

November 2018

Tobacco Pricing Message Toolkit

This messaging toolkit can serve as a foundation for educating and communicating about tobacco pricing. The messages do not need to be used verbatim and can be adapted based on the type of communication and target audience.

This is an internal document for STEPP grantees only.

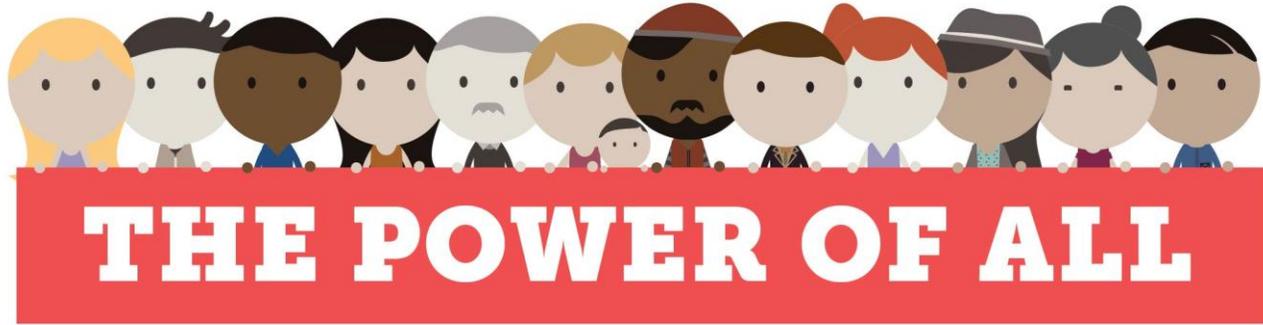
If you have questions or need assistance, contact STEPP's Tobacco Communications Specialist or SE2, STEPP's communications technical assistance provider, at TA@se2communications.com.

Who should you talk to?

1. The health department and health coalition members. Particular emphasis should be placed on programs working with low-income/disparately affected populations such as Maternal and Child Health, WIC, Child Fatality, Cancer, Cardiovascular and Pulmonary Disease (CCPD) program grantees and any other chronic disease prevention programs, Communities that Care (CTC) grantees and partners.
2. Health providers.
3. Local nonprofit organizations.
4. School districts and education partners.
5. Office of Behavioral Health and SAMHSA grantees in your community.
6. Housing partners.
7. Local government partners, including county commissioners, city councils, etc.
8. Business organizations like chambers of commerce.

Prioritize groups according to proximity: start with the health department and move outward.

Before you start educating any group, ask questions to ensure you know what is most important to them, and frame your messages accordingly. For example, if your audience is focused on supporting youth, highlight how teens are especially price sensitive and that keeps them from starting the cycle of addiction. If the audience is focused on social justice issues, demonstrate how price increases



disproportionately benefit disadvantaged communities. If they care about fiscal policy, talk about how pricing strategies can reduce the burden of tobacco use on government health programs.

Although we've included talking points and messages that should work statewide, there is ample room for leading with stories from your community. *Telling stories can be more persuasive than reams of data and facts because stories engage audiences, suspend criticism among listeners, and show authenticity.* How have you experienced or observed the harm caused by tobacco and how does that motivate you to make progress on this issue?



Elevator Pitch All Audiences

Cheap tobacco hooks kids, leading to addiction, disease and death. Beyond this terrible human toll, all Coloradans pay the high price of treating tobacco-related disease. Although Coloradans take pride in our state's good health, Colorado's tobacco products are among the cheapest in the nation. Raising the price of tobacco prevents kids from starting and encourages adult users to cut back or quit entirely. That saves lives and reduces the economic impact and cost to all taxpayers of tobacco-related illnesses.

