

# CAMPAIGN For TOBACCO-FREE Kids®

## CALIFORNIA'S STATEWIDE TOBACCO-PREVENTION PROGRAM PROVIDES ENORMOUS BENEFITS TO THE STATE

Numerous studies on state tobacco-prevention programs -- which rely heavily on the record of the California program -- show that an adequately funded statewide effort that includes public education, counter-marketing, community and school-based programs, helping smokers quit, and strictly enforcing laws that establish smoke-free areas and restrict youth access to tobacco products will significantly reduce tobacco use.<sup>1</sup> More specifically, a large, steadily accumulating body of solid evidence shows that the California program has saved tens of thousands of lives and billions of dollars by prompting both adult and youth smokers to quit and preventing non-smoking kids from ever starting.

At the same time, other data and studies have shown that cuts to state tobacco programs reduce their effectiveness and diminish both the public health benefits and cost savings. For example, the Florida program's impressive reductions in youth smoking stopped or even reversed among middle schoolers and lower grades because of recent cuts to its tobacco-control program.<sup>2</sup> And California's own remarkable progress in reducing adult and youth smoking was interrupted when the state cut its funding in the mid 1990s, thereby delaying and reducing its cost savings.<sup>3</sup>

### **The California Program Has Dramatically Reduced Tobacco Use in the State**

In 1988, California voters approved Proposition 99, a ballot initiative that increased state cigarette taxes by 25 cents per pack, with 20 percent of the new revenues (over \$100 million per year) earmarked for health education against tobacco use. California launched its new Tobacco Control Program in Spring 1990. Despite increased levels of tobacco marketing and promotion, a major cigarette price cut in 1993, tobacco company interference with the program, and periodic cuts in funding, the program has still reduced tobacco use substantially.

- Since the passage of Proposition 99, cigarette consumption in California has declined by more than 58 percent, compared to just 33 percent for the country as a whole.<sup>4</sup> Even after the tobacco industry's successful efforts to reduce the state's tobacco prevention funding, cigarette consumption still declined more in California than in the rest of the country.<sup>5</sup>
- In the 10 years following the passage of Proposition 99, adult smoking in California declined at twice the rate it declined in the previous decade.<sup>6</sup>
- From 1994 to 2001, smoking among 12 to 17 year olds in California declined by 46 percent.<sup>7</sup>
- From 1988 to 2001, adult smoking in California decreased from 22.8 percent to 17.4 percent, resulting in over one million fewer smokers.<sup>8</sup>
- More than 1.3 million Californians have quit smoking because of the California Program.<sup>9</sup>
- While teenage smoking increased significantly throughout the country from 1990 to 1993, smoking among California teenagers remained constant.<sup>10</sup> Similarly, from 1992 to 1994, the significant nationwide increase in youth smoking rates was slowed significantly in California as a result of the combined effect of the state's tax increase and a strong tobacco control program.<sup>11</sup>
- A study published in the *American Journal of Public Health* found that the California anti-tobacco media campaign reduced sales of cigarettes by 232 million packs between the third quarter of 1990 and the fourth quarter of 1992. This reduction was independent of the decreases in consumption brought about by the tax increase.<sup>12</sup>
- The proportion of California tobacco retailers who failed compliance checks for selling tobacco products to minors decreased from 52 percent in 1994 to 16.9 percent in 1999.<sup>13</sup>

- The proportion of California's indoor workers exposed to secondhand smoke at work was cut in half, falling from 29 percent in 1990 to less than 12 percent in 1996.<sup>14</sup>
- The proportion of California children and adolescents exposed to secondhand smoke in the home decreased from 29 percent in 1992 to 13 percent in 1996.<sup>15</sup>

### **The California Program Has Dramatically Reduced Smoking-Caused Costs in the State**

Because of all of the smoking and other tobacco use reductions outlined above, the California tobacco-prevention program has also reduced smoking-caused healthcare costs and other costs caused by tobacco use in the state -- including sharp reductions to the state government's smoking-caused expenditures.

