

March 18, 2010  
Testimony in opposition to House Bill 612  
Anna Whiting Sorrell, Director  
Montana Department of Public Health and Human Services

**The Department opposes HB 612 for several key reasons:**

1. Governor Schweitzer presented a balanced budget that fully funded the programs that would be reduced and or eliminated with HB 612. The funding is available to continue to fully support these critical programs.
2. This bill is in opposition to the intent of the Master Settlement Agreement.
3. This bill is in opposition to the intent of voter-passed Initiative 146 that established a comprehensive tobacco disease prevention program.
4. This bill limits access to programs established by voter-passed Initiatives I-149 and I-155.

**With regard to the Master Settlement Agreement:**

- In November 1998, Montana joined 45 other states in signing the Master Settlement Agreement with the nation's largest tobacco companies. Montana entered the settlement because the state was interested in ending the tobacco industry's deceptive marketing practices and preventing tobacco use and its harmful health effects.
- The state of Montana would not have \$30M per year in tobacco settlement funds if it were not for the state's intention to decrease tobacco use and tobacco-related disease.
- We've made significant strides in reducing tobacco use. Since the inception of the tobacco use prevention program we've seen a 60% reduction in cigarette sales; a 23% reduction in adult smoking; and a 45% reduction in youth smoking.
- Still, much work remains:
  - 128,000 adults and 10,000 youth currently smoke;
  - 66% of all adult smokers in Montana wants to quit;
  - January 2011 saw a record number of calls to the statewide Quit Line since its inception in 2004;
  - 38% of Medicaid recipients smoke or use smokeless tobacco (35% smoke);
  - 37% of Montanans with incomes at 100% or greater of the federal poverty level smoke;
  - 32% of pregnant women on Medicaid smoke and 16% of all pregnant women in Montana smoke;
  - smoking is the single most preventable cause of low birth weight and pre-term birth;
  - 43% of American Indians smoke;
  - 17% of adult men in Montana use smokeless tobacco;
  - Tobacco use remains the leading cause of preventable death in Montana, with over 1400 deaths per year.

Based on the experiences of other states, when tobacco use prevention programs are reduced or eliminated, adult and youth smoking rates stall or increase.

**With regard to the Citizens' Initiatives:**

- The voters of Montana have clearly indicated that they want a significant and specific portion of the Master Settlement Agreement funding to be used for tobacco disease prevention and other health care initiatives.
- In 2002, a majority of Montana voters (65%) approved I-146 that allocated 32% of the state's Master Settlement Agreement funding to tobacco disease prevention and 17% to CHIP and the comprehensive health association.
  - HB 612 reduces the funding amount for tobacco disease prevention to 13.9%, which will effectively eliminate Montana's tobacco use prevention efforts, with the exception of the tribal tobacco use prevention programs.
- In 2004, the majority of Montana voters (63%) approved I-149, which allocated an increased tax on tobacco products to maximize enrollment of children eligible in the Children's Health Insurance Program, to establish a needs based pharmacy program (Big Sky Rx), and to establish a small business health insurance program.
  - HB 612 would make funding for Big Sky Rx contingent on available funding and the funding appropriated in HB 2 will reduce the number of Montanans eligible. These changes will cut 7,000 people from the program.
  - In 2008, the majority of Montana voters (70%) approved I-155, which established the Healthy Montana Kids Program that included presumptive eligibility.
    - HB 612 would make presumptive eligibility for this program discretionary and with the funding now available, this will reduce access to the program.

Finally, HB 612 eliminates a Medicaid benefit that allowed for multiple organ transplants. In summary, the Governor presented a balanced budget that fully funded the programs that would be reduced and/or eliminated with HB 612 and funding is available to continue to fully support these programs.