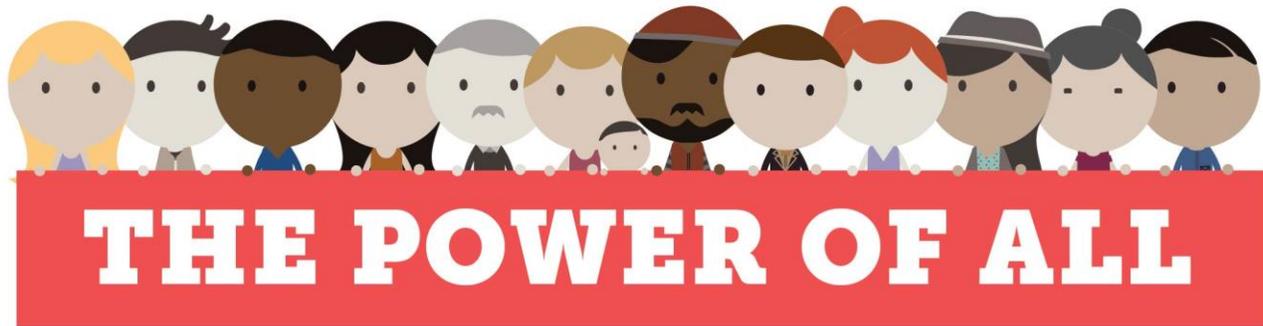
Colorado's Outdated Tobacco Tax

Colorado has some of the lowest tobacco prices in the nation. Colorado tobacco is cheap – the tax hasn't changed in more than thirteen years. This creates an environment where kids are more likely to experiment with tobacco and become addicted for a lifetime.

Supporting Data:

- Colorado ranks 39th in the nation for the amount of its cigarette excise tax, behind Montana, Kentucky, Arkansas, Louisiana and Kansas.¹
- Colorado is among 19 states that have not increased their cigarette tax in 10 or more years.
- Electronic smoking devices or e-cigarettes (vape devices) are not included in the Colorado tobacco excise tax.
- The last time Colorado raised tobacco prices statewide was in 2004 with voters' approval of Amendment 35, a tax increase on cigarettes and other tobacco products.
 - The tax began Jan. 1, 2005 and included a 64-cent increase on a pack of cigarettes, to a total of 84 cents, and a 20 percent increase on other tobacco products to a total of 40 percent.
 - This tobacco tax increase temporarily brought Colorado in line with the national average for tobacco taxes.
 - By 2007, however, the average tax on a pack of cigarettes nationally was \$1.05, dropping Colorado into the lower range of states once again.

¹ State Cigarette Excise Tax Rates and Rankings. Campaign for Tobacco-Free Kids.
<https://www.tobaccofreekids.org/assets/factsheets/0097.pdf> Accessed September, 2018.



Colorado's History of Tobacco Prices and Consumption

Although Colorado was once a national leader in preventing tobacco use, our cheap tobacco products have hampered our ability to reduce initiation and increase cessation. According to the Surgeon General, raising the price of tobacco is one of the best tobacco control interventions.

Supporting Data:

- After Colorado raised its tobacco tax, the state's smoking rate declined significantly. In the five years after the increase (2005-2010), the percentage of adult smokers fell from 21 percent to 16 percent. According to the Colorado Health Institute, "The effects of a tobacco tax increase diminish over time. The adult smoking rate in Colorado is 14.6 percent.² It has not dropped significantly for the past four years."

