American Lung Association and partners in the Coalition for a Tobacco Free Vermont respectfully requests that you:

1) Commit to funding Vermont's comprehensive tobacco control program in FY17 at \$3,971,996 million from Master Settlement Agreement (MSA) Funds, including \$291,127 for the Vermont Tobacco Evaluation and Review Board and independent program evaluation.

The administration's budget proposes to eliminate the funding for the independent evaluation of the tobacco control program and reduce the Vermont's Tobacco Evaluation and Review Board administrator position to part time. These cuts would eliminate the board's ability to evaluate the effectiveness of that state's coordinated effort to prevent and reduce tobacco use.

VTERB works with the independent evaluator (RTI International) to keep the tobacco control program on course and consistent with the science and CDC best practices, ensuring a return on investment. There are many examples but here are two:

- **Return on Investment:** Since 2001, Vermont has appropriated nearly \$73 million to the TCP. As a result of reductions in adult smoking from 2001-2014, Vermont saved \$1.43 billion in smoking-related healthcare costs, including \$245 million in Medicaid costs¹.
- **Effective Programming:** Based on RTI's recommendation, the program is now strategically focusing a large portion of its health communication efforts on individuals with low socioeconomic status who smoke at a higher rate than the general population. This resulted in an increase of Medicaid smokers enrolling in 802Quits by 112% from 2013 to 2015², for example.

2) Continue to reduce the pressure on the annual MSA allocations. Vermont currently receives approximately \$33 million annually from the tobacco industry. \$10-\$12 million of the MSA annual payment is due to the Strategic Contribution Fund, a ten-year bonus. Vermont will receive its last bonus in April 2017, and from 2018 forward, annual payments are projected to

¹ RTI International, Independent Evaluation of the Vermont Tobacco Control Program: 2015 Annual Report – a Historical Look at the Progress Achieved Successes, and Lessons Learned and RTI Recommendations for the Tobacco Control Program in Vermont for the Years 2015-2020.

² Vermont Department of Health, Effectively Reaching the Medicaid Population with Tobacco Cessation: Vermont's Collaborative Marketing Strategy Between Medicaid and Tobacco Control.

drop to \$23 million (and will further decline as national smoking rates drop). MSA dollars are already oversubscribed; 86% of it was appropriated to Medicaid in FY2016. In addition, the Attorney General's previous budgets have included an appropriation from the Tobacco Trust Fund to support its arbitration with the tobacco industry. The Tobacco Trust Fund is now zeroed out. As a result, the Attorney General is requesting a total of \$673,540 from the MSA, compared to \$348,000 last year, further straining an oversubscribed MSA.

In summary, the role of VTERB and independent evaluation is critical to ensure continued reductions in tobacco use, is a return on investment, and produces results-based accountability across state entities and program activities. We urge you to find a way to use MSA dollars to fund the program at 3,971,996, including \$291,127 for the board and independent evaluation.

Thank you.