- Published economic and scientific research shows that the California program reduced state healthcare costs by more than \$100 million in its first seven years just by reducing the number of smoking-caused low-birthweight babies.<sup>16</sup> Subsequent research shows that the overall healthcare savings just from reducing smoking among pregnant women were roughly three times as large.<sup>17</sup> These savings now total at least \$80 million per year.<sup>18</sup>
- The smoking declines among parents (including teen parents) prompted by the California program have also produced healthcare cost savings by immediately reducing smoking-triggered asthma, respiratory illness, and other secondhand-smoke health problems among smokers' children. Parental smoking has been estimated to cause direct medical expenditures of more than \$2.5 billion per year, nationwide, to care for the smoking-caused problems of exposed newborns, infants, and children.<sup>19</sup> California's share of these smoking-caused costs -- based on its share of all smokers nationwide -- amounts to roughly \$220 million per year.<sup>20</sup> If California's smoking declines since its tobacco-prevention began had paralleled nationwide trends (instead of surpassing them), the state's healthcare costs from parental smoking would be roughly \$65 million higher each year.<sup>21</sup> And these estimates do not even include the enormous costs associated with the physical, developmental, and behavioral problems of smoking-affected offspring that not only occur during infancy but can extend throughout their entire lives.<sup>22</sup>
- The state tobacco control program's reductions to adult smoking in its first seven years also produced healthcare costs savings of \$390 million just through the related declines in smoking-caused heart attacks and strokes.<sup>23</sup> These reductions in smoking-caused healthcare costs now total considerably more than \$120 million per year.<sup>24</sup>
- Taken together, the California program's savings from reducing smoking-affected births and smoking-caused heart attacks and strokes, by themselves, more than covered the entire cost of the state's program over the first seven years of the program, and produced even larger savings in the following years.<sup>25</sup>
- Overall, for every single dollar the state currently spends on the California program it is reducing statewide healthcare costs by more than \$3.60 -- with reductions in other smoking-caused costs saving another six dollars or more.<sup>26</sup>
- Between 1990 and 1998 the California Tobacco Control Program saved an estimated \$8.4 billion in overall smoking-caused costs and more than \$3.0 billion in smoking-caused healthcare costs.<sup>27</sup>
- These savings estimates for California do not even reflect the fact that since 1988 (the year before the California tobacco-prevention began) the rates of lung and bronchus cancer in California have declined more than five times as fast as they have in a sample of other areas of the United States (-14.0% vs. -2.7%). This decline is not only saving thousands of lives but also saving the state millions of dollars in medical costs with projected future savings in the billions.<sup>28</sup>

- By quickly reducing the number of cigarettes smoked by adults and kids in the state each year, the California tobacco-prevention program has also reduced the number of smoking-caused fires in the state and has also reduced the amount of smoking-caused litter and the amount of damage and soiling caused by cigarettes and cigarette-smoke, such as carpets and furniture ruined by cigarette burns, and smoke-imbued clothing, curtains, and bedding. While no good estimates of the related cost savings in California exist, smoking-caused fires cause more than \$500 million in residential and commercial property losses each year; and the maintenance and cleaning costs of businesses, alone, caused by smoking annually totals roughly \$5 billion nationwide.<sup>29</sup>

### **The California Program Has Dramatically Reduced The State Government's Smoking-Caused Expenditures**

All of these healthcare savings secured through the California tobacco-prevention program have already reduced the smoking-caused expenditures of the state's Medicaid program by roughly \$100 million per year, thereby reducing the state government's net share of the state Medicaid programs annual budget by almost \$50 million per year.<sup>30</sup> While difficult to estimate with any precision, state tobacco-prevention program has also significantly reduced other state government smoking-caused costs -- such as the state government's coverage of the smoking-caused healthcare costs of state government employees, reduced productivity caused by smoking among state employees, and the cleaning, maintenance, and repair of state government property and facility made necessary by smoking.