The Opportunity

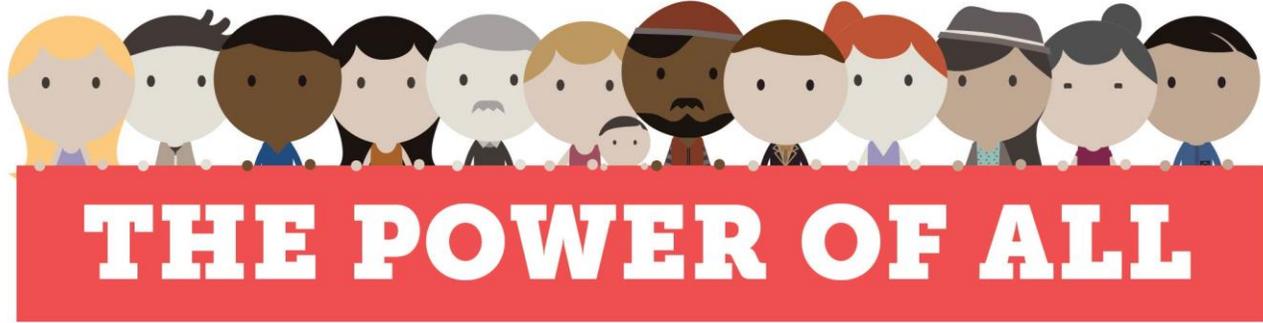
National and international health experts agree (see the list below) that raising tobacco prices is the most effective way to reduce tobacco addiction.

Supporting Data:

- The Surgeon General has called raising prices on cigarettes "one of the most effective tobacco control interventions" because it is proven to reduce smoking, especially among kids. In the 50 Years of Progress Report, the Surgeon General recommends that cigarettes should cost \$10 per pack.³
- Given their limited financial resources, both youth and low-income adults are more sensitive to price increases in tobacco.

² Colorado Department of Public Health and Environment, Behavioral Risk Factor Surveillance System, 2017 accessed at <https://www.colorado.gov/pacific/cdphe/vision-data-tool>

³ U.S. Department of Health and Human Services. The Health Consequences of Smoking: 50 Years of Progress. A Report of the Surgeon General. Atlanta, GA: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2014. Printed with corrections, January 2014. <https://www.surgeongeneral.gov/library/reports/50-years-of-progress/full-report.pdf>



- A number of influential public health organizations recommend tobacco price increases as a strategy for tobacco control, including:
 - Centers for Disease Control and Prevention (CDC)
 - U.S. Surgeon General
 - World Health Organization
 - American Academy of Family Pediatrics
 - Campaign for Tobacco Free Kids
 - Institute of Medicine
 - American Lung Association
 - American Cancer Society
 - American Heart Association
 - American Stroke Association
- Over 59 percent of Colorado smokers are low-income. Because they are more price sensitive, low-income tobacco users are more likely to cut back or quit in response to price increases. That means they receive a greater health benefit from a tobacco price increase.

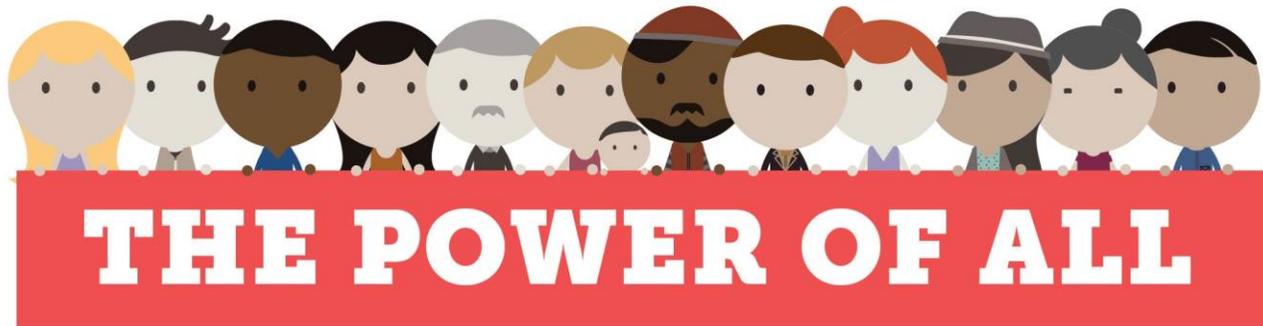
Benefits of Price Increases

There are a number of proven benefits to raising the price of tobacco, including reducing the number of young people who start using tobacco, reducing the amount of tobacco consumed, and increasing the number of tobacco users who quit. This in turn reduces tobacco-related death and disease.

