Tobacco Prevention in State Leaves Much to be Desired

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This year marks the tenth anniversary of the largest civil settlement in US history and the greatest opportunity ever given to the public health community to reverse the death, disability and costs associated with cigarette smoking.

In the mid 1990s, states sued tobacco companies for the cost of health problems caused by the use of tobacco, alleging that the tobacco industry had violated consumer protection and antitrust laws, withheld information about the adverse health effects of tobacco, manipulated nicotine levels to keep smokers addicted, and conspired to keep less risky and less addictive products out of the market.

In 1998, 46 US states and the District of Columbia negotiated and signed a Master Settlement Agreement with four of the largest tobacco companies, who agreed to make annual payments to the states in perpetuity as reimbursement for past tobacco-related public health and health care costs. Over the first 25 years of the agreement, settlement funds are expected to total nearly $250 billion.

Each year, the Campaign for Tobacco-Free Kids issues a report assessing the extent to which states are keeping their promise to use a significant portion of tobacco settlement dollars to attack the enormous public health problem posed by tobacco use in the United States.

The major findings of this year’s report are troubling for several reasons.

- The $717.2 million that states are spending this year on tobacco prevention amounts to less than three percent of the nearly $25 billion in tobacco-generated revenue states will receive in 2008 from the tobacco settlement and tobacco taxes. This year the State of Nevada will spend only $2 million on tobacco prevention and cessation or 1.1% of the estimated $181.2 in tobacco-generated revenue allocated to Nevada.

- States prevention efforts pale in comparison to growing marketing expenditures by tobacco companies. The tobacco industry spends nearly $19 to market tobacco products for every one dollar spent by states on tobacco prevention and cessation. In Nevada, the ratio of tobacco marketing to state tobacco prevention spending is a staggering 57 to 1.

- Nevada will spend only 14.8% of the minimum amount recommended by the Centers for Disease Control and Prevention to implement an effective, comprehensive tobacco prevention program in the state. Nevada ranks 38th among the states in percent of settlement dollars devoted to prevention, down from 29th in 2007.

- State spending on tobacco prevention also pales in comparison to the huge health care costs caused by tobacco use. Nationally, the health care costs associated with smoking are an estimated $96.7 billion. In Nevada, the figure is an estimated $565 million and the portion of smoking-caused costs covered by the Nevada Medicaid program are $123 million.
The most alarming aspect about low and declining state spending on tobacco prevention is that it is occurring as our progress in reducing smoking has stalled among both youth and adults.

Smoking prevalence in Nevada declined steadily between the late 1990s and 2005 – declines due in no small part to the infusion of millions of new spending on proven interventions and progress made by the State of Nevada’s Tobacco Prevention and Education Program.

Despite these gains, the most current data indicate that 22.4% of adults and nearly one in four persons aged 18 to 24 in Nevada smoke. Nineteen percent of Nevada high school students (23,200 kids) currently smoke and an estimated 47,000 kids now under the age of 18 and alive in Nevada will ultimately die prematurely from smoking.

The original Master Settlement Agreement imposed no restrictions on how states spend tobacco-settlement payments, and consequently, states have chosen to allocate those dollars to a wide variety of activities.

Over the past decade millions of settlement dollars have been spent in Nevada on a wide range of health, social, and educational programs, including the popular Millennium Scholarships, that few in the public health community would take issue with. Like many other states, Nevada viewed the settlement as an opportunity to fund needs that we have not been able to support previously due to the high cost of health care imposed by tobacco.

Ten years later, though, a nagging question remains: Will Nevada ultimately seize this historic opportunity to reduce adult and youth smoking and thus reverse the death, disability and costs associated with tobacco in our state?

The answer to that question only gets murkier as the Nevada economy continues to deteriorate and the State budget shortfall for fiscal year 2009 approaches $1 billion.

State policymakers, who cannot simply run a deficit or borrow to cover future operating expenditures, will be reluctant to raise taxes or trim existing programs any further, but will, among other things, be tempted to use settlement dollars for spending and projects other than tobacco prevention and control.

Meanwhile tobacco continues to take its deadly toll on the public’s health (and wallet).

A complete copy of the Campaign for Tobacco-Free Kids’ annual report on the state’s allocation of the tobacco settlement dollars can be found at www.tobaccofreekids.org. Information on the State of Nevada’s Comprehensive Tobacco Control Plan and the Tobacco Prevention and Education Program can be found at http://health.nv.gov/tobacco/stratplan.pdf.

John Packham, PhD is Director of the Nevada Rural Hospital Flexibility Program at the University of Nevada School of Medicine. He currently serves as the President of the Nevada Public Health Association.