



Master Settlement Agreement in Pennsylvania

Twenty years ago, four major tobacco companies settled a court case with 46 states, including Pennsylvania, and the District of Columbia. The Tobacco Master Settlement Agreement (MSA) remains the largest civil settlement in U.S. history, and as a result, kids are better protected from tobacco marketing. The funding from the settlement was intended to be allocated to lifesaving tobacco control efforts in states, not just when the agreement was signed, but in perpetuity through annual payments by the tobacco companies to the states due to the death and disease their products cause.

In Pennsylvania, the MSA funds:

- Tobacco youth prevention programs
- Cessation programs for youth and adults
- Nicotine replacement therapies
- The Pennsylvania Free Quitline
- Tobacco retailer compliance checks
- Tobacco free worksite and multiunit housing policies
- Young Lungs at Play
- Addressing tobacco-related disparities
- Process and outcome evaluation
- Pennsylvania Alliance to Control Tobacco (PACT)

For every dollar spent on tobacco prevention, states reduce tobacco related **healthcare expenditures** and **hospitalizations** by up to \$55.

Tobacco prevention reduces tobacco-related healthcare **costs and productivity** losses that total more than **\$14,000,000,000** annually in **PENNSYLVANIA**.

In fiscal year 2019, Pennsylvania's tobacco control budget totaled **less than 14%** of the **\$140,000,000** recommended by CDC.

Every year, **22,000** adults die from smoking and annual healthcare costs directly caused by smoking. **1/3 of the costs go to the state Medicaid program.**



JEOPARDIZED FUNDING

In 2017, The Pennsylvania General Assembly securitized future MSA funding in the amount of \$1.5 billion. The securitization creates uncertainty for future funding for Tobacco Control and Prevention Services in the Commonwealth.

Learn more about MSA funding at [PACTonline.org](https://pactonline.org)



RECOMMENDATION: Allocate state funding to the CDC-recommended level of \$140 million annually for comprehensive tobacco prevention and control programs and ensure that funding is spent according to CDC's Best Practices.

Pennsylvania State Highlights American Lung Association State of Tobacco Control 2017. <https://www.lung.org/our-initiatives/tobacco/reports-resources/sotc/state-grades/highlights.html>

MPOWER Annual Summary Report, SFY2017-18. https://www.livehealthypa.com/docs/default-source/tobacco-use/mpower_2018.pdf?sfvrsn=12

Master Settlement Agreement Public Health Law Center. <https://publichealthlawcenter.org/topics/tobacco-control/tobacco-control-litigation/master-settlement-agreement>