Supporting Data:

- A study from the Congressional Budget Office found that a 10 percent increase in price per pack results in a 5 to 15 percent decrease in smoking among youth and a 3 to 7 percent decrease in smoking among adults.⁴

⁴ Higher Tobacco Taxes Can Improve Health and Raise Revenue. Center on Budget Policy Priorities. <https://www.cbpp.org/research/higher-tobacco-taxes-can-improve-health-and-raise-revenue>



Tobacco Pricing Talking Points For Audiences Focused on Public Health

Public health-focused audiences need to hear messages about how a tobacco price increase will benefit the health of the individual, as well as the community.

The Problem

While smoking on average has been declining over recent decades, low-income adults in Colorado are disproportionately harmed by the toll of tobacco. Youth are still becoming hooked on tobacco, which can lead to a lifetime of addiction and related health problems.

Youth are getting addicted to nicotine

Colorado leads the nation in youth vaping, and too many kids still smoke cigarettes and use chewing tobacco. Raising the price of these products is one of the most effective ways to save teens from a lifetime of addiction.

Supporting Data:

- The vast majority of tobacco users start at a young age. Nearly 90 percent of all adult smokers begin smoking by age 18 and 99 percent do so by age 26.⁵
- While cigarette smoking is declining among Colorado youth, with 7.2 percent smoking cigarettes, vaping is offsetting this progress. More than a quarter (27 percent) of Colorado youth vape.⁶
- Most e-cigarettes contain nicotine, which can harm developing brains.⁷

⁵ U.S. Department of Health and Human Services. Preventing Tobacco Use Among Youth and Young Adults: A Report of the Surgeon General. Atlanta, GA: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2012.

<https://www.surgeongeneral.gov/library/reports/preventing-youth-tobacco-use/exec-summary.pdf>

⁶ Healthy Kids Colorado Survey, 2017. <https://www.colorado.gov/pacific/cdphe/hkcs>

<https://www.coloradohealthinstitute.org/research/healthy-kids-smoking>

⁷ What We Know About Electronic Cigarettes. Smokefree.gov. <https://smokefree.gov/quit-smoking/ecigs-menthol-dip/ecigs>



- Research indicates that vaping by teenagers may lead to smoking.⁸
- Kids are particularly sensitive to price increases. A 10 percent increase in the price of cigarettes reduces the number of youth who smoke by 6 to 7 percent.⁹

Low-income adults are disproportionately impacted by tobacco industry practices

Although smoking among Coloradans has decreased significantly, there is still a substantial disparity by income level. Tobacco addiction disproportionately hurts low-income communities, and not just the people who use the products. Decades of targeted advertising from tobacco companies has made hard-working, low-income Coloradans more likely to smoke than their more privileged neighbors. It also means their kids and neighbors are more likely to be exposed to secondhand smoke. A common tobacco industry practice is to keep products cheap and accessible including price discounting and retailer promotions.

Supporting data:

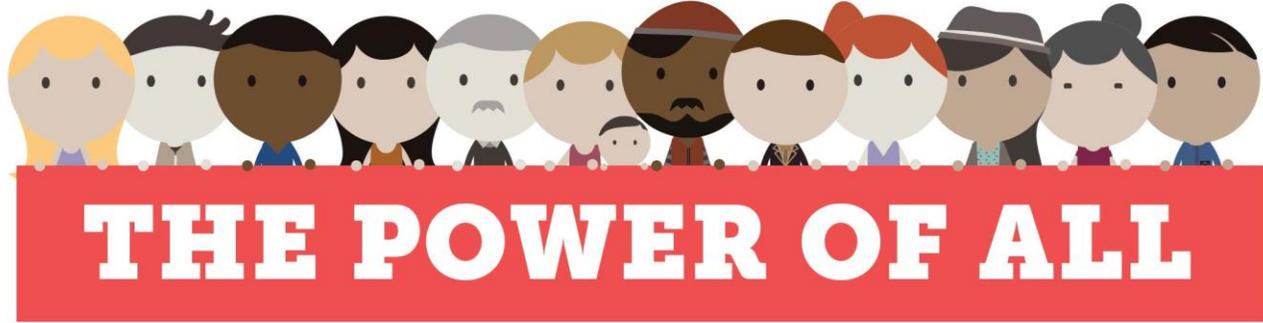
- While the overall smoking rate in Colorado stands at 14.6 percent of the state's adult population, 23.1 percent¹⁰ of Colorado's adult low-income population smoke, meaning they face a disproportionate health burden.
 - Low-income individuals smoke at higher rates due to a few factors: People who live in low-income communities experience more tobacco industry predatory practices, have fewer resources and social supports, and often the least access to services to help them quit.¹¹

