

Economic Opportunity Institute

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EOI is an activist and progressive public policy institute that seeks to expand, enhance, and protect the economic security of the middle class. Through research, media outreach, and public dialogue, EOI develops new public policies, engages the public in issues, and works with elected officials to implement policy decisions. Our work focuses on shared economic security concerns that cut across income, race, gender, and age. In addition, we work toward establishing public policies that create career ladders for low-income workers to move into the middle class. We are based in Seattle, Washington.

Press Release:

Tobacco Use Among Teens Soars

Contact: [Laura Paskin](#)

Cigarette Tax Proposal Will Reduce Teen Smoking While Offering Health Care Coverage to 50,000 Uninsured

Increasing numbers of youth who smoke and lack of health care insurance for more than 750,000 adults in Washington remain two key issues in Washington state health care policy. In an independent policy analysis, the Economic Opportunity Institute, a nonpartisan, nonprofit public policy institute, looked at the current state of health care insurance in Washington, the extent of tobacco use, and the elements of Initiative 773, a health care insurance/tobacco prevention and control initiative that addresses these issues. Statewide Initiative 773 will be before the voters in November 2001.

The current status of health care coverage and tobacco usage among youth reflects the growing problem in the state:

- Every year, more than 8,000 deaths in Washington are attributable to smoking; smoking is the leading cause of preventable death in the United States.
- In Washington, smoking-related medical expenditures totaled \$1.15 billion in 1993.
- In Washington, 15% of 8th graders, 25% of 10th graders, and 29% of 12th graders smoke. (1999 data)
- The number of high school seniors who smoke increased 38% between 1990 and 1998.
- The state legislature's cap on funding for the Basic Health Plan (BHP) allows a maximum of 125,000 people to participate; an additional 412,000 low-income individuals remain uninsured. Nationally, 70% of individuals without health insurance are from working families.

Initiative 773 proposes a 60-cent increase in the cost of a pack of cigarettes. The funding would be used to increase the number of people with health care coverage and decrease the number of smokers by increasing cigarette prices and restoring full funding to the state's tobacco prevention and control program.

Based on research and review of similar legislation in other states, the institute analyzed the impact of Initiative 773. In its brief, "[A Healthier Washington Through Increased Health Care Coverage and Reduced Tobacco Use: An Analysis of Initiative 773](#)," the institute reached the following conclusions about Initiative 773:

- Full funding for the state's Tobacco Prevention and Control Plan would be restored, resulting in a dramatic drop in smoking rates among children and youth.
- At least 10,600 children would be saved from premature death caused by smoking.
- Enrollment in the state's Basic Health Plan would increase by 50,000 slots to cover 175,000 people.
- \$630 million would be saved in health care expenditures from the decrease in tobacco-related health care.

According to John Burbank, Executive Director at the Economic Opportunity Institute, Initiative 773 is a solution to the growing health care crisis in our state: "By linking a new source of revenue to a disease-prevention program, the initiative addresses two fundamental health problems. If the initiative passes, more people will have access to health care, and fewer people, especially our youth, will suffer from the long-term effects of smoking."

The Basic Health Plan, a no-frills approach to providing health care to low-income workers, started as a pilot program in 1987 and was made permanent in 1993. The BHP has partially succeeded in improving the health of the working poor by making health insurance available to many, but its impact has been limited by lack of funding. By 1995, the legislature repealed universal eligibility for low-income adults and replaced it with a cap of 200,000 adults in order to limit the cost of the program. By 1997, premium and co-payment increases severely limited the ability of families to participate and eliminated a waiting list of more than 100,000 individuals. As of July 2001, the state legislature has capped enrollment at 125,000.

The state's Tobacco Prevention and Control Plan has experienced a similar fate. As a result of a settlement with tobacco companies in 1998, the state Department of Health recommended a \$26.2 million package of tobacco prevention and control programs for fiscal year 2001. Over 10 years, that plan could have prevented 84,000 deaths and saved more than \$3 billion in medical costs. The 2001 state legislature reduced the funding request by 60% to \$15 million. As a result, some programs, including many for elementary and high school students, have been eliminated.

"Initiative 773 gets away from the legislative logjam caused by insufficient funding," Mr. Burbank added. "Money from a disease-generating substance will go to disease prevention and better health care. This is good health policy and good public policy."




Related Links

- [A Healthier Washington Through Increased Health Care Coverage and Reduced Tobacco Use, An Analysis of Initiative 773](#)
- [Text of Initiative 773](#)
- [Health Care Policy](#)

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