

Michigan's History of Tobacco Control Funding



Quick Facts:

Adult Smoking Rate:

- United States= 15.5%
- Michigan = 20.4%

High School Smoking Rate:

- United States = 8.0%
- Michigan= 10.0%

Adult Smokeless Tobacco Use:

- United States = 2.3%
- Michigan = 1.6%

High School Smokeless Tobacco Use:

Tobacco Use:

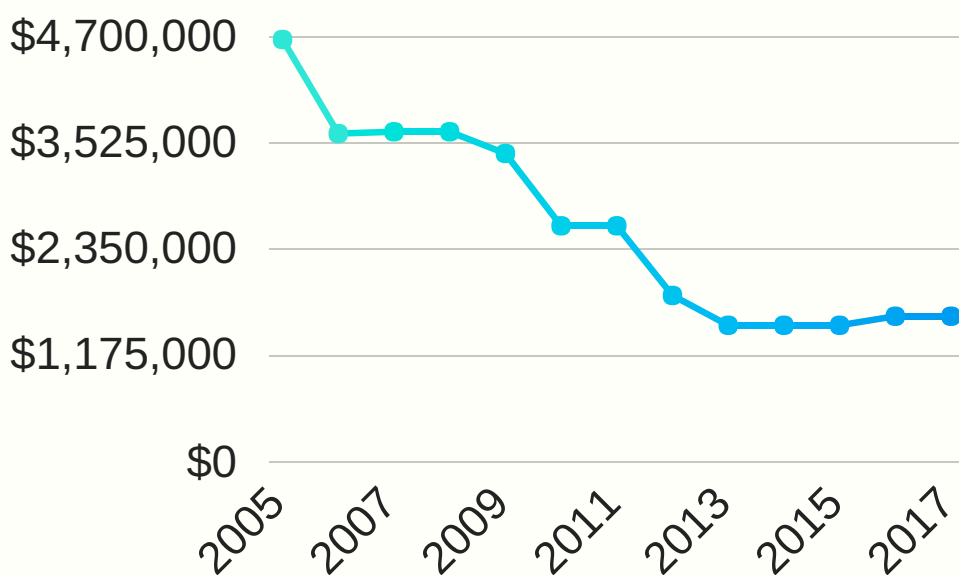
- United States = 7.3%
- Michigan = 6.2%

Tobacco use remains the single largest preventable cause of disease and premature death. Smoking kills more than 16,200 Michiganders each year. In 2018, an estimated 8,780 people in Michigan will be diagnosed with lung cancer and 5,860 will die from the disease. Tobacco use also causes heart disease and other major cancers.

The Michigan Tobacco Prevention Program works to reduce and eliminate tobacco-related deaths and diseases in Michigan and is dedicated to changing the negative health and economic impact of tobacco by:

- Reducing smoking-related illnesses among Michigan residents.
- Increasing accessible and affordable cessation services by expanding Michigan's Tobacco Quitline.
- Preventing youth initiation and access to tobacco products.
- Identifying and eliminating disparities specific to race/ethnicity, socioeconomic status, occupation, geography, gender, and sexual orientation.
- Implementing systems-based changes to protect youth from exposure to secondhand smoke.
- Eliminating exposure to secondhand smoke by enforcing the Dr. Ron Davis Smoke-Free Air Law.
- Monitoring use of other tobacco products, both the old (such as spit tobacco) and the new, emerging products.

Michigan's Tobacco Prevention Funding



Source: Michigan Department of Health and Human Services, Tobacco Section

Annual Tobacco Revenue and Funding in Michigan

Tobacco Tax Revenue:

\$935.8 Million

Tobacco Settlement Funding:

\$285.3 Million

Tobacco Prevention Funding:

