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**Testimony of the
 American Cancer Society
 Cancer Action Network (ACSCAN)
 on Governor Cuomo’s Proposed 2014-2015 Budget
 before the Assembly Ways and Means Committee
 and the Senate Finance Committee**

**Michael Burgess, Director, Government Relations
 Monday, February 3, 2014**

The Status of Cancer in New York and Citizen Mobilization to Find a Cure

Thank you for this opportunity to address members of the Legislature regarding the Governor’s budget proposal for 2014-2015. I would like to take a moment to tell you about the status of cancer in our state and the work of the American Cancer Society to finish the fight and find a cure for cancer. It is estimated that 109,000 New Yorkers will be diagnosed with cancer this year and about 34,000 will die from the disease. More people are getting cancer but fewer than ever are dying from it. In fact, the number of deaths has declined by 20% in the last 23 years. It is the research and the interventions and public health laws we and the federal government have passed which have led to this decline.

We are making great progress but we need the active partnership of government in this battle which is being waged by organizations like ours and others but also by citizens across the state

and nation. We have now signed up 300,000 persons nationwide in our Cancer Prevention Study – 3. This multi-year survey will study lifestyle, behavioral, environmental and genetic factors that may cause or prevent cancer with the ultimate goal of eliminating cancer as a major health problem for this and future generations.

In October 270,000 persons participated in the Making Strides Against Breast Cancer fundraising walks across the state to support and honor their friends and family members fight cancer. This spring four million people in 20 countries including many college students here in New York join in the Relay for Life events to raise money and honor loved ones. Nationally, the American Cancer Society committed \$115 million of the funds raised for research grants and currently just under \$47 million is being spent on 89 grants to academic and research institutions all across the state. So, the Cancer Society is a force for economic development as well as a mobilizer of thousands of volunteers to lead the battle to find a cure for cancer.

Tobacco Control and Lung Cancer

In January, the American Cancer Society Cancer Action Network joined with other public health organizations in marking the 50th anniversary of the Surgeon General Luther Terry's landmark report in 1964 that linked cigarette smoking to cancer. Our country's political and public health leadership can derive great satisfaction from the achievements which have followed from a three-part strategy that has included

- a) raising cigarette taxes
- b) banning smoking in restaurants, bars and many other public places and
- c) funding for tobacco cessation efforts.

Smoking rates declined from 42% in 1964 to 18% nationally and 16% in New York State.

According to a report in the Journal of American Medicine, It is estimated that 8 million more persons are living today who would not be if smoking rates had not been reduced to current levels. The study shows that reductions in smoking have produced a 30 percent increase in life expectancy in the United States from 1964 to 2012.¹

We are not content with this success though and we join with other public health organizations in working toward a goal of reducing nationwide smoking rates to 12% by 2020 and 10% in the next ten years. This is especially important because, despite our successes, many sub-groups of the state's population including rural residents, the low-income, lower educated, racial and ethnic groups and those with behavioral and substance abuse problems continue to smoke at much higher rates exceeding 25% or even 30%. We need to make a concerted effort to focus on these disparities.

The successes we have had are a clear indication of what strong public leadership can accomplish. Unfortunately, we still estimate that about 8800 persons in our state will die from lung cancer this year. Smoking accounts for 30% of all cancer deaths and 85% of all lung cancer deaths. Unfortunately, Governor Cuomo's budget fails to provide the commitment, leadership and partnership necessary to help us attain our public health goals regarding smoking cessation and cancer screenings and prevention. The Governor proposes to maintain current funding for the local contractors of the the Tobacco Control Program (TCP), however he takes \$2.1 million in funds for tobacco enforcement and puts them into a pool of public health funds that the Department of Health will have sole jurisdiction over. This change removes any guaranteed

¹ Journal of American Medicine, January 2014

funding for the tobacco enforcement efforts and removes the Legislature from any input regarding its funding.

Overall the TCP has seen its funding cut by over 50% from \$85 million to \$39.3 million in the past seven years. This decline came despite the fact that the state receives over \$2 billion in revenues from tobacco taxes and still receives funds from the Master Settlement Agreement. These cuts have led to the state dropping from 5th to 21st nationwide in the amount of funding spent in relation to the recommendations of the CDC.

Now that the Governor has succeeded in stabilizing state revenues enough that he is proposing major tax cuts, we believe he must reverse this disproportionate cut which has harmed our ability to help even more smokers quit. Funding should be restored to \$85 million for the Tobacco Control Program in the current budget.

The 2012 Independent Evaluation report of the Tobacco Control Program which was released late last year concluded:

“Continued underfunding of the program threatens continued progress toward reducing tobacco use and risk, perpetuating tobacco-related disparities among the state’s most vulnerable populations. Further reductions in tobacco use are put at risk by budget reductions that curtail the program’s ability to reach a significant portion of New Yorkers.”

This report recommends a funding level of \$127 million. The report also stated that a 1% decline in smoking rates would reduce annual health care costs in the state by \$554 million.

