

Working Families, Healthy Families

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There are hundreds of thousands of South Carolina citizens who lack health insurance, and the majority of the uninsured is comprised of working people. Small business owners are struggling to afford swelling premium costs so that they might keep their valued employees. It may be shocking to know that many of our SC children are uninsured.

This month, H. 4850, which I co-sponsored, was filed in the South Carolina House of Representatives. The bill establishes The Working Families, Healthy Families Program which will accomplish several worthy objectives. First, it will provide healthcare coverage for 40,000 currently uninsured children by expanding the Partners for Healthy Children Program (our state's SCHIP) to include families with incomes at 200% of the federal poverty, rather than the 150% level that is now covered. As explanation, 200% of poverty is approximately \$30,000 for a family of four. We must provide the services that our children deserve and need if we are interested in a brighter future for South Carolina.

Additionally, this program will authorize a Premium Assistance Program for small businesses that employ 75 people or less. The program will help insure an estimated 100,000 workers who are currently living at or under 200% of the federal poverty level. Small business owners will only have to contribute 25% of the premium cost for eligible employees and covered employees will contribute to the program based on a sliding scale up to 15% of the premium cost. The remaining costs will be paid by the state Medicaid Program, but no funding from existing Medicaid programs will be diverted or reduced.

The Working Families, Healthy Families Program will allow our small businesses to remain financially competitive while building a healthy, stable workforce. The South Carolina Small Business Chamber of Commerce and the South Carolina Bankers Association have expressed their support of the bill. These associations, along with many others, realize that investing in health care will yield long-term benefits for our state.

The plan will also generate income for the Department of Health and Environmental Control to support smoking cessation and prevention programs for our youth and for the Department of Agriculture to help our farmers.

To many, our state has been losing out on potential income from an increase in the tobacco tax. With the national average at nearly 92 cents per pack, our state tax of 7 cents per pack is the lowest in the nation and has not seen a change since 1977. Georgia currently has a cigarette tax of 37 cents per pack. North Carolina is raising its cigarette tax, first to 35 cents in June 2006, and then to 40 cents in 2007. In approving an increase, South Carolina would remain competitive with our neighboring states, even in our border

counties. The issue becomes even more important when an increase in the cigarette tax becomes a means to improve the health of South Carolinians.

By increasing the cigarette tax 32 cents to a total of 39 cents per pack we can generate the funding to invest in quality, affordable health care for our working families. In the future, the tax will be adjusted based on the Consumer Price Index in order to keep pace with inflation and to provide a reliable funding source for the Working Families, Healthy Families Program.

There is good reason to focus on the tobacco tax: smoking is the leading preventable cause of death in the United States. According to the Centers for Disease Control, smoking kills more people each year than alcohol, AIDS, car crashes, illegal drugs, murders and suicides combined. In addition, 5,900 South Carolina adults die each year from their own smoking, and up to 1,130 die from secondhand smoke. And, for every person in South Carolina who dies from smoking approximately 20 more state residents are suffering from serious smoking-caused disease and disability, or other smoking-caused health problems.

Proponents of the legislation believe that increasing the tax will reduce smoking, particularly among children. A few additional pennies on each pack of cigarette may be all that is needed to steer a young person away from a lifetime of smoking full of costly, ruinous health problems. With a healthier population, South Carolina will enjoy considerable savings in our long-term health costs. As South Carolinians, we ought to value access to affordable healthcare over cheap cigarettes.