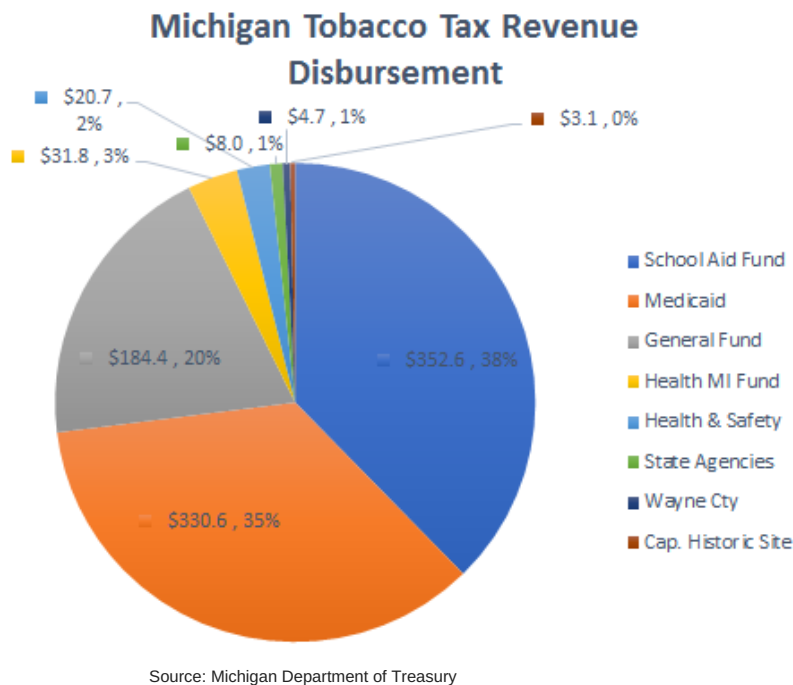
\$1.6 Million (State Rank: 45)

CDC Recommends:

\$110.6 Million

Source: Centers for Disease Control, National Health Survey, 2017
Campaign for Tobacco-Free Kids, The Toll of Tobacco in Michigan, 2017

Where do the Tobacco Tax dollars go?



Quick Facts:

Medicaid Every Day Use:

- Cigarettes = 23.0%
- Cigars = 4.6%
- Smokeless = 12.5%
- Pipe = 0.6%
- E-cigarettes = 6.1%

Medicaid Some Day Use:

- Cigarettes = 5.5%
- Cigars = 12.2%
- Smokeless = 9.6%
- Pipe = 10.7%
- E-cigarette = 14.1%

Reducing tobacco use saves Michigan money - a lot of money

- More than 42% of adult Medicaid enrollees ages 19 to 64 currently use tobacco.[1]
- Michigan spends approximately \$4.59 billion on smoking-related health care costs per year including \$1.36 billion in Medicaid costs.[2]
- The Michigan Tobacco Quit Line projects that it has saved state residents \$454.7 million - \$655.5 million in total lifetime medical expenditures and lost productivity costs.[3]
- For every smoker that successfully quits, their cost savings to themselves can be as high as \$1,820 per year.[4]

Michigan's Tobacco Prevention Program works with Medicaid to reduce costs

- The Tobacco Prevention Program has worked with Medicaid to ensure all of Michigan's Medicaid Managed Care Health Plans cover the 7 recommended cessation medications; NRT Gum, NRT Patch, NRT Nasal Spray, NRT Inhaler, NRT Lozenge, Varenicline (Chantix) and Bupropion (Zyban). The health plans also cover individual and phone counseling.
- The Tobacco Prevention Program has collaborated with Medicaid to ensure Michigan's managed care plans use and share costs with the Michigan Tobacco Quitline. To date, 9 out of the 13 Medicaid managed care plans use and share costs with the Quitline.

Tobacco in Michigan

Annual Smoking Caused Health Costs:

\$4.6 Billion

Residents' tax burden from smoking caused government expenditures: \$1,006 per household

Estimated Tobacco Company Marketing: \$295.3 Million

Ratio of Tobacco Company Marketing to State Tobacco Prevention Spending: \$184.6 to \$1

[1] Medicaid Assessment Survey, 2012

[2] Campaign for Tobacco-Free Kids. The Toll of Tobacco in Michigan. Updated November 17, 2017

[3] Michigan Department of Community Health, Division for Vital Records and Health Statistics

[4] U.S. Census Bureau. Orzechowski and Walker, The Tax Burden on Tobacco, 2016, and media reports.