
Planned Parenthood Advocates of Oregon

June 17, 2019

Co-Chair Nathanson, Co-Chair Hass, and Members of the Joint Committee on Tax Expenditures,

Planned Parenthood Advocates of Oregon (PPAO) respectfully requests that the committee support HB 2270 A, which would increase the tobacco tax by \$2, providing critical funds to the Oregon Health Plan (OHP) and lowering the state's health care costs by reducing tobacco use and supporting tobacco cessation and prevention programs. PPAO is the statewide political voice for Planned Parenthood's two Oregon affiliates and for reproductive health care. PPAO defends the Planned Parenthood mission by advocating for public policy that will enhance and protect reproductive health care. More than 50% of Planned Parenthood's patients rely on Medicaid for essential preventive health care services. Medicaid is a critical source of health coverage for women, with about 1 in 5 women of reproductive age relying on Medicaid for their health care and women accounting for approximately 62% of Medicaid enrollees. No one should have to face bankruptcy or serious illness because they can't afford care. It is of the utmost importance that we fully fund the state's Medicaid program, and HB 2270 A is a vital mechanism to achieving adequate and sustainable funding. We are pleased to be a part of the broad coalition of medical and public health organizations who are working to pass HB 2270 A.

HB 2270 A will provide \$346 million per biennia for OHP, which provides health care for nearly 1 million of the most vulnerable Oregonians. In addition to helping stabilize long-term health insurance costs, this legislation will lower our state's health care cost. Currently 9% of OHP spending is used to address smoking-related illness, at a cost of roughly \$374 million per year. Raising the price of tobacco and nicotine products is the single most effective tool to reducing use: A 10% increase in price will lead to a 4% decrease in adult consumption and a 7% decrease in youth consumption. E-cigarettes, the fastest-growing tobacco product, are not currently taxed in Oregon. Furthermore, e-cigarette companies have been targeting kids with highly addictive, nicotine-filled products. Since 2017, the number of middle-school students who say they have tried an e-cigarette has increased by 48%.

A portion of the proceeds from this tobacco tax will go toward meaningful investments in community and culturally-specific programs to address prevention and cessation of tobacco and nicotine. Tobacco companies have targeted communities of color, tribes, low-income communities and LGBTQ communities for decades in their advertising campaigns and now youth with e-cigarette campaigns. We need to ensure that these communities are well supported so that when people are ready to quit, there are resources for them to do so.

It's time for Oregon to stand up to the tobacco industry and increase the tobacco tax in order to lower our state's health care costs and provide health care for hundreds of thousands of low-income families and children. HB 2270 A, and the subsequent referral, is essential to ensuring that there is a funding mechanism in place for the OHP for the years to come. We urge you to vote in support of HB 2270 A, and applaud this committee and the Governor's efforts to adequately fund OHP, reduce the harmful effects of smoking, and prevent future generations from becoming addicted to tobacco products.

Sincerely,

Emily McLain
Executive Director
Planned Parenthood Advocates of Oregon