



2019-21 Biennium Budget Decision Package

Agency: 303 - Department of Health
Decision Package Code-Title: 1B - Implement Tobacco Control Strategy
Budget Session: 2019-21 Regular
Budget Level: Policy Level
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Agency Recommendation Summary

Tobacco use remains the number one cause of preventable death in Washington, and leads to over \$2.8 billion in medical costs in our state each year. This request will implement Washington's 5-year, stakeholder-created state Tobacco Prevention and Control Strategic Plan. The plan is designed to improve statewide tobacco prevention efforts, reduce tobacco-related health disparities, make tobacco cessation more available and accessible, reduce exposure to secondhand smoke, and prevent tobacco use among young people.

Fiscal Summary

Dollars in Thousands

| Operating Expenditures | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
|---------------------------|-----------------|-----------------|-----------------|-----------------|
| Fund 001 - 1 | \$16,321 | \$16,321 | \$16,321 | \$16,321 |
| Total Expenditures | \$16,321 | \$16,321 | \$16,321 | \$16,321 |
| Biennial Totals | | \$32,642 | | \$32,642 |
| Staffing | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
| FTEs | 12.6 | 12.6 | 12.6 | 12.6 |
| Average Annual | | 12.6 | | 12.6 |
| Object of Expenditure | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
| Obj. A | \$826 | \$826 | \$826 | \$826 |
| Obj. B | \$289 | \$289 | \$289 | \$289 |
| Obj. E | \$64 | \$64 | \$64 | \$64 |
| Obj. G | \$43 | \$43 | \$43 | \$43 |
| Obj. J | \$21 | \$21 | \$21 | \$21 |

| Object of Expenditure | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
|-----------------------|----------|----------|----------|----------|
| Obj. N | \$15,019 | \$15,019 | \$15,019 | \$15,019 |
| Obj. T | \$59 | \$59 | \$59 | \$59 |

Package Description

The Problem: Tobacco Kills

Tobacco use remains the number one cause of preventable death in Washington – more than alcohol, suicide, illegal drugs, motor vehicles, homicide, and AIDS combined. Tobacco is associated with six of the ten leading causes of death in our state, and smoking directly causes about one in five of all Washington deaths. In 2016, about 14 percent of Washington adults and about six percent of 10th graders still used tobacco. Each year, 8,300 Washington residents die from smoking, and 2,500 Washington youth become new daily smokers. Smoking rates in Washington are declining overall, however we are still seeing high rates of tobacco use in some populations due to targeted marketing practices by the tobacco industry and competing struggles with poverty, behavioral health issues, and resource inequities. For example, Washingtonians reporting 14 or more days of poor mental health in the past month smoke tobacco cigarettes at a rate more than double those who report fewer than 14 days (27.4 percent vs 12.9 percent).

Nicotine is a highly addictive substance in tobacco and very difficult to quit. Tobacco use creates long-term health costs for individuals, families, and the health care system. Smoking directly causes \$2.8 billion in annual health costs in Washington, plus billions more indirect costs from lost productivity.

In 2017-19, the Department of Health (DOH) was appropriated \$3.4M for youth tobacco prevention, down from a peak of \$54M in 2005-07. These funds come from retailer license fees and penalties. (DOH receives no appropriations for tobacco prevention activities from the tobacco tax, tobacco settlement, or general fund state accounts.) Of the current appropriation, 30 percent is used for enforcement activities conducted by the Liquor & Cannabis Board, and the majority of the remaining 70 percent goes directly to community interventions and program administration. DOH also receives approximately \$1.7M per biennium from federal sources for tobacco prevention and cessation.

For comparison, the tobacco industry spends about \$89 million each year to market its products in Washington.