⁸ E-cigarette use as a predictor of cigarette smoking: results from a 1-year follow-up of a national sample of 12th grade students. Retrieved from <http://tobaccocontrol.bmj.com/content/early/2017/01/04/tobaccocontrol-2016-053291?paperetoc>

⁹ Raising Tobacco Taxes: A Win-Win-Win. Campaign for Tobacco Free Kids. <http://www.tobaccofreekids.org/research/factsheets/pdf/0385.pdf> Accessed September, 2018

¹⁰ Colorado Department of Public Health and Environment, Behavioral Risk Factor Surveillance System, 2017 accessed at <https://www.colorado.gov/pacific/cdphe/vision-data-tool>

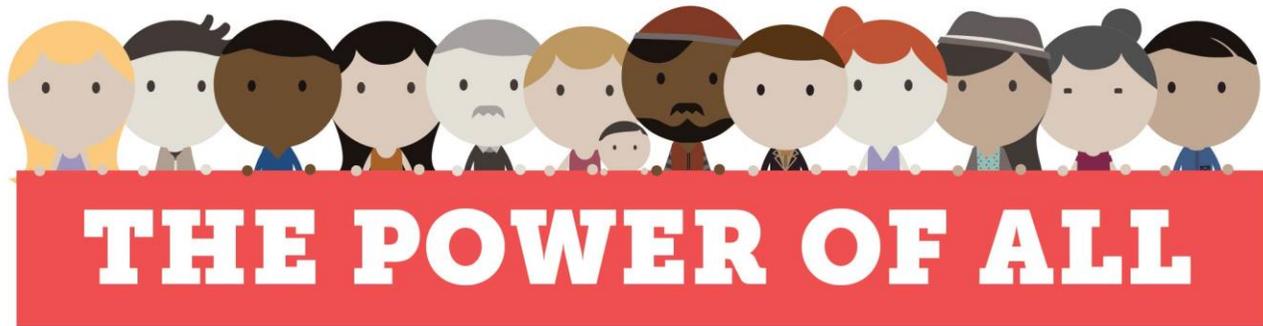
¹¹ Tobacco Is a Social Justice Issue: Low-Income Communities. Truth Initiative. <https://truthinitiative.org/news/smoking-and-low-income-communities>



- Tobacco companies often target their advertising campaigns toward low-income neighborhoods and communities.¹²
- When tobacco taxes increase, low-income individuals are four times more likely to quit.¹³

¹² Cigarette Smoking and Tobacco Use Among People of Low Socioeconomic Status. Centers for Disease Control. <https://www.cdc.gov/tobacco/disparities/low-ses/index.htm>

¹³ Tobacco Tax Increases Benefit Lower-income Smokers and Families. Campaign for Tobacco-Free Kids. <https://www.tobaccofreekids.org/assets/factsheets/0147.pdf>



Tobacco Pricing Talking Points For Economy-Minded Audiences

Audiences focused on the economy need to hear messages about how a tobacco price increase will benefit the economy and save money for businesses and taxpayers. These audiences could include policymakers, government employees, business owners and advocates, and other taxpayers.

