November 10, 2021

The Honorable Shalanda D. Young
Acting Director
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Acting Director Young:

As you develop the Administration’s budget request for Fiscal Year (FY) 2023, we urge you to include provisions that expand the Administration’s efforts to reduce tobacco use, which remains the leading preventable cause of death in the United States.
Despite significant progress in reducing smoking, tobacco use kills more than 480,000 Americans each year. More than 16 million Americans are currently living with cancer, heart disease, chronic obstructive pulmonary disease (COPD), and other diseases caused by tobacco use. In addition to its enormous toll on health, tobacco use inflicts substantial economic harm. Tobacco use is responsible for an estimated $226 billion in annual health care costs.

Specifically, we request that your budget proposal include a minimum funding level of $310 million for the Office on Smoking and Health (OSH) at the Centers for Disease Control and Prevention (CDC) and include a proposal to expand access to tobacco cessation medications and services in Medicaid and the Children’s Health Insurance Program (CHIP). Each of these actions would complement upcoming FDA actions on tobacco, including its proposal to prohibit menthol cigarettes and flavored cigars.

Tobacco prevention programs have proven to be effective, but they are chronically underfunded. Additional CDC resources are needed to address high levels of youth e-cigarette use, to expand a highly successful media campaign that is helping adult smokers to quit, and to advance health equity by increasing efforts to assist populations most at risk of harm from tobacco products.

Youth continue to use e-cigarettes at alarming levels. CDC and FDA’s most recent National Youth Tobacco Survey showed that more than 2 million middle and high school students reported using e-cigarettes in the first half of this year, even when many schools were closed because of the COVID-19 pandemic. A more robust public health response is needed to prevent e-cigarettes from placing a new generation at risk for nicotine and tobacco use.

The CDCs “Tips from Former Smokers” (Tips) media campaign has proven to be a highly cost-effective way to help adult smokers to quit, but it is only on the air for part of each year. The Tips campaign features former smokers coping with the devastating diseases and disabilities caused by tobacco use and informs viewers how they can obtain evidence-based services to help them to quit. From 2012 through 2018, CDC estimates that more than 16.4 million people who smoke attempted to quit and approximately one million quit for good because of the Tips campaign. A 2020 study that estimated the budgetary impact of a national year-long anti-tobacco media campaign found that running a sustained media campaign like Tips would reduce Medicaid spending by $3.6 billion, Medicare spending by $1.37 billion, and private insurer spending by $180 million over 10 years.

While the nation’s smoking rate has decreased in recent decades, reductions in smoking have been uneven and certain populations continue to use tobacco products at much higher rates than the national rate. For example, Native Americans’ and Alaskan Natives’ commercial tobacco use rate is significantly higher than the smoking rate of the overall adult population. The smoking rate for adults with a GED is five times higher than the smoking rate among college graduates, and certain states have smoking rates more than double those of lower-smoking states. Black Americans have significantly higher rates of smoking-caused disease and death despite initiating smoking later in life than whites. Seniors, overall, are also less likely to try to quit and
less successful when they do make a quit attempt. New efforts are needed to address disparities in who uses tobacco and who suffers from tobacco-caused disease.

We also urge that your budget request include a proposal to ensure that all Medicaid and CHIP enrollees have access to the full array of evidence-based tobacco cessation treatments. During its second term, the Obama-Biden Administration included a budget request to expand coverage of tobacco cessation treatments with no cost sharing to all Medicaid enrollees, building on the cessation coverage for pregnant women that was required under the Affordable Care Act. Representatives Lisa Blunt Rochester (D-DE) and Brian Fitzpatrick (R-PA) and Senators Tom Carper (D-DE) and Susan Collins (R-ME) have introduced legislation (H.R.2125/S.2622) to ensure that Medicaid and CHIP cover evidence-based tobacco cessation treatments and that enrollees and health care providers are aware of this coverage.

Tobacco use is a key driver of poor health outcomes for Medicaid enrollees, and smoking-related diseases are responsible for approximately $68 billion in Medicaid costs each year. Even though Medicaid enrollees smoke at more than twice the rate of adults with private health insurance, tobacco cessation coverage currently required for most Medicaid enrollees is less comprehensive than what is provided for individuals with higher incomes who have private health insurance coverage. Most tobacco users want to quit, and Medicaid enrollees deserve access to the treatments that will give them the best chance to quit successfully. While all states provide some level of tobacco cessation coverage for Medicaid enrollees, many state Medicaid programs do not cover all evidence-based tobacco cessation treatments and include barriers, like cost sharing and prior authorization requirements, to accessing coverage. As of June 2021, only 18 states covered all seven FDA-approved tobacco cessation medications as well as group and individual cessation counseling, and only three of these states covered all treatments without barriers to access.

Expanding coverage of tobacco cessation treatments can significantly improve health and lower health care costs. After Massachusetts expanded its Medicaid tobacco cessation coverage and conducted a campaign to educate Medicaid enrollees and providers about the enhanced coverage, smoking rates among Medicaid recipients decreased from 38 percent to 28 percent over a two-and-a-half year period. Every dollar the state invested in its Medicaid tobacco cessation benefit and awareness campaign resulted in $3.12 in health care savings from reduced hospitalizations.

We appreciate your consideration of including these cost effective and life-saving requests in the President’s FY 2023 budget.

Sincerely,