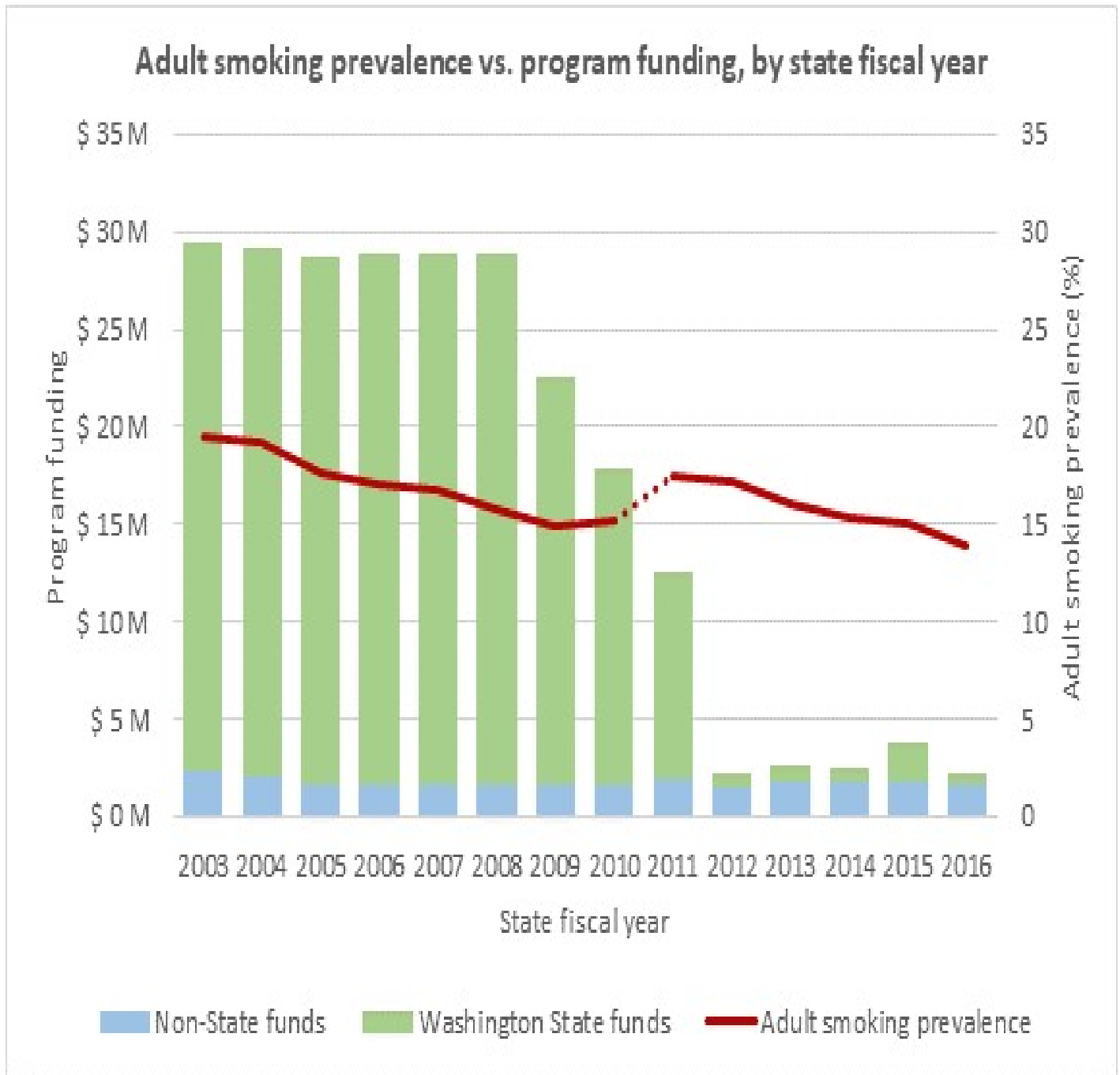
A study in the American Journal of Public Health found that for every dollar spent by Washington’s Tobacco Prevention and Control Program between 2000 and 2009 (the period of highest investment), more than five dollars were saved by reducing hospitalizations for heart disease, stroke, respiratory disease and cancer

caused by tobacco use. Over the 10-year period, the program prevented nearly 36,000 hospitalizations, and saved \$1.5 billion, compared to \$260 million spent on the program. The 5-to-1 return on investment is conservative because the cost savings reflect only the savings from prevented hospitalizations. The researchers indicate that the total cost savings could more than double if factors such as physician visits, pharmaceutical costs, and rehabilitation costs were included.