The Problem

Tobacco use doesn't just cost lives; it costs Colorado a lot of money. Even those who don't use tobacco end up paying a lot for its health impacts. That includes hundreds of millions of dollars in tax money for health programs, as well as declines in workplace productivity that drag down the economy.

Data support:

- The annual health care costs in Colorado directly caused by smoking total \$1.89 billion.¹⁴
- Annual Medicaid costs in Colorado caused by smoking equal \$386.3 million.¹⁵
- Smoking-caused productivity losses in Colorado total \$1.27 billion.¹⁶
- The state and federal tax burden from smoking costs \$692 per Colorado household.¹⁷
- Smoking-caused health costs and productivity losses in the United States total at least \$19.16 per pack¹⁸
- Each pack of cigarettes sold costs the nation as a whole a “secret surcharge” of \$10.¹⁹

¹⁴ The Toll of Tobacco in Colorado, 2018. Tobacco Free Kids. <https://www.tobaccofreekids.org/problem/toll-us/colorado>

¹⁵ The Toll of Tobacco in Colorado, 2018. Tobacco Free Kids. <https://www.tobaccofreekids.org/problem/toll-us/colorado>

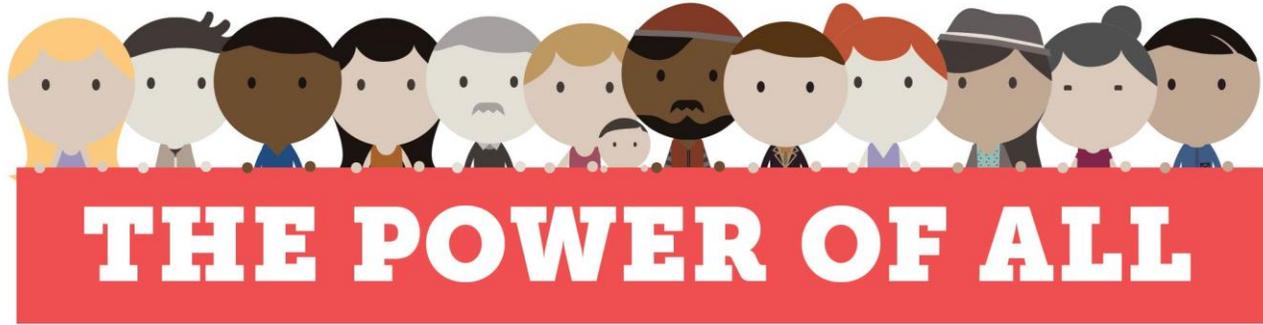
¹⁶ The Toll of Tobacco in Colorado, 2018. Tobacco Free Kids. <https://www.tobaccofreekids.org/problem/toll-us/colorado>

¹⁷ The Toll of Tobacco in Colorado, 2018. Tobacco Free Kids. <https://www.tobaccofreekids.org/problem/toll-us/colorado>

¹⁸ The Toll of Tobacco in the United States of America. Tobacco Free Kids.

<https://www.tobaccofreekids.org/assets/factsheets/0072.pdf>

¹⁹ Cigarettes Should Cost \$25 a Pack. Harvard Business Review. <https://hbr.org/2012/11/americas-fiscal-cliff-can-be-a>



Frequently Asked Questions

To prepare for questions or pushback you may receive, we've prepared responses that will help continue a productive conversation about tobacco pricing.

How will raising the price of tobacco benefit the community?

When communities raise the price of tobacco products, studies have found that kids are less likely to start using tobacco and adult tobacco users are more likely to reduce their use or quit entirely. This saves lives and reduces the cost to all taxpayers of health care to treat tobacco-related illnesses.

Supporting Data:

- Nearly 90 percent of adult smokers start by the age of 18. Therefore, higher tobacco prices that discourage youth use will result in fewer adults addicted to tobacco.
- Because tobacco use costs Colorado billions of dollars in health care spending and lost productivity, Colorado's economy and taxpayers will benefit from reduced consumption.