A new report by the CDC which was released just last week recommends a minimum of \$203 million in state spending in New York on tobacco control efforts and gives a lower number of

\$143 million for the minimum acceptable appropriation to run an effective tobacco control effort in the state.

We are asking the Legislature to use the tobacco tax revenues the state receives to restore funding this year to the \$85 million level. If additional money is needed we have even proposed that the state close the tax loophole that allows loose tobacco to be taxed at a lower rate than other tobacco products.

We have continually emphasized the value of these programs not only in terms of lives that can be saved, but also in terms of the obvious savings in the state and federal health budgets. To not appreciate the value of such an investment is short-sighted in a state in which \$2.7 billion in Medicaid expenses and \$8 billion in overall health expenditures can be attributed to smoking.² And, with half of all births in the state are paid for by Medicaid, significant, immediate savings could be achieved if the smoking rate for pregnant women was reduced.

Prevention and Cancer Screenings

Funds have also been cut for the Cancer Services Program (CSP) in recent years from \$29.5 million to \$24.8 million including a cut of \$450,000 in this year's budget proposal. This program provides screenings for persons without health insurance. Though the Affordable Care Act will help, there will remain nearly one million New Yorkers without health insurance who need these screenings for prostate, cervical, breast and colorectal cancer. Again we can save lives and dollars with early detection for those who have no insurance to see a health provider and be tested otherwise.

Again, the evidence shows the value of this program. A study by the Department of Health indicated that the program saves \$46 million, far more than the appropriation level.

² US Centers for Disease Control and Prevention, "Best Practices for Comprehensive Tobacco Control Programs – 2007, p 88

Proposed Restriction on Off Label Drugs Directly Harms Cancer Patients

We are also disappointed by the inclusion in the Medicaid budget of a provision allowing the Commissioner of Health and Medicaid managed care plans to require prior authorization for drugs used for off label purposes. A large number of those effected by this provision will be cancer patients who often are prescribed a combination of drugs including those approved for other purposes in order to help in their treatment. This requirement will lead to doctors having to do more paperwork to justify their prescribing for their cancer patients and will either delay or deny the prescription. It is ironic that the Governor is proposing these restrictions at a time when he seeks to provide a limited use of medical marijuana precisely to ease pain and suffering for cancer patients and others with serious and life-threatening illnesses.

Promotion of Palliative Care

Palliative care is another priority of the American Cancer Society Cancer Action Network. We are working with other organizations to form a Palliative Care Collaborative to advocate for a culture change that will more fully incorporate palliative care into medical practices. \$4.5 million in funding for palliative care training in undergraduate and graduate schools was passed a few years ago but was not authorized for expenditure. We are asking that this commitment of funds be restored.

Affordable Care Act Implementation

Though we are dissatisfied by the commitment to these programs I have mentioned, we applaud the state's commitment and success implementing the Affordable Care Act which, so far, has led to 325,000 persons signing up for new coverage. We are pleased that many cancer patients in need of coverage are able to take advantage of the new federal coverage and the expansion of Medicaid. We support the funding and leadership shown in making the outreach for the

implementation widely accessible. Governor Cuomo took the lead with an Executive Order to establish the New York State of Health exchange, which has had a very vigorous outreach plan to ease the process and to seek opportunities to interact with the public.

Reform Tax Checkoff Programs for Cancer and other Purposes

We are pleased that the Governor has included language that will fix a situation that has led to millions of dollars in unspent funds for prostate cancer research in tax checkoff donations by taxpayers in the state over many years. Thousands of New Yorkers were concerned about prostate cancer and donated \$1.8 million toward research on their tax forms over the past decade and they contributions should be spent as they intended. Comptroller DiNapoli has issued a report on the all of the tax checkoff programs and action should be taken to spend the money received on a timely basis.

Out of Network “Surprise” Medical Bills

We also strongly support the Governor’s intent to protect health consumers from being billed for thousands of dollars because they unknowingly were served by an out of network doctor or provider for a health care procedure.

It is important these protections be enacted this year after many years of delay and gridlock. It is the purpose of insurance to shield seriously ill patients from this risk rather than create a labyrinth of exceptions and gaps. No consumer in New York State who has health insurance which he or she thought would cover charges for serious illness should unknowingly be held responsible for thousands of dollars of costs which could threaten them with bankruptcy.

The health circumstances many patients with cancer face are physically and emotionally difficult. Unfortunately, for many, financial problems related to insurance coverage add more stress. Many cancer patients face bankruptcy because of the costs of their care.

Conclusion: State Partnership with Citizens and Patients Needed to Fight Cancer

Let me finish by recalling again the hundreds of thousands of volunteers who donate their time, helping at our Hope Clubs and walking to raise money. They walk for their friends, family members and in memory of those who lost their battle with cancer. The people of this state are committed to fighting cancer, place a high priority on it and expect public leaders to partner with them by continuing to fund these programs in addition to all the private money that is raised. We need the state's leadership to join us to finish the fight.