*The Campaign for Tobacco-Free Kids. May 13, 2003 / Eric Lindblom*

### **Related Campaign Fact Sheets (<http://tobaccofreekids.org/research/factsheets/index.php?CategoryID=6>)**

- *Public Education Campaigns Reduce Tobacco Use*
- *Community Based Programs Reduce Tobacco Use*
- *School Based Programs Reduce Tobacco Use*
- *Treating Tobacco Addiction And Otherwise Helping People Quit Reduces Tobacco Use*
- *Enforcing Laws Prohibiting Cigarette Sales to Kids Reduces Youth Smoking*
- *Comprehensive Statewide Tobacco Prevention Programs Effectively Reduce Tobacco Use*
- *Comprehensive State Tobacco-Control Programs Save Money*
- *Some Immediate Cost Savings From Reducing Tobacco Use in the USA: Fewer Heart Attacks & Strokes*

<sup>1</sup> See, e.g., Institute of Medicine & National Research Council, *State Programs Can Reduce Tobacco Use*, National Academy of Sciences, 2000; U.S. Department of Human Services (HHS), *Reducing Tobacco Use: A Report of the Surgeon General*, 2000; Wakefield, M & Chaloupka, F, Effectiveness of comprehensive tobacco control programs in reducing teenage smoking in the USA," *Tobacco Control* 9:177-186, Summer, 2000.

<sup>2</sup> See, e.g., Florida Department of Health, *2001 Florida Youth Tobacco Survey*, Volume 4, Report 1; October 22, 2001, [http://www.doh.state.fl.us/disease\\_ctl/epi/FYTS](http://www.doh.state.fl.us/disease_ctl/epi/FYTS) [stagnant smoking rates among some grades and increased smoking rates among middle schoolers following funding cuts (after steady and large prior declines)].

<sup>3</sup> See, e.g., Pierce, J.P. , et al., "Has the California Tobacco Control Program Reduced Smoking?," *JAMA* 280(10): 893-899, September 9, 1998.

<sup>4</sup> Tobacco Control Section, California Department of Health Services (CA DHS), *Current Tobacco Use and Statistics*, April 25, 2001. <http://www.dhs.cahwnet.gov/ps/cdic/ccb/TCS/html/evaluation.htm>.

<sup>5</sup> Pierce, JP et al., *Journal of the American Medical Association* 280(10), September 9, 1998.

<sup>6</sup> Tobacco Control Section, CA DHS, *California's Tobacco Control Program: Preventing Tobacco Related Disease and Death*, April 3, 1998.

<sup>7</sup> Tobacco Control Section, CA DHS, *Current Tobacco Use and Statistics*, April 25, 2001. <http://www.dhs.cahwnet.gov/ps/cdic/ccb/TCS/html/factsheets.htm>

<sup>8</sup> Tobacco Control Section, CA DHS, *Current Tobacco Use and Statistics*, April 25, 2001. <http://www.dhs.cahwnet.gov/ps/cdic/ccb/TCS/html/factsheets.htm>

<sup>9</sup> Tobacco Control Section, CA DHS, *California's Tobacco Control Program: Preventing Tobacco Related Disease and Death*, April 3, 1998.

<sup>10</sup> Pierce, JP et al., *Tobacco Control in California; Who's Winning the War? An Evaluation of the Tobacco Control Program, 1989-1996*, University of California, San Diego, 1998.

<sup>11</sup> Chaloupka, F & M Grossman, "Price, Tobacco Control Policies and Youth Smoking," *National Bureau of Economic Research Working Paper*, No. 5740, September 1996.

<sup>12</sup> Teh-Wei Hu, et al., "Reducing Cigarette Consumption in California: Tobacco Taxes vs an Anti-Smoking Media Campaign." *American Journal of Public Health* 85(9):1218-1222, 1995.

<sup>13</sup> Tobacco Control Section, CA DHS, *California Tobacco Control Update*, August, 2000.

<sup>14</sup> Pierce, JP et al., *Tobacco Control in California; Who's Winning the War?*, 1998.

<sup>15</sup> Pierce, JP et al., *Tobacco Control in California; Who's Winning the War?*, 1998.

<sup>16</sup> Lightwood, J.M, et al., "Short-Term Health and Economic Benefits of Smoking Cessation: Low Birth Weight," *Pediatrics* 104(6): 1312-1320, December 1999 [cost per smoking-affected birth \$444].