Will tobacco price increases hurt low-income populations?

What hurts low-income people in our state is tobacco addiction driven by predatory industry marketing. Low-income smokers in Colorado try to quit smoking more than high income smokers, but they are less likely to have a successful quit. The best way to break this cycle of addiction is to increase the prices of these products. Support is available for those who want to quit smoking as a result of price increases, and we can break this cycle for the next generation.

Tobacco addiction hurts low-income communities, and not just the people who use the products. Decades of targeted advertising from tobacco companies have made low-income Coloradans more likely to smoke than their higher-income neighbors. It also means their kids and neighbors are more likely to be exposed to secondhand smoke. One key strategy the tobacco industry has used to market its deadly products has been price discounting, showing the importance of increasing price in preventing tobacco addiction.



Because low-income people are more sensitive to changes in tobacco prices, they will be more likely than higher-income people to smoke less, quit, or never start in response to a price increase, saving them money. This means that the health benefits and ongoing cost savings resulting from the price increase would be progressive, helping lower-income people the most.

Supporting Data:

- One study estimates that in response to cigarette price increases, people with incomes below the median reduce their cigarette consumption by four times more than people with incomes above the median.²⁰
- While low-income individuals paid 12 percent of the 2009 federal tobacco tax increase, they received 46 percent of the health benefits.²¹

If we raise tobacco prices, won't people just buy cheaper tobacco elsewhere?

Research does not support the claim that price increases lead to tax evasion, including the smuggling of tobacco from places with lower taxes.

Supporting Data:

- A study from Tobacconomics, an organization within the University of Chicago's Institute for Health Research and Policy, found that concerns about cigarette smuggling in response to a cigarette tax increase are "greatly exaggerated."
- According to Tobacconomics: "Every state that has passed a significant cigarette tax increase has enjoyed a substantial, sustained increase in its state cigarette tax revenues" – and nearby states have not.²²

²⁰ Higher Tobacco Taxes Can Improve Health and Raise Revenue. Center on Budget Policy Priorities.

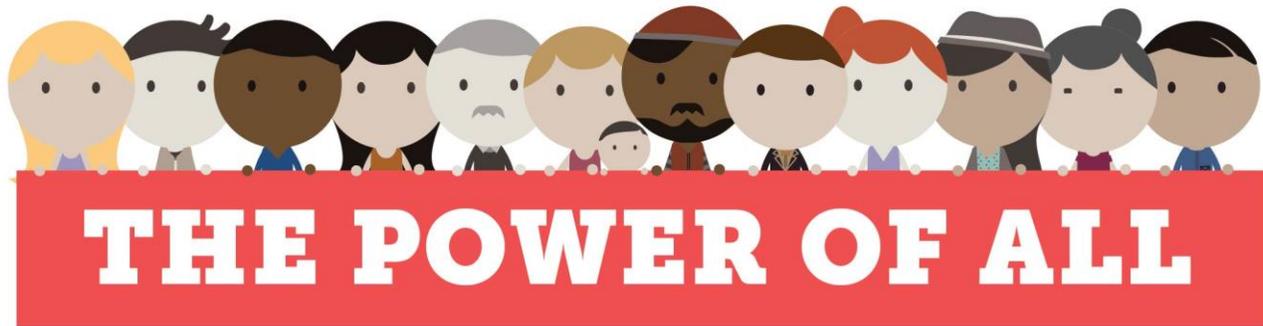
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²¹ Higher Tobacco Taxes Can Improve Health and Raise Revenue. Center on Budget Policy Priorities.

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²² Cigarette Smuggling in Response to Large Tax Increase in Indiana is Greatly Exaggerated. Tobacconomics.

<https://tobacconomics.org/research/cigarette-smuggling-in-response-to-large-tax-increase-in-indiana-is-greatly-exaggerated-policy-brief/>



What can low-income tobacco users do if tobacco prices increase?