The Solution: Comprehensive Prevention and Control

The Centers for Disease Control and Prevention (CDC) recommends that Washington invest \$63.6 million per year to reduce tobacco-related disease and death – focused on state and community interventions; media interventions; tobacco use treatment; surveillance and evaluation; and infrastructure, administration and management. Recent research showed that states that spent at least 25 percent of the CDC recommendation saw significantly better improvements in tobacco use prevention than states that spent less. Given that we are requesting \$31,800,000 per biennium to reduce tobacco illness and death in Washington State.

Research shows that states that have made larger investments in comprehensive tobacco control programs have seen larger declines in cigarette sales than the United States as a whole, and the prevalence of smoking among adults and youth has declined faster as spending for tobacco control programs has increased.



Consequences and Alternatives

Without funding for prevention, Washington will not have the resources to implement best practices known to prevent smoking initiation, promote cessation, and shape social norms around the single biggest cause of preventable death in our state. For people who smoke, quitting smoking is the single best way a person can improve their health. To realize the health – and fiscal – benefits of a smoke-free Washington requires continued investment in policy interventions known to reduce tobacco use.

Assumptions and Calculations

Expansion or alteration of a current program or service:

DOH was appropriated \$2.9M Fund 235-1 in 2015-17 for youth tobacco prevention and control, and \$3.4M Fund 235-1 in 2017-19 for both youth tobacco *and vapor product* prevention and control. It also received about \$1.7M per biennium from federal sources. Current appropriations for tobacco prevention activities come from retailer license fees and penalties only; DOH currently receives no tobacco tax, tobacco settlement, or general fund state appropriations for these purposes.

Previous state funding, from the Youth Tobacco and Prevention and Control Account (retailer license fees and penalties), the Tobacco Prevention and Control Account (cigarette taxes and tobacco Master Settlement Agreement funds, which was exhausted in 2011-2013), and a few small amounts from other state accounts, was:

1999-2001 \$17.2M

2001-2003 \$45.5M

2003-2005 \$54.3M

2005-2007 \$54.2M

2007-2009 \$50.0M

2009-2011 \$42.7M

2011-2013 \$3.1M

2013-2015 \$4.2M

Detailed assumptions and calculations:

DOH requests \$32,642,000 to fund a statewide comprehensive tobacco and vapor product prevention and control program, based on the goals, strategies and tactics identified in the Washington State Tobacco Prevention and Control Five-Year Strategic Plan, 2017-2021.

1. State and Community Interventions - \$10,372,000

- Statewide coordination of efforts related to state policies, laws, and regulations
- 9 regional contractors to implement community interventions in 35 local health departments
- 9 educational service districts (ESD) to implement school-based programs
- 2 Tribal- and Urban Indian-related priority population contractors to address tobacco-related disparities among American Indians/Alaska Natives
- 6 contractors to address tobacco-related disparities among Black/African American; Asian; Pacific Islander; Hispanic/Latino; LGBTQ; Rural; and Behavioral Health populations

- Estimated expenditures include \$122,000 and .8 FTE in FY 2020-21 and on-going to assist with increased division and agency workload.

1. Mass-Reach and Targeted Health Communications - \$4,604,000

- Plan, launch, and evaluate targeted and mass-reach health communications, including:
 - Tailored campaigns that focus on populations affected by tobacco-related disparities including adults with behavioral health issues, low education and low income.
 - Advertising on social media and mobile platforms focused on youth
 - Advertising aimed at providers, emphasizing the importance of tobacco cessation
- Estimated expenditures include \$27,000 and .3 FTE in FY 2020-21 and on-going to assist with increased division and agency workload.

1. Cessation Interventions - -\$13,116,000 3.7 FTE

- Promote robust and uniform tobacco cessation coverage and services, including through provider training, certification, and technical assistance
- Modernize and augment the state's tobacco cessation services including the Washington State Tobacco Quitline, e-referral, distribution of Nicotine Replacement Therapy and smartphone apps
- Estimated expenditures include \$133,000 and 1.7 FTE in FY 2020-21 and on-going to assist with increased division and agency workload.

