

Hello Healthcare Committee members,

As your committee considers what priorities you'll recommend for funding to the House Appropriations Committee, we ask you to consider including an additional \$1 million in funding for Vermont's Tobacco control Program.

We understand that COVID-19 is understandably directing the majority of state activities currently. But I wanted to take a minute to highlight the importance of addressing the surging tobacco use in Vermont during the pandemic as well as high use rates in youth and in certain populations ongoing.

The state economist's recent report to the legislature (attached) noted substantial revenue increases for the state. However, one of these revenue increases is particularly concerning and the reason for it will mean increased health care spending for the state.

Tom Kavet pointed to the large increases in smoking and vaping during the pandemic (from page 23 and 24):

Taxable sales of cigarettes, tobacco products and vaping have surged during the pandemic (as have liquor sales, which no longer benefit the Available General Fund), with socially distant time at home and plentiful disposable income combining to worsen long-term health outcomes of those partaking. Vaping has been particularly strong, bringing in nearly as much income in the first six months of FY21 as it did in its initial 11 months of taxation in FY20. Together, these three tax sources will add more than \$8M to the Healthcare portion of the General Fund in FY21, with much of this persisting into future years due to the addictive nature of these products.

Even before the pandemic we saw an alarming increase in youth tobacco use/vaping and there were many populations in VT with high smoking rates (I've included some of the stats below) demonstrating the need for additional tobacco control program funding to address these hits on the health of Vermonters and state coffers. (VT currently spends \$348 million treating tobacco-caused diseases.)

But these recent increases in tobacco usage during the pandemic (also noted in the attached WSJ article) really are a call to action to do more. The state learned this year it will receive \$10.5 million in one-time Master Settlement Funds for its diligence in enforcing provisions of the Master Settlement. At least a portion of these funds should be used to address the state's tobacco and vaping problem. We also are in the fortunate position of having a large surplus, a fraction of which could be used to target recent tobacco use increases, especially as the state is receiving federal funding to alleviate the burdens of other financial demands, including an extended FMAP bump that alleviate pressures on the General Fund.

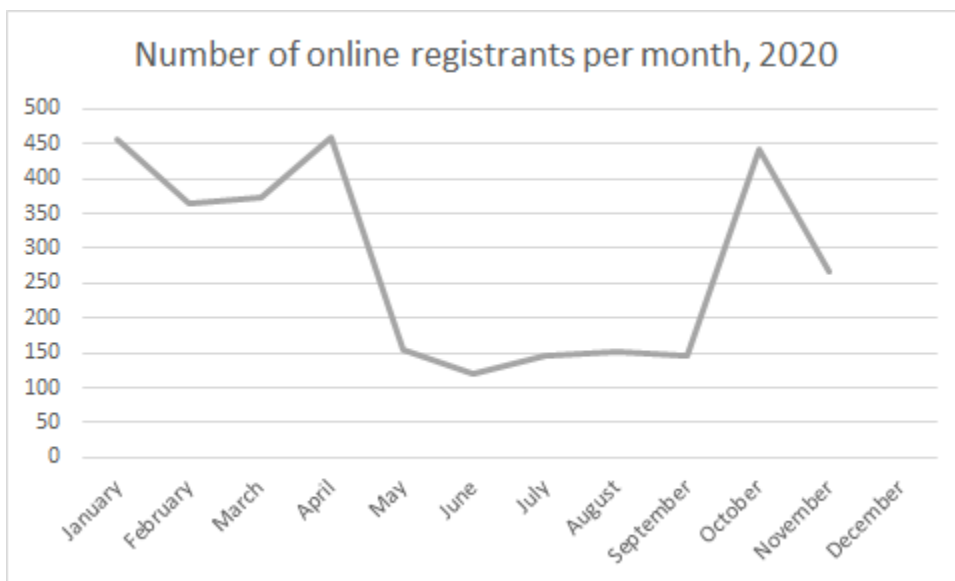
It is important as well to note the link between COVID and tobacco use. Currently, 10% of the COVID patients in Vermont with underlying health conditions are current or former smokers (from VDHs weekly data summaries). See VDH attached fact sheet with link on tobacco use worsening COVID's health impact.

Some stats:

- 7% of Vermont high school students smoke but with e-cigarette use included, 28% of Vermont youth use some tobacco product. More than 1 in 4 Vermont high school

students now use e-cigarettes. From 2017 to 2019, use more than doubled among this age group (from 12% to 26%).

- While the adult smoking rate is 15% in general, there are demographics with very high rates:
 - Native Americans 42%
 - People of color 25%
 - Disability 30%
 - Medicaid 31%
 - Less education 25%
 - FPL 24%
- 40% of VT patients with COVID had an underlying health condition, of these, 10% were current or former smokers
- Smokers want to quit. The number of unique web viewers for the program’s online quit services has steadily increased throughout 2020, from a low of 1,660 viewers in January 2020, to the highest reported EVER of 4,068 viewers in November. And online registrants are higher for every month of 2020 compared to 2019. (Online registrants seem to track COVID’s impact on VT. Online registrants increased January to April, decreased May to Sept, and increased Oct and Nov.) See chart below.



- Some reasons why it makes sense to provide additional funding to the tobacco control program. Reason #1, its effective. See below:
 - The youth smoking rate dropped from 24% to 7% currently. (This doesn’t include the current e-cig use rate. That’s around 26%)
 - Adult smoking rate dropped from 18% to 15%.
 - Since 2016, the adult smoking prevalence in VT has significantly decreased 3.5% (19% relative change.)
 - From 2001-2014, independent evaluator Research Triangle found that with an investment of \$73 million, the program had resulted in **\$1.43 billion in savings in overall smoking-related health care costs, including \$586 million in Medicaid costs.** These savings continue. In 2012, the program began a collaboration with VHAP to make Medicaid benefits for smoking cessation more comprehensive and accessible resulted in a decline in smoking among Medicaid-insured adults from 36% to 29%.

The 2% decline in smoking between 2017-2018 alone resulted in health care savings to Vermont of \$12.2 million.

For these reasons, we are asking your support in recommending **an additional \$1 million to Vermont's tobacco control program**. The program focuses on science-based state and community, mass-reach health and cessation interventions. Given the skyrocketing vaping rates, the CDC has also given states program guides for best practices on youth engagement and health communications. Mass media campaigns have been hailed as some of the most effective tobacco prevention interventions with great return on investments. Vermont's additional funding would be well-spent.

Thank you for your consideration.



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