<sup>17</sup> Miller, P., et al., "Birth and First-Year Costs for Mothers and Infants Attributable to Maternal Smoking," *Nicotine & Tobacco Research* 3(1): 25-35, February 2001 [average costs per smoking-affected birth \$1,142 to \$1,358].

<sup>18</sup> Lightwood, J.M, et al., *Pediatrics* 104(6): 1312-1320, December 1999. Miller, P., et al., *Nicotine & Tobacco Research* 3(1): 25-35, February 2001. Bureau of Labor Statistics, Consumer Price Index for Healthcare, <http://www.bls.gov/cpi/home.htm>

<sup>19</sup> Aligne, C.A. & J.J. Stoddard, "Tobacco and Children: An Economic Evaluation of the Medical Effects of Parental Smoking," *Archives of Pediatric and Adolescent Medicine*, 151: 648-653, July 1997.

<sup>20</sup> California has 8.8% of all U.S. adult smokers. U.S. Centers for Disease Control and Prevention (CDC), *Behavioral Risk Factor Surveillance System (BRFSS)*, available via <http://www.cdc.gov/tobacco/stat-nat-data.htm>.

<sup>21</sup> Without the smoking declines from the state's program, California's adult smoking rate would be at least five percentage points higher, and the state would account for at least 11.4% of all U.S. smokers and for roughly 2.6 percentage points (or \$65 million) more of the indicated healthcare costs nationwide caused by parental smoking.

<sup>22</sup> Campaign for Tobacco-Free Kids (TFK) Fact Sheet, *Harm Caused by Pregnant Women Smoking or Being Exposed to Secondhand Smoke*, <http://tobaccofreekids.org/research/factsheets/pdf/0007.pdf>.

<sup>23</sup> Lightwood, J & S. Glantz, "Short-term Economic and Health Benefits of Smoking Cessation: Myocardial Infarction and Stroke," *Circulation*, 96:1089-1096, 1997.

<sup>24</sup> Lightwood, J & S. Glantz, *Circulation*, 96:1089-1096, 1997. BLS, CPI for Healthcare.

<sup>25</sup> Lightwood, J & S. Glantz, *Circulation*, 96:1089-1096, 1997; Lightwood, J.M, et al., *Pediatrics* 104(6): 1312-1320, December 1999; Miller, P., et al., *Nicotine & Tobacco Research* 3(1): 25-35, February 2001.

<sup>26</sup> Tobacco Control Section, CA DHS, *California Tobacco Control Update*, April 2000, <http://www.dhs.cahwnet.gov/ps/cdic/ccb/TCS/documents/CTCUpdate.pdf>.

<sup>27</sup> Tobacco Control Section, CA DHS, *California Tobacco Control Update*, April 2000.

<sup>28</sup> CDC, "Declines in Lung Cancer Rates - California" *Morbidity and Mortality Weekly Report* 49(47):1066-9, December, 2000, <http://www.cdc.gov/mmwr/preview/mmwrhtml/mm4947a4.htm>.

<sup>29</sup> Hall, J. R., Jr., National Fire Protection Association, *The U.S. Smoking-Material Fire Problem*, April 2001. Mudarri, D., *The Costs and Benefits of Smoking Restrictions: An Assessment of the Smoke-Free Environment Act of 1993 (H.R. 3434)*, U.S. Environmental Protection Agency report to the Subcommittee on Health and the Environment, Committee on Energy and Commerce, U.S. House of Representatives, April 1994. CDC, *Making Your Workplace Smokefree: A Decision Maker's Guide*, 1996.

<sup>30</sup> Studies cited above indicate that the state program's reductions to smoking-caused healthcare costs now total at least \$500 million per year. State's Medicaid program covers 19.88% of all smoking-caused healthcare costs. Miller, L. et al., "State Estimates of Total Medical Expenditures Attributable to Smoking, 1993," *Public Health Reports* 113: 447-58, September/October 1998. U.S. government reimburses California for 51.25% of the state Medicaid program's total expenditures. U.S. Centers for Medicare and Medicaid Services (CMS), <http://cms.hhs.gov>.