

House Bill 2231 Proponent Testimony House Taxation Committee March 15, 2018

Chairman Johnson and Members of the House Taxation Committee, my name is Denise Cyzman, Executive Director for the Kansas Association for the Medically Underserved (KAMU). Thank you for the opportunity to provide written testimony, and urge this Committee and the Kansas Legislature to implement a \$1.50/pack tobacco tax and an equivalent tax on other tobacco products.

KAMU is the Primary Care Association of Kansas, representing 42 primary care safety net clinics, all providing services regardless of the patient's ability to pay. KAMU and its members believe Kansas should be a state where all individuals have access to comprehensive, affordable, and quality health care. In 2017, KAMU member clinics served more than 305,000 patients during almost 878,000 visits.¹

Raising the tobacco tax to \$1.50/pack at this point in time is good for Kansas' fiscal and Kansans' physical health. The projected new annual revenue of \$107 million can be used to help address the budget shortfall. And, the increase will likely impact almost 38,000 Kansans, by either preventing them from smoking in the first place or prompting them to quit.

Kansas Health Matters data indicates that 17.7% of Kansas adults smoke.² The Kansas Department of Health and Environment data indicate the rates for smoking are significantly higher for adults with lower household incomes or those without health insurance.³ Most patients served by KAMU member clinics fall into these higher risk categories, as 41% do not have health insurance and 93% report incomes at or below 200% of the federal poverty level. In 2016, 70,423 KAMU clinic patients received tobacco use screening and cessation intervention.⁴

Tobacco use results in an unacceptably high economic and health toll. Tragically, we lose 4,400 Kansans every year from premature death due to smoking. Kansas spends more than \$1.12 billion each year on tobacco-related health care costs, with more than \$237 million paid directly from taxpayers through the state Medicaid program.

These data lead to one conclusion. It is time to raise the tobacco tax to a level that provides maximum benefits to Kansas and to Kansans. Increasing the tobacco tax will save lives, prevent youth from smoking,

¹ KAMU Quality Reporting System, State Grantee Preliminary Data, 2017. Accessed on 3.9.18.

² Kansas Health Matters, 2015 data, accessed through

http://www.kansashealthmatters.org/index.php?module=indicators&controller=index&action=dashboard&alias=state on 1.27.17.

³ Kansas Department of Health and Environment. Behavioral Risk Factor Surveillance System, 2015 data. Accessed through http://www.kdheks.gov/brfss/Survey2015/ct2015 currentsmok.html on 1.27.17.

⁴ KAMU Quality Reporting System, State Grantee Data, 2015. Accessed on 1.27.17.

and prompt those who smoke to stop. It will produce significant new revenue to fund tobacco prevention and cessation (\$5 million) and other state health programs. This is a win-win.

Thank you for allowing us to share our views on this important topic. KAMU and its member safety net clinics support the tax on tobacco increase of \$1.50/pack with a parallel tax on other tobacco products.