

HF2150 - 0 - "Quitline for Help to Stop Using Tobacco"

Chief Author: **Dario Anselmo**
 Committee: **Health and Human Services Finance**
 Date Completed: **03/21/2017**
 Agency: **Health Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		
		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2017	FY2018	FY2019	FY2020	FY2021
General Fund	-	461	2,969	2,969	2,969	2,969
Total	-	461	2,969	2,969	2,969	2,969
Biennial Total			3,430			5,938

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2017	FY2018	FY2019	FY2020	FY2021
General Fund	-	4	4	4	4
Total	-	4	4	4	4

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Paul Moore Date: 3/21/2017 9:20:16 AM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2017	FY2018	FY2019	FY2020	FY2021
General Fund	-	461	2,969	2,969	2,969	2,969
Total		-	461	2,969	2,969	2,969
Biennial Total			3,430	5,938		
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	461	2,969	2,969	2,969	2,969
Total		-	461	2,969	2,969	2,969
Biennial Total			3,430	5,938		
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total		-	-	-	-	-
Biennial Total			-	-		

Bill Description

The bill requires the commissioner of health to administer or contract for the administration of, a statewide tobacco quitline and related awareness activities about the dangers and harm of tobacco. The bill provides a blank appropriation in FY 2018 and FY 2019 from the general fund to the commissioner of health for these activities.

Assumptions

In Minnesota, ClearWay assumed responsibility for the statewide quitline under the tobacco settlement agreement. However, the settlement requires ClearWay to sunset by 2023 and they have announced they will shutter the state quitline by 2020 at the latest. This bill authorizes and funds MDH to administer a Minnesota statewide quitline and corollary supports and cessation promotion activities beginning in FY 2018.

The MDH Tobacco Prevention and Control (TPC) in the Office of Statewide Health Improvement Initiatives would assume responsibility for the administration of the quitline.

We assume that four full-time FTEs will be needed to administer the program:

- 1.0 FTE Planning Director State to lead the statewide cessation which will include a statewide quitline with a suite of services for smokers and a corresponding statewide awareness activities
- 1.0 FTE Planner Principal State Planner to manage the day-to-day operations of the quitline with counseling services, distribution of free Nicotine Replacement therapies and web-based texting or email services
- 1.0 FTE Planner Principal State to manage statewide cessation promotion and awareness activities
- 1.0 FTE Health Program Rep Senior to serve as a tobacco treatment and referral coordinator to facilitate the triage and coordination with the other private quitlines in the state and recruit clinics to serve as referral sources.

We estimate that materials, communications, supplies and computing would costs \$15,000 per year for the four FTEs.

We assume four contracts necessary to administer the program beginning in FY 2109:

- Quitline operations at \$1.3 million per year
- Statewide public awareness at \$1 million per year
- Treatment referral program at \$75,000 per year
- Evaluation contract at \$110,000 per year

The contract amounts are based on average basic costs for operating a statewide quitline system with standard

counseling services, Nicotine Replacement Therapy and promotional activities. To develop these estimates, we consulted with ClearWay Minnesota and other state health departments operating similar quitline program as described in this legislation.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

FUND BACT	EXPENDITURES (dollars in thousands)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
GF 1000 BACT 1	Salary and Fringe Benefits	-	393	393	393	393
	Other Operating Costs	-	15	2,500	2,500	2,500
	Grants	-	-	-	-	-
	Administrative Services	-	53	76	76	76
	OR Indirect Cost	-	-	-	-	-
	TOTAL EXPENSES	-	461	2,969	2,969	2,969
	TOTAL REVENUES	-	-	-	-	-
	NET COST <SAVINGS>	-	461	2,969	2,969	2,969

Local Fiscal Impact

References/Sources

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