1. Surveillance and Evaluation - -\$2,948,000 3.3 FTE

- Establish and enforce reporting requirements for all contractors statewide to ensure accountability
- Survey target populations to assessing their awareness of media campaigns and track changes in their knowledge, attitudes, and behaviors
- Develop and implement an evaluation plan of each state and community intervention, and collect and analyze data to improve future interventions
- Estimated expenditures include \$99,000 and 1.3 FTE in FY 2020-21 and on-going to assist with increased division and agency workload.

Follow up with Quitline callers and cessation apps to assess effectiveness of cessation services

1. Infrastructure, Management and Administration - -\$1,602,000 4.2 FTE

- Negotiate and manage community and state and local government contracts
- Provide technical assistance and support to contractors, vendors, local health jurisdictions, and community organizations

- Develop tailored and statewide mass communications initiatives and educational campaigns
- Estimated expenditures include \$101,000 and 1.2 FTE in FY 2020-21 and on-going to assist with increased division and agency workload.

Workforce Assumptions:

See attached FNCal.

Strategic and Performance Outcomes

Strategic framework:

This work directly supports four Results Washington measures:

- 1.2.A.e: Decrease percentage of adults who smoke cigarettes from 17% in 2011 to 13.5 by 2020
- 1.2.A.e.1: Decrease percentage of persons who smoke cigarettes among low education (high school or less education) from 25.8% in 2013 to 21.5% by 2020
- 1.2.Y.d.1: Decrease percentage of 10th graders who report smoking cigarettes in the past 30 days from 10% in 2012 to 5.6% by 2020

1.2.Y.d.2: Decrease percentage of 10th graders who report using an e-cigarette or vape pen in the past 30 days from 18% in 2014 to 11.4% by 2023

Performance outcomes:

DOH's Tobacco and Vapor Product Prevention and Control Program already tracks numerous performance measures. This request is expected to improve outcomes related to:

- Decreased exposure to tobacco marketing and availability of tobacco products
- Reduced tobacco use prevalence among youth and young adults
- Reduce exposure to secondhand smoke
- Creation of tobacco free policies
- Increased number of quit attempts

Other Collateral Connections

Intergovernmental:

DOH's partners in tobacco product control include the Liquor and Cannabis Board, Department of Social and Health Services Division of Behavioral Health and Recovery, the Attorney General's Office, the Office of Superintendent of Public Instruction, Health Care Authority, and local health jurisdictions in every county, as well as the American Indian Health Commission for Washington State (AIHC). There are no direct impacts to them from this request, but they may be partners or contractors in enhanced prevention and control efforts that result from it.

Three stakeholder sessions have been held to date that included regional and priority population contractors and their partners. Stakeholder sessions were conducted on May 11, June 11, and June 20, 2018 and provided at least 15 representatives from local health departments, an educational service district, and organizations representing populations experiencing tobacco-related disparities to review draft strategies, tactics, and activities and how funding may be allocated across program components. Where appropriate, specific feedback received has since been incorporated and are reflected in the funding decision package attachment outlining goals, strategies, tactics, and activities. All stakeholder participants were generally supportive of the funding decision package, the method by which funding would be allocated by program components, and the allocation of funding by region, priority population, and educational service district. Stakeholders emphasized the critical importance of prioritizing tobacco-related disparities and equity in all program components including health communications and mass media interventions.

Stakeholder response:

Washington's strategic plan was crafted with close cooperation with DOH's many tobacco control partners including: Asian Pacific Islander Coalition Advocating Together for Healthy Communities (APICAT); Center for Multi Cultural Health; Gay City Health Project; El Centro de la Raza; American Cancer Society; American Lung Association; American Heart Association; and Foundation for Healthy Generations.

These stakeholders participated in the sessions described above. See the previous question for more details.

Legal or administrative mandates:

None.

Changes from current law:

None.

State workforce impacts:

None.

State facilities impacts:

None.

Puget Sound recovery:

None.

Agency Questions

Did you include cost models and backup assumptions?

Yes.

Reference Documents

- 1B Implement Tobacco Control Strategy FNCal.xlsm
- 1B Implement Tobacco Control Strategy Summary.docx

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

No