Those who use tobacco now have access to free resources to quit or cut back, resources that are funded with revenue from Colorado's existing tobacco tax. They include: the [Colorado QuitLine](#), a free phone and web service that provides treatment proven to help people quit tobacco; Baby and Me Tobacco Free, an intensive option for pregnant and nursing mothers; and This is Quitting, a free mobile app that gives advice and support 24/7. Any Coloradan can get the resources they need to quit for free.

Supporting Data:

- Research suggests that many current smokers, especially those who have lower incomes, will avoid the new tax or price increases by choosing to quit or reduce their smoking. This will save them money in the long run because smoking is so expensive.²³

Will this hurt businesses?

Raising tobacco prices is proven to reduce tobacco use, which is a boon to our economy. It would benefit all sectors of our economy if fewer people were addicted to a product that makes them sick and kills them. Raising the price of tobacco products will help us accomplish that, without harming the retail sector.

Supporting Data:

- Smoking-caused productivity losses in Colorado total \$1.27 billion.²⁴
- Research shows that cigarette taxes do not negatively affect convenience stores.²⁵

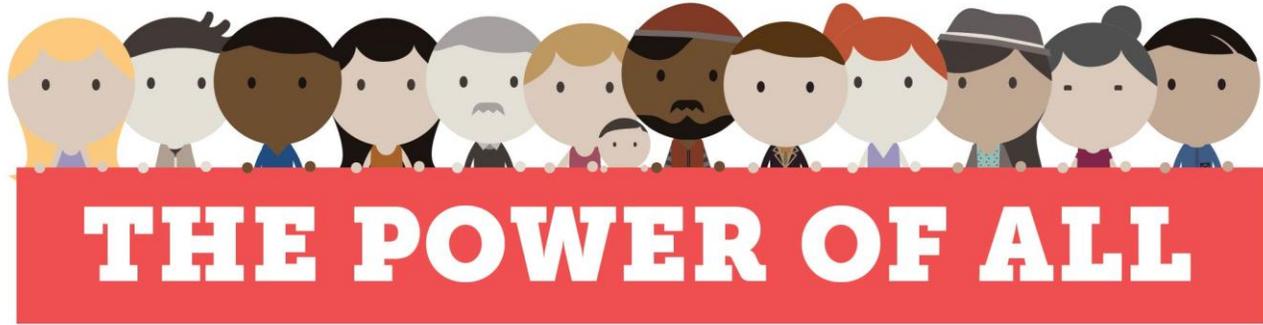
²³ Tobacco Tax Increases Benefit Lower-Income Smokers and Families. Tobacco Free Kids.

<https://www.tobaccofreekids.org/assets/factsheets/0147.pdf>

²⁴ The Toll of Tobacco in Colorado, 2018. Tobacco Free Kids. <https://www.tobaccofreekids.org/problem/toll-us/colorado>

²⁵ The economic impact of state cigarette taxes and smoke-free air policies on convenience stores. BMJ Journals.

<https://tobaccocontrol.bmj.com/content/22/2/91>



Why should the government get involved in private behavior?

It may be an individual's choice to smoke, but that choice affects other people. Secondhand smoke and the costs associated with smoking hurt others, from tobacco-related death and diseases to taxpayer-funded health care costs. Most Colorado smokers want to quit and benefit from encouragement.

Supporting Data:

- The federal and state tax burden for smoking-caused spending is \$692 per Colorado household.²⁶
- In 2017, 68 percent of current adult smokers made a least one quit attempt.²⁷

²⁶ The Toll of Tobacco in Colorado, 2018. Tobacco Free Kids. <https://www.tobaccofreekids.org/problem/toll-us/colorado>

²⁷ 2017 Colorado Behavioral Risk Factor Surveillance System <https://drive.google.com/file/d/1B-ef-vbZMp3mJCQARbBAinr2aWLCAPTJ/view>